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May 1, 2018

VIA E-PORTAL FILING

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

Re: Docket No. 20180004-GU – Natural gas conservation cost recovery

Dear Ms. Stauffer:

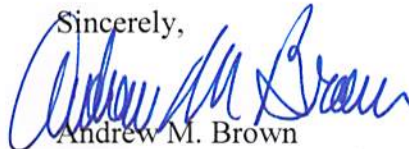
Enclosed for filing in the above docket on behalf of Peoples Gas System (“Peoples”), please find the following:

- Peoples’ Petition for Approval of True-Up Amount (for the period January through December 2017); and
- Exhibit ____ (KMF-1), consisting of Schedules CT-1 through CT-6.

The enclosed exhibit will be offered by Peoples at the hearing in this docket currently scheduled to commence on November 6, 2018.

Thank you for your assistance.

Sincerely,


Andrew M. Brown

AB/plb
Attachment

cc: Parties of Record
Ms. Kandi M. Floyd
Ansley Watson, Jr., Esq.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural gas conservation cost)
recovery.)
_____)

Docket No. 20180004-GU
Submitted for Filing:
5-1-18

**PETITION OF PEOPLES GAS SYSTEM
FOR APPROVAL OF TRUE-UP AMOUNT**

Peoples Gas System ("Peoples"), through undersigned counsel and pursuant to Rule 25-17.015, *Florida Administrative Code*, petitions the Commission for approval of its end-of-period final energy conservation cost recovery true-up amount for the period January 1 through December 31, 2017, and in support thereof says:

1. The name and address of the Petitioner are:

Peoples Gas System
P. O. Box 2562
Tampa, Florida 33601-2562

2. The persons to whom notices, orders, pleadings and correspondence in this docket should be addressed are:

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Andrew M. Brown, Esquire
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3. Peoples' calculation of the true-up amounts for which approval is hereby requested is consistent with the Commission's prescribed methodology. These calculations and the supporting documentation are contained in Exhibit ___(KMF-1),

consisting of the Energy Conservation Cost Recovery True-Up Reporting Forms, completed as directed by the Commission Staff. Exhibit ___(KMF-1) is submitted for filing with this petition.

4. For the period January through December 2017, Peoples has calculated its end-of-period final true-up amount to be an under-recovery, including principal and interest, of \$324,464.

WHEREFORE, Peoples Gas System respectfully requests that the Commission grant this petition and approve the under-recovery of \$324,464 as the final true-up amount for the January through December 2017 period.

Respectfully submitted,



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Attorneys for Peoples Gas System

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing petition, together with copies of Exhibit ____ (KMF-1), have been furnished electronically, this 1st day of May 2018 to the following:

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Andrew M Brown



PEOPLES GAS SYSTEM
SCHEDULES SUPPORTING
ENERGY CONSERVATION COST RECOVERY CLAUSE
TRUE-UP FILING
January 2017 - December 2017

ENERGY CONSERVATION COST RECOVERY

INDEX

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**ADJUSTED NET TRUE-UP
JANUARY 2017 THROUGH DECEMBER 2017**

END OF PERIOD NET TRUE-UP

PRINCIPAL	2,496,616	
INTEREST	1,817	2,498,433

LESS PROJECTED TRUE-UP

PRINCIPAL	2,174,350	
INTEREST	(381)	2,173,969

ADJUSTED NET TRUE-UP

324,464

() REFLECTS OVER-RECOVERY

**ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
 ACTUAL VERSUS ESTIMATED
 JANUARY 2017 THROUGH DECEMBER 2017**

	<u>ACTUAL</u>	<u>PROJECTED*</u>	<u>DIFFERENCE</u>
CAPITAL INVESTMENT	0	0	0
PAYROLL & BENEFITS	387,299	397,098	(9,799)
MATERIALS & SUPPLIES	43	0	43
ADVERTISING	1,126,575	1,268,234	(141,659)
INCENTIVES	12,935,000	12,397,839	537,161
OUTSIDE SERVICES	83,509	238,423	(154,914)
VEHICLES	0	0	0
OTHER	11,129	10,111	1,018
SUB-TOTAL	14,543,555	14,311,705	231,850
PROGRAM REVENUES	0	0	0
TOTAL PROGRAM COSTS	14,543,555	14,311,705	231,850
LESS:			
PAYROLL ADJUSTMENTS	0	0	0
AMOUNTS INCLUDED IN RATE BASE	0	0	0
CONSERVATION REVENUES APPLICABLE TO THE PERIOD	(12,046,940)	(12,137,353)	90,413
ROUNDING ADJUSTMENT	0	0	0
TRUE-UP BEFORE INTEREST	2,496,616	2,174,352	322,264
INTEREST PROVISION	1,817	-381	2,198
END OF PERIOD TRUE-UP	2,498,433	2,173,971	324,462

() REFLECTS OVER-RECOVERY
 *7 MONTHS ACTUAL AND 5 MONTHS PROJECTED

**ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2017 THROUGH DECEMBER 2017**

PROGRAM NAME	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVE	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: NEW RESIDENTIAL CONSTRUCTION	0	0	0	6,186,325	0	0	0	6,186,325
PROGRAM 2: RESIDENTIAL APPLIANCE RETENTION	0	0	0	4,851,678	0	0	0	4,851,678
PROGRAM 3: RESIDENTIAL APPLIANCE REPLACEMENT	0	0	0	640,822	0	0	0	640,822
PROGRAM 4: OIL HEAT REPLACEMENT	0	0	0	0	0	0	0	0
PROGRAM 5: COMMERCIAL ELECTRIC REPLACEMENT	0	0	0	15,680	0	0	0	15,680
PROGRAM 6: GAS SPACE CONDITIONING	0	0	0	0	0	0	0	0
PROGRAM 7: SMALL PACKAGE COGEN	0	0	0	0	0	0	0	0
PROGRAM 8: MONITORING & RESEARCH	0	0	0	0	0	0	0	0
PROGRAM 9: CONSERVATION DEMONSTRATION DEVELOPMENT	0	0	0	117,697	0	0	0	117,697
PROGRAM 10: COMMERCIAL NEW CONSTRUCTION	0	0	0	185,675	0	0	0	185,675
PROGRAM 11: COMMERCIAL RETENTION	0	0	0	254,000	0	0	0	254,000
PROGRAM 12: COMMERCIAL REPLACEMENT	0	0	0	683,123	0	0	0	683,123
PROGRAM 13: COMMON COSTS	387,299	43	1,126,575	0	83,509	0	11,129	1,608,555
TOTAL	387,299	43	1,126,575	12,935,000	83,509	0	11,129	14,543,555

**CONSERVATION COSTS PER PROGRAM - VARIANCE ACTUAL VERSUS PROJECTED
JANUARY 2017 THROUGH DECEMBER 2017**

PROGRAM NAME	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVE	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: NEW RESIDENTIAL CONSTRUCTION	0	0	0	423,450	0	0	0	423,450
PROGRAM 2: RESIDENTIAL APPLIANCE RETENTION	0	0	0	94,753	0	0	0	94,753
PROGRAM 3: RESIDENTIAL APPLIANCE REPLACEMENT	0	0	0	(39,649)	0	0	0	(39,649)
PROGRAM 4: OIL HEAT REPLACEMENT	0	0	0	0	0	0	0	0
PROGRAM 5: COMMERCIAL ELECTRIC REPLACEMENT	0	0	0	(16,000)	0	0	0	(16,000)
PROGRAM 6: GAS SPACE CONDITIONING	0	0	0	0	0	0	0	0
PROGRAM 7: SMALL PACKAGE COGEN	0	0	0	0	0	0	0	0
PROGRAM 8: MONITORING & RESEARCH	0	0	0	0	0	0	0	0
PROGRAM 9: CONSERVATION DEMONSTRATION DEVELOPMENT	0	0	0	97,773	0	0	0	97,773
PROGRAM 10: COMMERCIAL NEW CONSTRUCTION	0	0	0	7,089	0	0	0	7,089
PROGRAM 11: COMMERCIAL RETENTION	0	0	0	(39,829)	0	0	0	(39,829)
PROGRAM 12: COMMERCIAL REPLACEMENT	0	0	0	9,574	0	0	0	9,574
PROGRAM 13: COMMON COSTS	(9,799)	43	(141,659)	0	(154,914)	0	1,018	(305,311)
TOTAL TOTAL OF ALL PROGRAMS	(9,799)	43	(141,659)	537,161	(154,914)	0	1,018	231,850

() REFLECTS PROJECTED OVER ACTUAL EXPENSE ESTIMATES

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**ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
SUMMARY OF EXPENSES BY PROGRAM BY MONTH
JANUARY 2017 THROUGH DECEMBER 2017**

EXPENSES:	JAN 2017	FEB 2017	MAR 2017	APR 2017	MAY 2017	JUN 2017	JUL 2017	AUG 2017	SEPT 2017	OCT 2017	NOV 2017	DEC 2017	TOTAL
NEW RESIDENTIAL CONSTRUCTION	4,800	264,250	278,800	380,250	430,750	742,275	661,750	919,000	865,350	739,250	455,550	444,300	6,186,325
RESIDENTIAL APPLIANCE RETENTION	178,841	195,875	412,100	298,600	633,177	579,318	476,962	460,005	278,987	636,644	400,419	300,750	4,851,678
RESIDENTIAL APPLIANCE REPLACEMENT	38,825	38,098	65,250	31,325	91,843	71,850	59,750	56,230	39,225	65,200	39,800	43,425	640,822
OIL HEAT REPLACEMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
COMMERCIAL ELECTRIC REPLACEMENT	900	0	14,360	0	0	0	420	0	0	0	0	0	15,680
GAS SPACE CONDITIONING	0	0	0	0	0	0	0	0	0	0	0	0	0
SMALL PACKAGE COGEN	0	0	0	0	0	0	0	0	0	0	0	0	0
MONITORING & RESEARCH	0	0	0	0	0	0	0	0	0	0	0	0	0
CONSERVATION DEMONSTRATION DEVELOPMENT	0	0	0	0	0	0	1,923	0	0	1,577	0	114,197	117,697
COMMERCIAL NEW CONSTRUCTION	13,175	23,000	10,500	12,000	38,000	0	7,500	43,000	6,000	6,000	21,500	5,000	185,675
COMMERCIAL RETENTION	9,250	38,500	15,250	46,000	44,500	0	17,900	23,600	10,000	14,500	27,500	7,000	254,000
COMMERCIAL REPLACEMENT	64,365	46,913	42,500	46,937	79,975	0	112,213	56,627	36,887	73,168	108,564	14,974	683,123
COMMON COSTS	76,567	114,782	49,674	52,838	126,105	109,141	126,476	49,338	33,290	445,750	301,828	122,766	1,608,555
TOTAL	386,723	721,418	888,434	867,950	1,444,351	1,502,585	1,464,893	1,607,800	1,269,739	1,982,089	1,355,161	1,052,411	14,543,555

**ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2017 THROUGH DECEMBER 2017**

CONSERVATION REVENUES	JAN 2017	FEB 2017	MAR 2017	APR 2017	MAY 2017	JUN 2017	JUL 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	TOTAL
1. RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
2. OTHER PROGRAM REVS	0	0	0	0	0	0	0	0	0	0	0	0	0
3. CONSERV. ADJ REVS	(1,348,016)	(1,266,415)	(1,184,675)	(1,151,187)	(1,006,057)	(877,961)	(808,505)	(781,210)	(870,712)	(784,133)	(963,086)	(1,194,601)	(12,236,560)
4. TOTAL REVENUES	(1,348,016)	(1,266,415)	(1,184,675)	(1,151,187)	(1,006,057)	(877,961)	(808,505)	(781,210)	(870,712)	(784,133)	(963,086)	(1,194,601)	(12,236,560)
5. PRIOR PERIOD TRUE-UP NOT APPLICABLE TO THIS PERIOD	15,802	15,802	15,802	15,802	15,802	15,802	15,802	15,802	15,802	15,802	15,802	15,802	189,620
6. CONSERVATION REVS APPLICABLE TO THE PERIOD	(1,332,214)	(1,250,614)	(1,168,873)	(1,135,385)	(990,255)	(862,160)	(792,704)	(765,408)	(854,911)	(768,331)	(947,285)	(1,178,800)	(12,046,940)
7. CONSERVATION EXPS (FROM CT-3, PAGE 1)	386,723	721,418	888,434	867,950	1,444,351	1,502,585	1,464,893	1,607,800	1,269,739	1,982,089	1,355,161	1,052,411	14,543,555
8. TRUE-UP THIS PERIOD	(945,491)	(529,196)	(280,439)	(267,435)	454,095	640,425	672,190	842,392	414,828	1,213,758	407,876	(126,388)	2,496,616
9. INTER. PROV. THIS PERIOD (FROM CT-3, PAGE 3)	(178)	(606)	(967)	(1,317)	(1,260)	(977)	(470)	210	633	1,281	2,439	3,028	1,817
10. TRUE-UP & INTER. PROV. BEGINNING OF MONTH	189,620	(771,850)	(1,317,453)	(1,614,661)	(1,899,215)	(1,462,182)	(838,536)	(182,617)	644,183	1,043,842	2,243,080	2,637,594	
11. PRIOR TRUE-UP COLLECTED/(REFUNDED)	(15,802)	(15,802)	(15,802)	(15,802)	(15,802)	(15,802)	(15,802)	(15,802)	(15,802)	(15,802)	(15,802)	(15,802)	
12. TOTAL NET TRUE-UP (SUM LINES 8+9+10+11)	(771,850)	(1,317,453)	(1,614,661)	(1,899,215)	(1,462,182)	(838,536)	(182,617)	644,183	1,043,842	2,243,080	2,637,594	2,498,433	2,498,433

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**CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2017 THROUGH DECEMBER 2017**

	JAN 2017	FEB 2017	MAR 2017	APR 2017	MAY 2017	JUN 2017	JUL 2017	AUG 2017	SEPT 2017	OCT 2017	NOV 2017	DEC 2017	TOTAL
INTEREST PROVISION													
1. BEGINNING TRUE-UP	189,620	(771,850)	(1,317,453)	(1,614,661)	(1,899,215)	(1,462,182)	(838,536)	(182,617)	644,183	1,043,842	2,243,080	2,637,594	
2. ENDING TRUE-UP BEFORE INTEREST	(771,672)	(1,316,847)	(1,613,694)	(1,897,898)	(1,460,922)	(837,558)	(182,148)	643,973	1,043,210	2,241,799	2,635,155	2,495,404	
3. TOTAL BEGINNING & ENDING TRUE-UP	(582,052)	(2,088,697)	(2,931,146)	(3,512,559)	(3,360,137)	(2,299,740)	(1,020,683)	461,356	1,687,393	3,285,641	4,878,235	5,132,998	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	(291,026)	(1,044,348)	(1,465,573)	(1,756,280)	(1,680,069)	(1,149,870)	(510,342)	230,678	843,696	1,642,821	2,439,118	2,566,499	
5. INTER. RATE - 1ST DAY OF REPORTING MONTH	0.720%	0.740%	0.640%	0.940%	0.860%	0.950%	1.080%	1.120%	1.060%	0.730%	1.140%	1.250%	
6. INTER. RATE - 1ST DAY OF SUBSEQUENT MONTH	0.740%	0.640%	0.940%	0.860%	0.950%	1.080%	1.120%	1.060%	0.730%	1.140%	1.250%	1.580%	
7. TOTAL (SUM LINES 5 & 6)	1.460%	1.380%	1.580%	1.800%	1.810%	2.030%	2.200%	2.180%	1.790%	1.870%	2.390%	2.830%	
8. AVG INTEREST RATE (LINE 7 TIMES 50%)	0.730%	0.690%	0.790%	0.900%	0.905%	1.015%	1.100%	1.090%	0.895%	0.935%	1.195%	1.415%	
9. MONTHLY AVG INTEREST RATE	0.061%	0.058%	0.066%	0.075%	0.075%	0.085%	0.092%	0.091%	0.075%	0.078%	0.100%	0.118%	
10. INTEREST PROVISION (LINE 4 TIMES LINE 9)	(178)	(606)	(967)	(1,317)	(1,260)	(977)	(470)	210	633	1,281	2,439	3,028	1,817

Program Progress Report

Reporting Period: JANUARY 2017 THROUGH DECEMBER 2017

Name: NEW RESIDENTIAL CONSTRUCTION

Description: This Program is designed to increase the number of high priority natural gas customers in the new residential construction market. The Company offers incentives to builders for the installation of natural gas appliances in order to defray the initial higher cost associated with piping and venting when installing natural gas appliances.

Program Allowances:	Natural Gas Tank Water Heater	.....	\$ 350
	Natural Gas High Efficiency Water Heater	.....	\$ 400
	Natural Gas Tankless Water Heater	.....	\$ 550
	Natural Gas Heating	.....	\$ 500
	Natural Gas Cooking (Range, Oven, Cooktop)	.....	\$ 150
	Natural Gas Dryer	.....	\$ 100

Program Summary

New Home Goal:	6,403
New Homes Connected:	<u>6,874</u>
Variance:	<u>-471</u>
Percent of Goal:	107.3%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$5,762,875
Actual Cost:	<u>\$6,186,325</u>
Variance:	<u>-\$423,450</u>

Program Progress Report

Reporting Period: JANUARY 2017 THROUGH DECEMBER 2017

Name: RESIDENTIAL APPLIANCE RETENTION

Description: This program is designed to encourage current natural gas customers to replace existing natural gas appliances with energy efficient natural gas appliances. The program offers allowances to assist in defraying the cost of more expensive energy efficient appliances.

Program Allowances:	Natural Gas Tank Water Heater	\$	350
	Natural Gas High Efficiency Water Heater	\$	400
	Natural Gas Tankless Water Heater	\$	550
	Natural Gas Heating	\$	500
	Natural Gas Cooking (Range, Oven, Cooktop)	\$	100
	Natural Gas Dryer	\$	100

Program Summary

Goals:	5,285
Actual:	<u>5,391</u>
Variance:	<u>-105</u>
Percent of Goal:	102.0%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$4,756,925
Actual Cost:	<u>\$4,851,678</u>
Variance:	<u>(\$94,753)</u>

Program Progress Report

Reporting Period: JANUARY 2017 THROUGH DECEMBER 2017

Name: RESIDENTIAL APPLIANCE REPLACEMENT

Description: This program was designed to encourage the replacement of electric resistance appliances with energy efficient natural gas appliances by offering incentives to defray the initial higher cost associated with piping and venting for natural gas appliances.

Program Allowances:	Natural Gas Tank Water Heater	\$500
	Natural Gas High Efficiency Water Heater	\$550
	Natural Gas Tankless Water Heater	\$675
	Natural Gas Heating	\$725
	Natural Gas Cooking (Range, Oven, Cooktop)	\$200
	Natural Gas Dryer	\$150
	Natural Gas Space Heating	\$65

Program Summary

Goals:	504
Actual:	<u>475</u>
Variance:	<u>29</u>
Percent of Goal:	94.2%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$680,471
Actual Cost:	<u>\$640,822</u>
Variance:	<u>\$39,649</u>

Program Progress Report

Reporting Period: JANUARY 2017 THROUGH DECEMBER 2017

Name: OIL HEAT REPLACEMENT

Description: This program is designed to encourage customers to convert their existing oil heating system to more energy efficient natural gas heating. Peoples' offers piping and venting allowances to defray the higher cost of installation of natural gas systems in hopes of preventing the customer from putting in less costly electric resistance strip heat.

Program Allowances:	Energy Efficient Gas Furnace		\$330
	Space Heating		\$330

Program Summary

Goals	0
Actual	<u>0</u>
Variance:	<u><u>0</u></u>
Percent of Goal:	0.0%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$0
Actual Cost:	<u>\$0</u>
Variance:	<u><u>\$0</u></u>

Program Progress Report

Reporting Period: JANUARY 2017 THROUGH DECEMBER 2017

Name: COMMERCIAL ELECTRIC REPLACEMENT

Description: This program is designed to encourage the replacement of electric resistance appliances in commercial establishments by offering piping and venting allowances to defray the additional cost of installing natural gas equipment.

Program Allowances: For each kW Displaced \$40

Program Summary

Goals:	792 (Projected kW Displaced)
Actual:	<u>392</u>
Variance:	<u>400</u>
Percent of Goal:	49.5%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$31,680
Actual Cost:	<u>\$15,680</u>
Variance:	<u>\$16,000</u>

Program Progress Report

Reporting Period: JANUARY 2017 THROUGH DECEMBER 2017

Name: GAS SPACE CONDITIONING

Description: This Program is designed to convert on-main customers from electric space conditioning equipment to energy efficient gas space conditioning. The program offers piping and venting allowances to reduce the generally higher cost of installing gas space conditioning equipment. This program would also reduce summer as well as winter peak demand and contribute to the conservation of KWH / KWD consumption.

Program Allowances: \$150 / ton

Program Summary

Goals: 0

Actual: 0

Variance: 0

Percent of Goal: 0.0%

Conservation Cost Variance - Actual vs. Projected

Projected Cost: \$0

Actual Cost: \$0

Variance: \$0

Program Progress Report

Reporting Period: JANUARY 2017 THROUGH DECEMBER 2017

Name: SMALL PACKAGE COGEN

Description: This program was designed to promote the direct use of natural gas to generate on-site power and utilize the waste heat for on-site heating, cooling and water heating requirements for commercial and industrial applications. For commercial and industrial customers that are interested, workshops and a feasibility audit will be made available upon request.

Program Allowances: \$150 / kW kW Deferred
\$5,000 Feasibility Study

Program Summary

Goals: 0

Actual: 0

Variance: 0

Percent of Goal: 0.0%

Conservation Cost Variance - Actual vs. Projected

Projected Cost: \$0

Actual Cost: \$0

Variance: \$0

Program Progress Report

Reporting Period: JANUARY 2017 THROUGH DECEMBER 2017

Name: MONITORING & RESEARCH

Description: This program will be used to monitor and evaluate PGS existing conservation programs and demonstrate prototype technologies emerging in the marketplace.

Program Summary: Estimated annual cost: \$80,000

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$0
Actual Cost:	<u>\$0</u>
Variance:	<u>\$0</u>

Program Progress Report

Reporting Period: JANUARY 2017 THROUGH DECEMBER 2017

Name: CONSERVATION DEMONSTRATION DEVELOPMENT

Description: The CDD program allows local distribution companies to pursue opportunities for individual and joint research including testing of technologies to develop new energy conservation programs.

Program Summary: Estimated annual cost: \$150,000

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$19,924
Actual Cost:	<u>\$117,697</u>
Variance:	<u>-\$97,773</u>

Program Progress Report

Reporting Period: JANUARY 2017 THROUGH DECEMBER 2017

Name: COMMERCIAL NEW CONSTRUCTION

Description: This Program is designed to increase the number of high priority natural gas customers in the new commercial construction market. The Company offers incentives to customers for the installation of natural gas appliances in order to defray the initial higher cost associated with piping and venting when installing natural gas appliances.

Program Allowances:

	Small Food	Large Food	Non-Food	Hospitality	Cleaning
Water Heater	up to \$1000	up to \$1500	up to \$1500	up to \$1500	up to \$1500
Tankless Water Heater	up to \$2000	up to \$2000	up to \$2000	up to \$2000	up to \$2000
Fryer	up to \$3000	up to \$3000	N/A	up to \$3000	N/A
Range	up to \$1000	up to \$1500	N/A	up to \$1500	N/A
Dryer	N/A	N/A	N/A	up to \$1500	up to \$1500

Program Summary

Goals: 119
 Actual: 124
 Variance: -5

Percent of Goal: 104.0%

Conservation Cost Variance - Actual vs. Projected

Projected Cost: \$178,586
 Actual Cost: \$185,675
 Variance: -\$7,089

Program Progress Report

Reporting Period: JANUARY 2017 THROUGH DECEMBER 2017

Name: COMMERCIAL RETENTION

Description: This program is designed to encourage current natural gas customers to replace existing natural gas appliances with energy efficient natural gas appliances. The program offers allowances to assist in defraying the cost of more expensive energy efficient appliances.

Program Allowances:

	Small Food	Large Food	Non-Food	Hospitality	Cleaning
Water Heater	up to \$1000	up to \$1500	up to \$1500	up to \$1500	up to \$1500
Tankless Water Heater	up to \$2000	up to \$2000	up to \$2000	up to \$2000	up to \$2000
Fryer	up to \$3000	up to \$3000	N/A	up to \$3000	N/A
Range	up to \$1000	up to \$1500	N/A	up to \$1500	N/A
Dryer	N/A	N/A	N/A	up to \$1500	up to \$1500

Program Summary

Goals: 196
 Actual: 169
 Variance: 27

Percent of Goal: 86.4%

Conservation Cost Variance - Actual vs. Projected

Projected Cost: \$293,829
 Actual Cost: \$254,000
 Variance: \$39,829

Program Progress Report

Reporting Period: JANUARY 2017 THROUGH DECEMBER 2017

Name: COMMERCIAL REPLACEMENT

Description: This program was designed to encourage the replacement of electric appliances with energy efficient natural gas appliances by offering incentives to defray the initial higher cost associated with piping and venting for natural gas appliances.

Program Allowances:

	Small Food	Large Food	Non-Food	Hospitality	Cleaning
Water Heater	up to \$1500	up to \$2000	up to \$2000	up to \$2000	up to \$2000
Tankless Water Heater	up to \$2500	up to \$2500	up to \$2500	up to \$2500	up to \$2500
Fryer	up to \$3000	up to \$3000	N/A	\$3,000	N/A
Range	up to \$1500	up to \$1500	N/A	up to \$1500	N/A
Dryer	N/A	N/A	N/A	up to \$1500	up to \$1500

Program Summary

Goals: 269
 Actual: 273
 Variance: -4

Percent of Goal: 101.4%

Conservation Cost Variance - Actual vs. Projected

Projected Cost: \$673,549
 Actual Cost: \$683,123
 Variance: (\$9,574)

Program Progress Report

Reporting Period: JANUARY 2017 THROUGH DECEMBER 2017

Name: COMMON COSTS

Conservation Cost Variance - Actual vs. Projected

Projected Cost: \$1,913,866

Actual Cost: \$1,608,555

Variance: \$305,311