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August 22, 2014

BY E-PORTAL/ELECTRONIC FILING

Ms. Carlotta Stauffer
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850


Re: Docket No. 140004-GU – Natural Gas Conservation Cost Recovery Clause

Dear Ms. Stauffer:

Attached for electronic filing, please find the Direct Testimony and Exhibit MB-2 of Mr. Miguel Bustos, submitted in the referenced Docket on behalf of Florida City Gas, along with the Company's Petition for Approval of Conservation Cost Recovery Factors. Consistent with the directions for this docket, copies of the Petition, Testimony, and Exhibit are being provided to Staff Counsel.

Thank you for your assistance with this filing. As always, please don't hesitate to let me know if you have any questions whatsoever.

Sincerely,


Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

MEK
cc: Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**In re: Natural Gas Conservation Cost)
Recovery)
_____)**

**Docket No. 140004-GU
Filed: August 22, 2014**

**PETITION OF FLORIDA CITY GAS
FOR APPROVAL OF CONSERVATION COST RECOVERY FACTORS**

Florida City Gas, a division of Pivotal Utility Holdings, Inc. (“Florida City Gas” or “the Company”) hereby submits this petition asking that the Commission approve the Company’s conservation cost recovery factors for the period January 1, 2015 through December 31, 2015. In support thereof, the Company says:

1. For the period January 1, 2013 through December 31, 2013, the Company’s Adjusted Net True-Up is an over-recovery of \$969,567, calculated based upon an end-of-period net true up over-recovery of \$1,697,819. Florida City Gas also projects an over-recovery of \$715,887 for the period January 1, 2014 through December 31, 2014. The total incremental costs for 2015 are projected to be \$5,507,887. When the prior period true-up is included, this results in a total of \$4,791,999 in conservation costs to be recovered over the period January 1, 2015 through December 31, 2015.

2. When the required true-up and projected expenditures are spread over the projected therm sales and expanded for taxes, the required conservation cost recovery factors for the period January 1, 2015 through December 31, 2015, are:

RATE CLASS	RATE/\$ PER THERM
GS-1, GS-100, GS-220, RSG, CSG (Sales & Transportation)	\$0.14392
GS-600 (Sales & Transportation)	\$0.07223

RATE CLASS	RATE/\$ PER THERM
GS-1200 (Sales & Transportation)	\$0.04286
GS-6k (Sales & Transportation)	\$0.03565
GS-25000 (Sales & Transportation)	\$0.03546
GS-60000 (Sales & Transportation)	\$0.03484
Gas Lights	\$0.06888
GS-120000 (Sales & Transportation)	\$0.02409
GS-250000 (Sales & Transportation)	\$0.02283

3. The Company's calculation of the Final 2013 Adjusted Net True-Up, as well as the Conservation Cost Recovery Factors set forth herein are calculated consistent with the Commission's methodology, and supported by the Direct Testimony of Miguel Bustos, and Schedules C-1 through C-5, which are included in Exhibit MB-2.

WHEREFORE, Florida City Gas requests that its Conservation Cost Recovery Factors for the period January 1, 2015 through December 31, 2015 be approved.



Beth Keating
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(850) 521-1706

Attorneys for Florida City Gas

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Petition, along with the Direct Testimony of Miguel Bustos and Exhibit MB-2, have been furnished by electronic mail to the following parties of record this 22nd day of August 2014:

Florida Public Utilities Company Cheryl Martin 911 South 8 th St. Fernandina Beach, Florida 32034	MacFarlane Ferguson Law Firm Ansley Watson, Jr. P.O. Box 1531 Tampa, FL 33601-1531
Messer Law Firm Norman H. Horton, Jr. P.O. Box 15579 Tallahassee, FL 32317	Office of Public Counsel J.R. Kelly/Patricia Christensen c/o The Florida Legislature 111 West Madison Street Room 812 Tallahassee, FL 32399-1400
Peoples Gas System Paula Brown Kandi Floyd P.O. Box 111 Tampa, FL 33601-0111	St. Joe Natural Gas Company, Inc. Mr. Andy Shoaf P.O. Box 549 Port St. Joe, FL 32457-0549
Sebring Gas System, Inc. Jerry H. Melendy, Jr. 3515 U.S. Highway 27 South Sebring, FL 33870	AGL Resources Inc. Elizabeth Wade Ten Peachtree Place Location 1470 Atlanta, GA 30309
Florida City Gas Carolyn Bermudez 933 East 25 th Street Hialeah, FL 33013-3498	Kelley Corbari Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399



Beth Keating
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Tallahassee, FL 32301

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DIRECT TESTIMONY (PROJECTION) OF MIGUEL BUSTOS

ON BEHALF OF

FLORIDA CITY GAS

DOCKET NO. 140004-GU

1 **Q. Please state your name, business address, by whom you are employed, and in**
2 **what capacity.**

3

4 A. My name is Miguel Bustos and my business address is 955 East 25th Street, Hialeah,
5 Florida 33013-3498. I am employed by Florida City Gas as Energy Efficiency Program
6 Manager. I have been with the Company for approximately 11 years.

7

8 **Q. Are you familiar with the energy conservation programs of Florida City Gas?**

9

10 A. Yes, I am.

11

12 **Q. Are you familiar with the costs that have been incurred and are projected to be**
13 **incurred by Florida City Gas in implementing its energy conservation programs?**

14

15 A. Yes, I am.

16

1 **Q. What is the purpose of your testimony in this docket?**

2 A. To submit the conservation cost recovery true-up for the final true-up period January 1,
3 2013 through December 31, 2013, and for the actual and estimated period of January 1,
4 2014, through December 31, 2014. I will also present the total level of costs Florida
5 City Gas seeks to recover through its conservation factors during the period January 1,
6 2015 through December 31, 2015, as well as the conservation factors which, when
7 applied to our customer's bills during the period January 1, 2015 through December 31,
8 2015, will permit recovery of total ECCR costs.

9

10 **Q. What is the Company's estimated true-up for the period January 1, 2014 through**
11 **December 31, 2014?**

12 A. An over-recovery of \$715,887. This amount is calculated on page 4 of Schedule C-3 of
13 Exhibit MB-2 and takes into account the final true-up for the year ended December 31,
14 2013, which was an over-recovery of \$1,697,819, including interest. For the period
15 January 1, 2013 through December 31, 2013, the Company's Adjusted Net True-Up is
16 an over-recovery of \$969,567, as reflected in Exhibit MB-1.

17

18 **Q. What is the total cost Florida City Gas seeks to recover during the period January**
19 **1, 2015 through December 31, 2015?**

20

21 A. The total cost is \$4,791,999. This represents the projected costs of \$5,507,887 to be
22 incurred during 2015, less the estimated true-up of \$715,887 for calendar year 2014.

1 **Q. What conservation factors does Florida City Gas need to permit recovery of these**
2 **costs?**

3

4	A.	GS-1, GS-100, GS-220, RSG, CSG (Sales & Transportation)	\$0.14392
5		GS-600 (Sales & Transportation)	\$0.07223
6		GS-1200 (Sales & Transportation)	\$0.04286
7		GS-6k (Sales & Transportation)	\$0.03565
8		GS-25000 (Sales & Transportation)	\$0.03546
9		GS-60000 (Sales & Transportation)	\$0.03484
10		Gas Lights	\$0.06888
11		GS-120000 (Sales & Transportation)	\$0.02409
12		GS-250000 (Sales & Transportation)	\$0.02283

13

14 **Q. Has Florida City Gas prepared schedules to support its requested Conservation**
15 **Cost Recovery Factor?**

16

17 A. Yes. I have prepared and filed together with this testimony an Exhibit MB-2, which
18 includes the Schedules C-1 through C-5 as prescribed by the Commission.

19

20 **Q. Does this conclude your testimony?**

21

22 A. Yes, it does.

ENERGY CONSERVATION ADJUSTMENT - SUMMARY OF COST RECOVERY CLAUSE CALCULATION

PROJECTED PERIOD: JANUARY 2013 THROUGH DECEMBER 2013
 ACTUAL/ESTIMATED PERIOD: JANUARY 2012 THROUGH DECEMBER 2012
 FINAL TRUE-UP PERIOD: JANUARY 2011 THROUGH DECEMBER 2011
 COLLECTION PERIOD FOR PRIOR TRUE-UP: JANUARY 2011 THROUGH DECEMBER 2011

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	\$ 5,507,887
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 12)	\$ (715,887)
3. TOTAL (LINE 1 AND 2)	<u>\$ 4,791,999</u>

RATE SCHEDULE	BILLS	THERM SALES	CUSTOMER CHARGE	NON-GAS ENERGY CHARGE	DEMAND CHARGE	TOTAL CUST. & ENERGY CHG REVENUES	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS PER THERM	TAX FACTOR	CONSERVATION FACTOR
GS-1, GS-100, GS-220, RSG, CSG (Sales & Transportatior	97,954	15,794,699	11,331,354	\$ 8,318,120	\$ -	\$ 19,649,474	\$ 2,261,843	11.5110%	\$ 0.14320	1.00503	\$ 0.14392
GS-600 (Sales & Transportation)	1,406	1,078,537	202,442	\$ 470,922	\$ -	\$ 673,364	\$ 77,511	11.5110%	\$ 0.07187	1.00503	\$ 0.07223
GS-1200 (Sales & Transportation)	2,760	9,314,194	496,731	\$ 2,953,997	\$ -	\$ 3,450,727	\$ 397,212	11.5110%	\$ 0.04265	1.00503	\$ 0.04286
GS-6k (Sales & Transportation)	2,198	23,750,625	791,308	\$ 6,528,334	\$ -	\$ 7,319,642	\$ 842,561	11.5110%	\$ 0.03548	1.00503	\$ 0.03565
GS-25000 (Sales & Transportation)	309	9,796,502	296,788	\$ 2,705,598	\$ -	\$ 3,002,385	\$ 345,603	11.5110%	\$ 0.03528	1.00503	\$ 0.03546
GS-60000 (Sales & Transportation)	71	4,817,825	127,108	\$ 1,323,794	\$ -	\$ 1,450,902	\$ 167,013	11.5110%	\$ 0.03467	1.00503	\$ 0.03484
Gas Lights	158	15,521	-	\$ 9,241	\$ -	\$ 9,241	\$ 1,064	11.5110%	\$ 0.06853	1.00503	\$ 0.06888
GS-120000 (Sales & Transportation)	49	10,696,857	148,154	\$ 1,934,420	\$ 144,786	\$ 2,227,359	\$ 256,390	11.5110%	\$ 0.02397	1.00503	\$ 0.02409
GS-250000 (Sales & Transportation)	37	19,489,157	133,477	\$ 3,350,381	\$ 362,929	\$ 3,846,787	\$ 442,802	11.5110%	\$ 0.02272	1.00503	\$ 0.02283
TOTAL	<u>104,942</u>	<u>94,753,918</u>	<u>13,210,686</u>	<u>\$ 27,594,806</u>	<u>\$ 507,715</u>	<u>\$ 41,629,882</u>	<u>\$ 4,791,999</u>				

PROJECTED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
FOR THE PERIOD JANUARY 2015 THROUGH DECEMBER 2015

PROGRAM NAME	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	TOTAL
1. RESIDENTIAL BUILDER	\$ 27,087	\$ 27,087	\$ 27,087	\$ 27,087	\$ 27,087	\$ 27,087	\$ 27,087	\$ 27,087	\$ 27,087	\$ 27,087	\$ 27,087	\$ 27,087	\$ 325,046
2. MULTI-FAMILY RESIDENTIAL BLDR	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
3. APPLIANCE REPLACEMENT	56,924	60,924	56,924	60,924	56,924	60,924	56,924	60,924	56,924	60,924	56,924	60,924	\$ 707,087
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
6. RES PROPANE CONVERSION	1,155	1,155	1,155	1,155	1,155	1,155	1,155	1,155	1,155	1,155	1,155	1,155	\$ 13,865
7. RES WATER HEATER RETENTION	142,290	142,290	142,290	142,290	142,290	142,290	142,290	142,290	142,290	142,290	142,290	140,290	\$ 1,705,479
8. RES CUT AND CAP ALTERNATIVE	6,945	6,945	6,945	6,945	6,945	6,945	6,945	6,945	6,945	6,945	6,945	6,945	\$ 83,340
9. COMM/IND CONVERSION	36,454	36,454	36,454	36,454	36,454	36,454	36,454	36,454	36,454	36,454	36,454	36,454	\$ 437,452
10. COMM/IND ALTERNATIVE TECH.	370	370	370	370	370	370	370	370	370	370	370	370	\$ 4,440
11. COMMERCIAL APPLIANCE	73,000	73,000	73,000	73,000	73,000	73,000	73,000	73,000	73,000	73,000	73,000	73,000	\$ 876,000
COMMON COSTS	111,181	113,181	111,181	113,181	111,181	113,181	111,181	116,181	111,181	116,181	111,181	116,181	\$ 1,355,178
TOTAL ALL PROGRAMS	\$ 455,407	\$ 461,407	\$ 455,407	\$ 461,407	\$ 455,407	\$ 461,407	\$ 455,407	\$ 464,407	\$ 455,407	\$ 464,407	\$ 455,407	\$ 462,407	\$ 5,507,887
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENSES	\$ 455,407	\$ 461,407	\$ 455,407	\$ 461,407	\$ 455,407	\$ 461,407	\$ 455,407	\$ 464,407	\$ 455,407	\$ 464,407	\$ 455,407	\$ 462,407	\$ 5,507,887

PROJECTED CONSERVATION PROGRAM COST BY COST CATEGORY
FOR THE PERIOD JANUARY 2015 THROUGH DECEMBER 2015

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. RESIDENTIAL BUILDER	\$ -	\$ 127,046	\$ -	\$ -	\$ 192,000	\$ -	\$ 6,000	\$ -	\$ 325,046
2. MULTI-FAMILY RESIDENTIAL BLDR	-	-	-	-	-	-	-	-	\$ -
3. APPLIANCE REPLACEMENT	-	184,751	-	-	516,000	-	6,336	-	\$ 707,087
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	\$ -
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	\$ -
6. RES PROPANE CONVERSION	-	12,065	-	-	1,800	-	-	-	\$ 13,865
7. RES WATER HEATER RETENTION	-	3,479	-	-	1,702,000	-	-	-	\$ 1,705,479
8. RES CUT AND CAP ALTERNATIVE	-	47,340	-	-	36,000	-	-	-	\$ 83,340
9. COMM/IND CONVERSION	-	281,272	-	-	122,400	-	33,780	-	\$ 437,452
10. COMM/IND ALTERNATIVE TECH.	-	-	-	-	-	-	4,440	-	\$ 4,440
11. COMMERCIAL APPLIANCE COMMON COSTS	-	-	-	-	876,000	-	-	-	\$ 876,000
	-	236,178	-	900,000	-	-	18,000	201,000	\$ 1,355,178
TOTAL ALL PROGRAMS	-	892,131	-	900,000	3,446,200	-	68,556	201,000	5,507,887
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENDITURES	\$ -	\$ 892,131	\$ -	\$ 900,000	\$ 3,446,200	\$ -	\$ 68,556	\$ 201,000	\$ 5,507,887

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD JANUARY 2014 THROUGH DECEMBER 2014
SEVEN MONTHS ACTUAL AND FIVE MONTHS ESTIMATED

	<u>CAPITAL INVESTMENT</u>	<u>PAYROLL & BENEFITS</u>	<u>MATERIALS & SUPPLIES</u>	<u>ADVERTISING</u>	<u>INCENTIVES</u>	<u>OUTSIDE SERVICES</u>	<u>VEHICLE</u>	<u>OTHER</u>	<u>TOTAL</u>
1. RESIDENTIAL BUILDER									
A. ACTUAL (7 months)	\$ -	\$ 57,988	\$ -	\$ -	\$ 110,350	\$ -	\$ 3,710	\$ -	\$ 172,048
B. ESTIMATED (5 months)	-	41,000	-	-	80,000	-	3,000	-	124,000
C. TOTAL	-	98,988	-	-	190,350	-	6,710	-	296,048
2. MULTI-FAMILY RESIDENTIAL BLDR									
A. ACTUAL (7 months)	-	-	-	-	-	-	-	-	-
B. ESTIMATED (5 months)	-	-	-	-	-	-	-	-	-
C. TOTAL	-	-	-	-	-	-	-	-	-
3. APPLIANCE REPLACEMENT									
A. ACTUAL (7 months)	-	91,278	-	-	286,164	-	3,698	-	381,139
B. ESTIMATED (5 months)	-	65,000	-	-	217,000	-	2,640	-	284,640
C. TOTAL	-	156,278	-	-	503,164	-	6,338	-	665,779
4. DEALER PROGRAM									
A. ACTUAL (7 months)	-	-	-	-	-	-	-	-	-
B. ESTIMATED (5 months)	-	-	-	-	-	-	-	-	-
C. TOTAL	-	-	-	-	-	-	-	-	-
5. GAS APPLIANCES IN SCHOOLS									
A. ACTUAL (7 months)	-	-	-	-	-	-	-	-	-
B. ESTIMATED (5 months)	-	-	-	-	-	-	-	-	-
C. TOTAL	-	-	-	-	-	-	-	-	-
6. RES PROPANE CONVERSION									
A. ACTUAL (7 months)	-	5,819	-	-	100	-	-	-	5,919
B. ESTIMATED (5 months)	-	4,150	-	-	4,600	-	-	-	8,750
C. TOTAL	-	9,969	-	-	4,700	-	-	-	14,669
SUB-TOTAL	\$ -	\$ 265,235	\$ -	\$ -	\$ 698,214	\$ -	\$ 13,048	\$ -	\$ 976,496

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD JANUARY 2014 THROUGH DECEMBER 2014
SEVEN MONTHS ACTUAL AND FIVE MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	\$ -	\$ 265,235	\$ -	\$ -	\$ 698,214	\$ -	\$ 13,048	\$ -	\$ 976,496
7. RES WATER HEATER RETENTION									
A. ACTUAL (7 months)	-	-	-	-	1,058,682	-	-	-	1,058,682
B. ESTIMATED (5 months)	-	-	-	-	710,000	-	-	-	710,000
C. TOTAL	-	-	-	-	1,768,682	-	-	-	1,768,682
8. RES CUT AND CAP ALTERNATIVE									
A. ACTUAL (7 months)	-	21,846	-	-	18,975	-	-	-	40,821
B. ESTIMATED (5 months)	-	16,000	-	-	22,000	-	-	-	38,000
C. TOTAL	-	37,846	-	-	40,975	-	-	-	78,821
9. COMM/IND CONVERSION									
A. ACTUAL (7 months)	-	150,463	-	-	71,479	-	19,704	-	241,646
B. ESTIMATED (5 months)	-	107,500	-	-	50,000	-	13,000	-	170,500
C. TOTAL	-	257,963	-	-	121,479	-	32,704	-	412,146
10. COMM/IND ALTERNATIVE TECH.									
A. ACTUAL (7 months)	-	-	-	-	-	-	2,593	-	2,593
B. ESTIMATED (5 months)	-	-	-	-	-	-	1,850	-	1,850
C. TOTAL	-	-	-	-	-	-	4,443	-	4,443
11. COMMERCIAL APPLIANCE									
A. ACTUAL (7 months)	-	-	-	-	358,703	-	-	-	358,703
B. ESTIMATED (5 months)	-	-	-	-	295,000	-	-	-	295,000
C. TOTAL	-	-	-	-	653,703	-	-	-	653,703
COMMON COSTS									
A. ACTUAL (7 months)	-	172,196	-	525,413	-	-	11,159	162,904	871,672
B. ESTIMATED (5 months)	-	123,000	-	375,000	-	-	8,000	95,000	601,000
C. TOTAL	-	295,196	-	900,413	-	-	19,159	257,904	1,472,672
TOTAL	\$ -	\$ 856,241	\$ -	\$ 900,413	\$ 3,283,053	\$ -	\$ 69,355	\$ 257,904	\$ 5,366,964

CONSERVATION PROGRAM COSTS - EXPENSES BY MONTH
FOR THE PERIOD JANUARY 2014 THROUGH DECEMBER 2014
SEVEN MONTHS ACTUAL AND FIVE MONTHS ESTIMATED

DESCRIPTION	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	TOTAL
1. RESIDENTIAL BUILDER	19,579	18,076	23,565	13,929	25,561	27,729	43,609	24,800	24,800	24,800	24,800	24,800	296,048
2. MULTI-FAMILY RESIDENTIAL BLDR	-	-	-	-	-	-	-	-	-	-	-	-	-
3. APPLIANCE REPLACEMENT	48,215	28,284	47,048	51,011	77,977	47,914	80,690	54,528	58,528	58,528	54,528	58,528	665,779
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	-	-	-	-	-
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	-	-	-	-	-
6. RES PROPANE CONVERSION	718	899	975	778	1,120	949	480	4,830	980	980	980	980	14,669
7. RES WATER HEATER RETENTION	130,970	127,341	171,339	136,656	167,946	108,231	216,199	142,000	142,000	142,000	142,000	142,000	1,768,682
8. RES CUT AND CAP ALTERNATIVE	5,108	5,597	5,511	6,370	8,968	3,562	5,705	6,200	13,200	6,200	6,200	6,200	78,821
9. COMM/IND CONVERSION	36,030	48,964	42,803	33,450	30,282	25,332	24,785	34,100	34,100	34,100	34,100	34,100	412,146
10. COMM/IND ALTERNATIVE TECH.	313	332	370	429	367	407	375	370	370	370	370	370	4,443
11. COMMERCIAL APPLIANCE	-	-	-	10,602	125,809	70,078	152,214	59,000	59,000	59,000	59,000	59,000	653,703
COMMON COSTS	55,877	128,988	153,434	118,759	221,060	121,214	72,340	116,200	116,200	116,200	126,200	126,200	1,472,672
TOTAL ALL PROGRAMS	296,811	358,481	445,045	371,984	659,090	405,416	596,397	442,028	449,178	442,178	448,178	452,178	5,366,964
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
NET RECOVERABLE	\$ 296,811	\$ 358,481	\$ 445,045	\$ 371,984	\$ 659,090	\$ 405,416	\$ 596,397	\$ 442,028	\$ 449,178	\$ 442,178	\$ 448,178	\$ 452,178	\$ 5,366,964

ENERGY CONSERVATION COST RECOVERY ADJUSTMENT
FOR THE PERIOD JANUARY 2014 THROUGH DECEMBER 2014
SEVEN MONTHS ACTUAL AND FIVE MONTHS ESTIMATED

CONSERVATION REVENUES	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	TOTAL
1. RCS AUDIT FEE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. OTHER PROG. REVS.	-	-	-	-	-	-	-	-	-	-	-	-	-
3. CONSERV. ADJ REVS.	(433,032)	(468,292)	(407,295)	(375,761)	(347,955)	(327,627)	(319,695)	(300,615)	(283,308)	(332,516)	(380,580)	(407,623)	(4,384,299)
4. TOTAL REVENUES	(433,032)	(468,292)	(407,295)	(375,761)	(347,955)	(327,627)	(319,695)	(300,615)	(283,308)	(332,516)	(380,580)	(407,623)	(4,384,299)
5. PRIOR PERIOD TRUE- UP NOT APPLICABLE TO THIS PERIOD	(141,485)	(141,485)	(141,485)	(141,485)	(141,485)	(141,485)	(141,485)	(141,485)	(141,485)	(141,485)	(141,485)	(141,485)	(1,697,819)
6. CONSERV. REVS. APPLICABLE TO THE PERIOD	(574,517)	(609,777)	(548,780)	(517,246)	(489,440)	(469,112)	(461,180)	(442,100)	(424,793)	(474,001)	(522,065)	(549,108)	(6,082,119)
7. CONSERV. EXPS.	296,811	358,481	445,045	371,984	659,090	405,416	596,397	442,028	449,178	442,178	448,178	452,178	5,366,964
8. TRUE-UP THIS PERIOD	(277,706)	(251,296)	(103,735)	(145,262)	169,650	(63,696)	135,217	(72)	24,385	(31,823)	(73,887)	(96,930)	(715,155)
9. INTEREST PROV. THIS PERIOD	(53)	(76)	(96)	(95)	(70)	(78)	(69)	(59)	(41)	(35)	(32)	(30)	(734)
10. TRUE-UP AND INTEREST PROV. BEG. OF MONTH	(1,697,819)	(1,834,093)	(1,943,979)	(1,906,325)	(1,910,198)	(1,599,133)	(1,521,422)	(1,244,789)	(1,103,435)	(937,606)	(827,979)	(760,413)	
11. PRIOR TRUE-UP COLLECTED OR (REFUNDED)	141,485	141,485	141,485	141,485	141,485	141,485	141,485	141,485	141,485	141,485	141,485	141,485	1,697,819
12. TOTAL NET TRUE-UP	#####	\$ (1,943,979)	\$ (1,906,325)	\$ (1,910,198)	\$ (1,599,133)	\$ (1,521,422)	\$ (1,244,789)	\$ (1,103,435)	\$ (937,606)	\$ (827,979)	\$ (760,413)	\$ (715,887)	\$ (715,887)

CALCULATION OF TRUE-UP AND INTEREST PROVISION
FOR THE PERIOD JANUARY 2014 THROUGH DECEMBER 2014
SEVEN MONTHS ACTUAL AND FIVE MONTHS ESTIMATED

INTEREST PROVISION	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	TOTAL
1. BEGINNING TRUE-UP	\$ (1,697,819)	\$ (1,834,093)	\$ (1,943,979)	\$ (1,906,325)	\$ (1,910,198)	\$ (1,599,133)	\$ (1,521,422)	\$ (1,244,789)	\$ (1,103,435)	\$ (937,606)	\$ (827,979)	\$ (760,413)	
2. ENDING TRUE-UP BEFORE INTEREST	<u>(1,834,040)</u>	<u>(1,943,904)</u>	<u>(1,906,229)</u>	<u>(1,910,102)</u>	<u>(1,599,063)</u>	<u>(1,521,344)</u>	<u>(1,244,720)</u>	<u>(1,103,376)</u>	<u>(937,565)</u>	<u>(827,944)</u>	<u>(760,381)</u>	<u>(715,858)</u>	
3. TOTAL BEGINNING & ENDING TRUE-UP	(3,531,859)	(3,777,996)	(3,850,208)	(3,816,428)	(3,509,261)	(3,120,477)	(2,766,142)	(2,348,165)	(2,041,000)	(1,765,549)	(1,588,360)	(1,476,271)	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	<u>\$ (1,765,929)</u>	<u>\$ (1,888,998)</u>	<u>\$ (1,925,104)</u>	<u>\$ (1,908,214)</u>	<u>\$ (1,754,630)</u>	<u>\$ (1,560,239)</u>	<u>\$ (1,383,071)</u>	<u>\$ (1,174,083)</u>	<u>\$ (1,020,500)</u>	<u>\$ (882,775)</u>	<u>\$ (794,180)</u>	<u>\$ (738,135)</u>	
5. INTEREST RATE FIRST DAY OF REPORTING MONTH	0.030%	0.050%	0.050%	0.060%	0.050%	0.050%	0.060%	0.070%	0.050%	0.050%	0.050%	0.050%	0
6. INTER. RATE - FIRST DAY SUBSEQUENT MONTH	<u>0.050%</u>	<u>0.050%</u>	<u>0.060%</u>	<u>0.050%</u>	<u>0.050%</u>	<u>0.060%</u>	<u>0.070%</u>	<u>0.050%</u>	<u>0.050%</u>	<u>0.050%</u>	<u>0.050%</u>	<u>0.050%</u>	-
7. TOTAL (SUM LINES 5 & 6)	<u>0.080%</u>	<u>0.100%</u>	<u>0.110%</u>	<u>0.110%</u>	<u>0.100%</u>	<u>0.110%</u>	<u>0.130%</u>	<u>0.120%</u>	<u>0.100%</u>	<u>0.100%</u>	<u>0.100%</u>	<u>0.100%</u>	0
8. AVG. INTEREST RATE (LINE 7 TIMES 50%)	0.040%	0.050%	0.055%	0.055%	0.050%	0.055%	0.065%	0.060%	0.050%	0.050%	0.050%	0.050%	0
9. MONTHLY AVG INTEREST RATE	0.003%	0.004%	0.005%	0.005%	0.004%	0.005%	0.005%	0.005%	0.004%	0.004%	0.004%	0.004%	0
10. INTEREST PROVISION	<u>\$ (53)</u>	<u>\$ (76)</u>	<u>\$ (96)</u>	<u>\$ (95)</u>	<u>\$ (70)</u>	<u>\$ (78)</u>	<u>\$ (69)</u>	<u>\$ (59)</u>	<u>\$ (41)</u>	<u>\$ (35)</u>	<u>\$ (32)</u>	<u>\$ (30)</u>	<u>\$ (735)</u>

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL BUILDER - PROGRAM 1

DESCRIPTION: The Residential Builder Program is designed to increase the overall energy efficiency in the residential new construction market by promoting energy-efficient natural gas appliances in residences that would qualify for the RS rates. The program offers builders and developers incentives in the form of cash allowances to assist in defraying the additional costs associated with the installation of natural gas supply lines, house piping, venting and natural gas appliances.

PROGRAM ALLOWANCES:

Gas Storage Tank Water Heating	\$350
Gas High Efficiency Storage Tank Water Heating (82% AFUE+)	400
Gas Tankless Water Heating	550
Gas Heating	500
Gas Cooking	150
Gas Clothe Drying	100

REPORTING PERIOD: January 2014 through July 2014

PROGRAM SUMMARY:

Program costs for the period were \$ 172,048

CITY GAS COMPANY OF FLORIDA

**Schedule C-5
PROGRAM PROGRESS REPORT**

NAME: MULTI-FAMILY RESIDENTIAL BUILDER - PROGRAM 2

DESCRIPTION: The Multi-Family Residential Builder Program is designed to increase overall energy efficiency in the multi-family new construction market by promoting energy-efficient natural gas in multi-unit residences qualifying for the Company's CS rates.

PROGRAM ALLOWANCES:

See Program Summary

REPORTING PERIOD: January 2014 through July 2014

PROGRAM SUMMARY:

Program ended in February 2007 - Multi-Family developments are included in the Residential New Construction Program.

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL APPLIANCE REPLACEMENT PROGRAM 3

DESCRIPTION: The Residential Appliance Replacement Program is designed to promote the replacement of inefficient non-natural gas residential appliances with energy efficient natural gas appliances. The Program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the installation of efficient natural gas appliances.

PROGRAM ALLOWANCES:

Gas Storage Tank Water Heating	\$550
Gas High Efficiency Storage Tank Water Heating (82% AFUE+)	550
Gas Tankless Water Heating	675
Gas Heating	725
Gas Cooking	200
Gas Clothe Drying	150
Space Conditioning	1200

REPORTING PERIOD: January 2014 through July 2014

PROGRAM SUMMARY:

Program costs for the period were \$ 381,139

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: DEALER - PROGRAM 4

DESCRIPTION: The Dealer Program is designed to encourage the replacement of non-gas appliances with energy efficient natural gas appliances through appliance dealers and contractors. The program offers incentives to the dealers and contractors.

PROGRAM ALLOWANCES:

Furnace
Water Heater
Range
Dryer

REPORTING PERIOD: January 2014 through July 2014

PROGRAM SUMMARY:

This program was discontinued in February 1998 with Order #PSC-98-0154-GOF-GU granting the new programs.

CITY GAS COMPANY OF FLORIDA

**Schedule C-5
PROGRAM PROGRESS REPORT**

NAME: GAS APPLIANCES IN SCHOOLS - PROGRAM 5

DESCRIPTION: The Gas Appliances in Schools Program is designed to promote natural gas appliances where cost-efficient, in Home Economic Departments in schools located in our Company's service area. The program provides teaching assistance on energy conservation and on the use, care, and safety of natural gas appliances through a Company-employed home economist.

REPORTING PERIOD: January 2014 through July 2014

PROGRAM SUMMARY:

Program costs for the period were \$0.

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL PROPANE CONVERSION - PROGRAM 6

DESCRIPTION: The Residential Propane Conversion Program is designed to promote the conversion of existing residential propane appliances to utilize efficient natural gas. The program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the conversion of their existing propane appliances to utilize natural gas.

PROGRAM ALLOWANCES:

Furnace	\$200
Water Heater	100
Dryer	50
Range	25

REPORTING PERIOD: January 2014 through July 2014

PROGRAM SUMMARY:

Program costs for the period were \$ 5,919

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL WATER HEATER RETENTION - PROGRAM 7

DESCRIPTION: The Residential Water Heater Retention Program is designed to promote the retention of energy efficient natural gas water heaters in existing residential structures. The program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the purchase and installation of energy efficient natural gas appliances.

PROGRAM ALLOWANCES:

Gas Storage Tank Water Heating	\$350
Gas High Efficiency Storage Tank Water Heating (82% AFUE+) ..	400
Gas Tankless Water Heating	550
Gas Heating	500
Gas Cooking	100
Gas Clothe Drying	100

REPORTING PERIOD: January 2014 through July 2014

PROGRAM SUMMARY:

Program costs for the period were \$ 1,058,682

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL CUT AND CAP - PROGRAM 8

DESCRIPTION: The Residential Cut and Cap Program is designed to encourage the re-activation of existing residential service lines that are scheduled to be cut off and capped. The program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the purchase and/or lease and the installation of energy efficient natural gas appliances.

PROGRAM ALLOWANCES:

Service re-activation..... \$200

REPORTING PERIOD: January 2014 through July 2014

PROGRAM SUMMARY:

Program costs for the period were \$ 40,821

CITY GAS COMPANY OF FLORIDA

**Schedule C-5
PROGRAM PROGRESS REPORT**

NAME: COMMERCIAL/INDUSTRIAL CONVERSION - PROGRAM 9

DESCRIPTION: The Commercial/Industrial Conversion Program is designed to promote the conversion of commercial and industrial inefficient non-gas equipment to energy efficient natural gas. The program offers incentives in the form of cash allowances to existing commercial and industrial businesses located in existing structures, to assist in defraying the incremental first costs associated with the installation of natural gas supply lines, internal piping, venting and equipment.

PROGRAM ALLOWANCES:

Per 100,000 BTU input rating..... \$75

REPORTING PERIOD: January 2014 through July 2014

PROGRAM SUMMARY:

Program costs for the period were \$ 241,646

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: COMMERCIAL/INDUSTRIAL ALTERNATIVE TECHNOLOGY INCENTIVE - PROGRAM 10

DESCRIPTION: The Commercial/Industrial Alternative Technology Incentive Program (ATI) is designed to encourage commercial and industrial business owners to install alternate technologies that utilize natural gas that are not covered by one of the other City Gas Energy Conservation Programs, but which cost-effectively reduce the total utility expense of the business. The program offers incentives based on the cost-effectiveness under a life-cycle analysis utilizing a computerized energy consumption simulation model.

PROGRAM ALLOWANCES:

Payback period of three years subject to a maximum incentive of three times the projected incremental annualized margin.

REPORTING PERIOD: January 2014 through July 2014

PROGRAM SUMMARY:

Program costs for the period were \$ 2,593

CITY GAS COMPANY OF FLORIDA

Schedule C-5
 PROGRAM PROGRESS REPORT

NAME: COMMERCIAL NATURAL GAS CONSERVATION PROGARM (APPLIANCE) - PROGRAM 10

DESCRIPTION: The Commercial Natural Gas Conservation Program (Appliance) is designed to educate, inform and to encourage business either to build with natural gas (New Construction), to continue using natural gas (Retention) or to convert to natural gas (Retrofit) for their energy needs. The programs offer cash incentives to assist in defraying the costs associated with the installation of natural gas supply lines, internal piping, venting and equipment.

PROGRAM ALLOWANCES:

	New Construction	Replacement	Retention
<i>-Small Food Service</i>			
Tank Water Heater	\$ 1,000	\$ 1,500	\$ 1,000
Tankless Water Heater	2,000	2,500	2,000
Range / Oven	1,000	1,500	1,000
Fryer	3,000	3,000	3,000
<i>-Commercial Food Service</i>			
Tank Water Heater	\$ 1,500	\$ 2,000	\$ 1,500
Tankless Water Heater	2,000	2,500	2,000
Range / Oven	1,500	1,500	1,500
Fryer	3,000	3,000	3,000
<i>-Hospitality Lodging</i>			
Tank Water Heater	\$ 1,500	\$ 2,000	\$ 1,500
Tankless Water Heater	2,000	2,500	2,000
Range / Oven	1,500	1,500	1,500
Fryer	3,000	3,000	3,000
Dryer	1500	1500	1500
<i>-Cleaning Service</i>			
Tank Water Heater	\$ 1,500	\$ 2,000	\$ 1,500
Tankless Water Heater	2,000	2,500	2,000
Dryer	1500	1500	1500
<i>-Large Non-food Service</i>			
Tank Water Heater	\$ 1,500	\$ 2,000	\$ 1,500
Tankless Water Heater	2,000	2,500	2,000

REPORTING PERIOD: January 2014 through July 2014

PROGRAM SUMMARY:

Program costs for the period were \$ 358,703