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August 20, 2018

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

Re: Docket No. 20180004-GU

Dear Ms. Stauffer:

Attached for electronic filing, please **find** St Joe Natural Gas Company's Petition for approval of its Conservation Cost Recovery Factor to be applied to customer bills during the twelve-month period ending December 31, **2019**.

1. Schedules C-1 through C-4
2. Direct Testimony of Debbie Stitt

Thank you for your assistance.

Very truly yours,

Debbie Stitt  
Energy Conservation Analyst

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Conservation Cost )  
Recovery Clause )  
\_\_\_\_\_ )

Docket No. 20180004-GU  
Submitted for filing  
August 20, 2018

PETITION OF ST JOE NATURAL GAS COMPANY, INC.  
FOR APPROVAL OF PROPOSED CONSERVATION COST  
RECOVERY CHARGES  
=====

St. Joe Natural Gas Company, Inc. ("SJNG") by and through its undersigned officer, hereby petitions the Commission for approval of its proposed conservation cost recovery factors and amounts as further identified below. In support, hereof the company states:

1. The Name of the petitioner and the mailing address of its principal office is:

St. Joe Natural Gas Company, Inc.  
P.O. Box 549  
Port St. Joe, Florida 32457-0549

2. The name and mailing address of the person authorized to receive notices and communications to this petition is:

Debbie Stitt, Energy Conservation Analyst  
St. Joe Natural Gas Company, Inc.  
P.O. Box 549  
Port St. Joe, Florida 32457-0549

3. Pursuant to the requirements of this docket, SJNG has prepared testimony and the conservation true-up forms supplied by the Commission Staff in a manner consistent with the Staff's instructions.

4. The Conservation Cost Recovery Factor was calculated in accordance with the methodology which has been previously approved by the Commission in this docket. The factor is designed to recover the projected conservation program expenses of **SJNG** for the twelve-month period ending December 31, 2019 adjusted for the net true-up (which includes the estimated conservation true-up for the Twelve-month period ending December 31, 2018), as well as interest calculated in accordance with the methodology established by the Commission.

5. **SJNG** projects total conservation program expenses, net of all programs revenue of \$159,150 for the twelve-month period ending December 31, 2019. The estimated net true-up for the twelve months ending December 31, 2018 is an **under-recovery** of \$12,263. After increasing the projected conservation expenses by the amount of this **under-recovery**, a total of \$171,413 remains to be collected during the twelve months ending December 31, 2019. Dividing this total by the projected sales for the period by 1,214,280 therms, and expanding for taxes, results in the conservation adjustment factor of \$0.43076 per therm for RS-1, \$0.26408 per therm for RS-2, \$0.19925 per therm for RS-3, \$0.17245 per therm for GS-1, \$0.07667 per therm for GS-2, and \$0.03544 per therm for GS-4/FTS-4 respectively which **SJNG** seeks approval in this petition.

St. Joe Natural Gas Company, Inc.  
Docket No. 20180004-GU  
August 20, 2018  
Page 3

The calculation of these factors per therm is contained in the Commission prescribed worksheets filed with this petition.

WHEREFORE, **St. Joe Natural Gas Company, Inc.** requests that this Commission enter its order approving the above conservation cost recovery factors to be applied to the appropriate customer bills during the twelve-month period ending December 31, 2019 and to customer bills thereafter until other conservation cost recovery factors are approved by the Commission.

Dated this 20th day of August 2018.

Andy Shoaf, V-President  
St. Joe Natural Gas Company, Inc.  
P.O. Box 549  
Port St. Joe, Florida 32457-0549  
(850) 229-8216 x208

1                   BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2   In Re:  Conservation Cost     )                   Docket No.20180004-GU  
3           Recovery Clause       )                   Submitted for Filing  
4           \_\_\_\_\_                  )                   August 20, 2018

5                   DIRECT TESTIMONY OF DEBBIE STITT ON BEHALF OF  
6                   ST. JOE NATURAL GAS COMPANY, INC.

7   Q.   Please state your name, business address, by whom you  
8        are employed and in what capacity.

9   A.   Debbie Stitt, 301 Long Avenue, Port St. Joe, Florida  
10       32456, St Joe Natural Gas Company in the capacity of  
11       Energy Conservation Analyst.

12  Q.   What is the purpose of your testimony?

13  A.   My purpose is to submit the known and projected expenses and  
14       revenues associated with SJNG's conservation programs incurred  
15       in January thru July **2018** and projection costs to be incurred  
16       from August **2018** through December **2018**.  It will also include  
17       projected conservation costs for the period January 1, **2019**  
18       through December 31, **2019** with a calculation of the conservation  
19       adjustment factors to be applied to the customers' bills during  
20       the January 1, **2019** through December 31, **2019** period.

21  Q.   Have you prepared any exhibits in conjunction with your testimony?

22  A.   Yes, I have prepared and filed to the Commission the **20th** day of  
23       **August 2018** Schedule C-1 prescribed by the Commission Staff  
24       which has collectively been titled Energy Conservation Adjustment  
25       Summary of Cost Recovery Clause Calculation for months January

1 1, 2019 through December 31, 2019 for identification.

2 Q. What Conservation Adjustment Factor does St. Joe Natural Gas  
3 seek approval through its petition for the twelve-month period  
4 ending December 31, 2019?

5 A. \$.43076 per therm for RS-1, \$.26408 per therm for RS-2, and  
6 \$.19925 per therm for RS-3, \$.17245 per therm for GS-1, \$0.07667  
7 per therm for GS-2, and \$0.03544 per therm for GS-4/FTS-4

8 Q. Does this conclude your testimony?

9 A. Yes.

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Conservation Cost )  
Recovery )  
\_\_\_\_\_ )

Docket No. 20180004-GU  
Submitted for Filing  
August 20, 2018

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing testimony have been furnished by electronic mail to the following parties of record this 20th day of August 2018.

Sebring Gas System, Inc.  
Jerry H. Melendy, Jr.  
3515 U.S. Hwy 27 South  
Sebring, Fl 33870  
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Stephanie Cuello  
Kelley Corbari  
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ENERGY CONSERVATION ADJUSTMENT  
SUMMARY OF COST RECOVERY CLAUSE CALCULATION  
MONTHS: JANUARY 2019 THROUGH DECEMBER 2019

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	159,150
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	12,263
3. TOTAL (LINE 1 AND LINE 2)	171,413

<u>RATE SCHEDULE</u>	<u>BILLS</u>	<u>THERM SALES</u>	<u>CUSTOMER CHARGE REVENUES</u>	<u>DELIVERY CHARGE</u>	<u>TOTAL CUST. &amp; DELIVERY CHG REVENUE</u>	<u>ECCR REVENUES</u>	<u>ECCR AS % OF TOTAL REVENUES</u>	<u>DOLLARS THERM</u>	<u>TAX FACTOR</u>	<u>CONSERV FACTOR</u>
RS-1	14,269	98,306	185,497	127,418	312,915	42,134	13.46503%	0.42860	1.00503	0.43076
RS-2	11,901	176,179	190,416	153,378	343,794	46,292	13.46503%	0.26276	1.00503	0.26408
RS-3	7,290	196,028	145,800	142,824	288,624	38,863	13.46503%	0.19825	1.00503	0.19925
GS-1	2,044	67,210	40,880	44,765	85,645	11,532	13.46503%	0.17158	1.00503	0.17245
GS-2	436	212,847	30,520	90,075	120,595	16,238	13.46503%	0.07629	1.00503	0.07667
FTS4/GS-4	24	463,710	48,000	73,452	121,452	16,353	13.46503%	0.03527	1.00503	0.03544
FTS-5	0	0	0	0	0	0	13.46503%	#DIV/0!	1.00503	#DIV/0!
TOTAL	35,964	1,214,280	641,113	631,912	1,273,025	171,413				





ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM  
JANUARY 2019 THROUGH DECEMBER 2019

<u>PROGRAM</u>	<u>CAPITAL INVEST</u>	<u>PYROLL &amp; BENEFITS</u>	<u>MATERLS. &amp; SUPPLIES</u>	<u>ADVERT</u>	<u>INCENTIVES</u>	<u>OUTSIDE SERVICES</u>	<u>VEHICLE</u>	<u>OTHER</u>	<u>TOTAL</u>
1 RESIDENTIAL NEW CONSTRUCTION	0	0	0	0	56,900	0	0	0	56,900
2 RESIDENTIAL APPL. REPLACEMENT	0	0	0	0	27,250	0	0	0	27,250
3 RESIDENTIAL APPL. RETENTION	0	0	0	0	75,000	0	0	0	75,000
4 LARGE FOOD SERVICE COMMERCIAL	0	0	0	0	0	0	0	0	0
5 COMMERCIAL HOSPITALITY AND LODGING	0	0	0	0	0	0	0	0	0
6 (INSERT NAME)	0	0	0	0	0	0	0	0	0
7 (INSERT NAME)	0	0	0	0	0	0	0	0	0
8 (INSERT NAME)	0	0	0	0	0	0	0	0	0
9 (INSERT NAME)	0	0	0	0	0	0	0	0	0
10 (INSERT NAME)	0	0	0	0	0	0	0	0	0
11 (INSERT NAME)	0	0	0	0	0	0	0	0	0
PROGRAM COSTS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>159,150</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>159,150</u>

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM  
JANUARY 2018 THROUGH DECEMBER 2018

PROGRAM	<u>CAPITAL INVEST</u>	<u>PYROLL &amp; BENEFITS</u>	<u>MATERLS. &amp; SUPPLIES</u>	<u>ADVERT</u>	<u>INCENTIVES</u>	<u>OUTSIDE SERVICES</u>	<u>VEHICLE</u>	<u>OTHER</u>	<u>TOTAL</u>
1 RESIDENTIAL NEW CONSTRUCTION									
A. ACTUAL	0	0	0	0	42,000	0	0	0	42,000
B. ESTIMATED	0	0	0	0	14,900	0	0	0	14,900
TOTAL	0	0	0	0	56,900	0	0	0	56,900
2 RESIDENTIAL APPL. REPLACEMENT									
A. ACTUAL	0	0	0	0	18,125	0	0	0	18,125
B. ESTIMATED	0	0	0	0	9,125	0	0	0	9,125
TOTAL	0	0	0	0	27,250	0	0	0	27,250
3 RESIDENTIAL APPL. RETENTION									
A. ACTUAL	0	0	0	0	57,500	0	0	0	57,500
B. ESTIMATED	0	0	0	0	17,500	0	0	0	17,500
TOTAL	0	0	0	0	75,000	0	0	0	75,000
4 LARGE FOOD SERVICE COMMERCIAL									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0
5 COMMERCIAL HOSPITALITY AND LODGING									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0
6 (INSERT NAME)									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
SUB-TOTAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>159,150</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>159,150</u>

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM  
JANUARY 2018 THROUGH DECEMBER 2018

PROGRAM NAME	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	0	0	0	0	159,150	0	0	0	159,150
7. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
(INSERT NAME 1-30 LETTERS)	0	0	0	0	0	0	0	0	0
(INSERT NAME)									
8. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
(INSERT NAME 1-30 LETTERS)	0	0	0	0	0	0	0	0	0
(INSERT NAME)									
9. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
(INSERT NAME 1-30 LETTERS)	0	0	0	0	0	0	0	0	0
(INSERT NAME)									
10. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
(INSERT NAME)									
11. A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
C. TOTAL	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>159,150</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>159,150</b>

CONSERVATION PROGRAM COSTS BY PROGRAM  
ACTUAL/ESTIMATED  
JANUARY 2018 THROUGH DECEMBER 2018

PROGRAM NAME	JAN 2018	FEB 2018	MAR 2018	APR 2018	MAY 2018	JUN 2018	JUL 2018	AUG 2018	SEP 2018	OCT 2018	NOV 2018	DEC 2018	TOTAL
RESIDENTIAL NEW CONSTRUCTION	2,650	4,900	2,950	6,050	9,300	2,400	6,800	6,950	700	3,450	6,150	4,600	56,900
RESIDENTIAL APPL. REPLACEMENT	2,225	1,625	2,425	2,250	2,725	3,225	875	2,775	2,025	3,300	2,625	1,175	27,250
RESIDENTIAL APPL. RETENTION	5,550	6,200	7,200	7,950	6,350	7,050	7,700	9,500	3,550	3,800	5,350	4,800	75,000
LARGE FOOD SERVICE COMMERCIAL	0	0	0	0	0	0	0	0	0	0	0	0	0
COMMERCIAL HOSPITALITY AND LODGIN	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
(INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	10,425	12,725	12,575	16,250	18,375	12,675	15,375	19,225	6,275	10,550	14,125	10,575	159,150

ENERGY CONSERVATION ADJUSTMENT  
JANUARY 2018 THROUGH DECEMBER 2018

	JAN 2018	FEB 2018	MAR 2018	APR 2018	MAY 2018	JUN 2018	JUL 2018	AUG 2018	SEP 2018	OCT 2018	NOV 2018	DEC 2018	TOTAL
CONSERVATION REVS.													
RCS AUDIT FEES													
a. OTHER PROG. REV.													
b.													
c.	-39,360	-28,234	-16,418	-20,380	-10,874	-12,551	-10,010	-9,712	-11,396	-9,121	-13,487	-18,521	-200,065
CONSERV. ADJ REV. (NET OF REV. TAXES)													
TOTAL REVENUES	-39,360	-28,234	-16,418	-20,380	-10,874	-12,551	-10,010	-9,712	-11,396	-9,121	-13,487	-18,521	-200,065
PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	4,415	4,415	4,415	4,415	4,415	4,415	4,415	4,415	4,415	4,415	4,415	4,415	52,976
CONSERVATION REVS. APPLIC. TO PERIOD	-34,945	-23,819	-12,004	-15,965	-6,460	-8,136	-5,596	-5,297	-6,982	-4,707	-9,072	-14,107	-147,089
CONSERVATION EXPS. (FORM C-3, PAGE 3)	10,425	12,725	12,575	16,250	18,375	12,675	15,375	19,225	6,275	10,550	14,125	10,575	159,150
TRUE-UP THIS PERIOD	-24,520	-11,094	571	285	11,915	4,539	9,779	13,928	-707	5,843	5,053	-3,532	12,061
INTEREST THIS PERIOD (C-3,PAGE 5)	48	22	10	4	7	13	14	17	19	17	18	15	202
TRUE-UP & INT. BEG. OF MONTH	52,976	24,089	8,602	4,768	643	8,150	8,287	13,666	23,196	18,093	19,539	20,195	
PRIOR TRUE-UP COLLECT. (REFUND.)	-4,415	-4,415	-4,415	-4,415	-4,415	-4,415	-4,415	-4,415	-4,415	-4,415	-4,415	-4,415	
END OF PERIOD TOTAL NET TRUE-UP	24,089	8,602	4,768	643	8,150	8,287	13,666	23,196	18,093	19,539	20,195	12,263	12,263

CALCULATION OF TRUE-UP AND INTEREST PROVISION  
JANUARY 2018 THROUGH DECEMBER 2018

	JAN 2018	FEB 2018	MAR 2018	APR 2018	MAY 2018	JUN 2018	JUL 2018	AUG 2018	SEP 2018	OCT 2018	NOV 2018	DEC 2018	TOTAL
INTEREST PROVISION													
BEGINNING TRUE-UP	52,976	24,089	8,602	4,768	643	8,150	8,287	13,666	23,196	18,093	19,539	20,195	
END. T-UP BEFORE INT.	24,041	8,580	4,758	638	8,143	8,274	13,652	23,179	18,075	19,522	20,177	12,249	
TOT. BEG. & END. T-UP	77,017	32,669	13,360	5,407	8,786	16,424	21,940	36,846	41,271	37,615	39,716	32,443	
AVERAGE TRUE-UP	38,509	16,335	6,680	2,703	4,393	8,212	10,970	18,423	20,635	18,808	19,858	16,222	
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	1.49%	1.50%	1.66%	1.86%	1.90%	1.86%	2.00%	1.08%	1.08%	1.08%	1.08%	1.08%	
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MTH	1.50%	1.66%	1.86%	1.90%	1.86%	2.00%	1.08%	1.08%	1.08%	1.08%	1.08%	1.08%	
TOTAL	2.99%	3.16%	3.52%	3.76%	3.76%	3.86%	3.08%	2.16%	2.16%	2.16%	2.16%	2.16%	
AVG INTEREST RATE	1.50%	1.58%	1.76%	1.88%	1.88%	1.93%	1.54%	1.08%	1.08%	1.08%	1.08%	1.08%	
MONTHLY AVG. RATE	0.12%	0.13%	0.15%	0.16%	0.16%	0.16%	0.13%	0.09%	0.09%	0.09%	0.09%	0.09%	
INTEREST PROVISION	\$48	\$22	\$10	\$4	\$7	\$13	\$14	\$17	\$19	\$17	\$18	\$15	\$202

PROGRAM TITLE:

RESIDENTIAL NEW CONSTRUCTION

PROGRAM DESCRIPTION:

This program is designed to increase the number of high priority firm natural gas customers in the new construction market. Incentives are offered in the form of cash allowances to assist builders in defraying the additional costs associated with natural gas appliance installations.

<u>APPLIANCE LOAD</u>	<u>ALLOWANCE</u>
GAS HEATING	\$500.00
GAS WATER HEATING	\$350.00
GAS CLOTHES DRYER	\$100.00
GAS RANGE	\$150.00
GAS TANKLESS W/HEATER	\$550.00
	<u>\$1,650.00</u>

PROGRAM PROJECTIONS FOR:

JANUARY 2018 THROUGH DECEMBER 2019

	<u>GAS WATER HEATING</u>	<u>GAS HEATING</u>	<u>GAS DRYER</u>	<u>GAS RANGE</u>	<u>GAS TANKLESS W/H</u>
JANUARY 2018 - DECEMBER 2018 (12 MTHS)	15	18	15	47	62
JANUARY 2019 - DECEMBER 2019 (12 MTHS)	15	18	15	47	62

PROGRAM FISCAL EXPENSES FOR:

JANUARY 2018 - DECEMBER 2019

JANUARY 18 - JULY 18	ACTUAL EXPENSES	35,050.00	56,900.00
AUGUST 18 - DECEMBER 18	ESTIMATED EXPENSES	21,850.00	
JANUARY 2019 - DECEMBER 2019	ESTIMATED EXPENSES	56,900.00	

PROGRAM PROGRESS SUMMARY:

New construction is very limited in St Joe Natural Gas's service territory. By far the majority of new construction is by custom design where the owner specified to the builder the type of energy desired.



PROGRAM TITLE: RESIDENTIAL APPLIANCE REPLACEMENT PROGRAM

PROGRAM DESCRIPTION: This program is designed to promote the replacement of electric resistance appliances with energy efficient natural gas heaters, water heaters, air conditioners, dryers, ranges and tankless water heaters. Incentives are offered in the form of cash allowances to assist in defraying the additional costs in purchasing and installing natural gas appliances.

<u>APPLIANCE LOAD</u>	<u>ALLOWANCE</u>
GAS HEATING	\$725.00
GAS WATER HEATING	\$500.00
GAS CLOTHES DRYER	\$150.00
GAS RANGE	\$200.00
GAS TANKLESS W/HEATER	\$675.00
	<u>\$2,250.00</u>

PROGRAM PROJECTIONS FOR: JANUARY 2018 THROUGH DECEMBER 2019

	<u>GAS WATER HEATING</u>	<u>GAS HEATING</u>	<u>GAS DRYER</u>	<u>GAS RANGE</u>	<u>GAS TANKLESS W/H</u>
JANUARY 2018 - DECEMBER 2018 (12 MTHS)	6	5	1	18	25
JANUARY 2019 - DECEMBER 2019 (12 MTHS)	6	5	1	18	25

PROGRAM FISCAL EXPENSES FOR: JANUARY 2018 THROUGH DECEMBER 2019

JANUARY 18 - JULY 18	ACTUAL EXPENSES	15,350.00	27,250.00
AUGUST 18 - DECEMBER 18	ESTIMATED EXPENSES	11,900.00	
JANUARY 2019 - DECEMBER 2019	ESTIMATED EXPENSES	27,250.00	

PROGRAM PROGRESS SUMMARY: Replacement of electric appliances with natural gas appliances continues to be well received by ratepayers in St Joe Natural Gas Company's service territory.

PROGRAM TITLE: RESIDENTIAL APPLIANCE RETENTION PROGRAM

PROGRAM DESCRIPTION: This program is designed to encourage homeowners with existing natural gas appliances to retain natural gas when the existing appliances fail, or are otherwise replaced. The proposed retention program includes allowances for natural gas water heater, heating, clothes drying, range, and tankless water heating systems.

APPLIANCE LOAD	ALLOWANCE
GAS HEATING	\$500.00
GAS WATER HEATING	\$350.00
GAS CLOTHES DRYER	\$100.00
GAS RANGE	\$100.00
GAS TANKLESS W/HEATER	\$550.00
	<u>\$1,600.00</u>

PROGRAM PROJECTIONS FOR: JANUARY 2018 - DECEMBER 2019

	GAS WATER HEATING	GAS HEATING	GAS DRYER	GAS RANGE	GAS TANKLESS W/H
JANUARY 2018 - DECEMBER 2018 (12 MTHS)	120	24	23	33	28
JANUARY 2019 - DECEMBER 2019 (12 MTHS)	120	24	23	33	28

PROGRAM FISCAL EXPENSES FOR: JANUARY 2018 THROUGH DECEMBER 2019

JANUARY 18 - JULY 18	ACTUAL EXPENSES	48,000.00	75,000.00
AUGUST 18 - DECEMBER 18	ESTIMATED EXPENSES	27,000.00	
JANUARY 2019 - DECEMBER 2019	ESTIMATED EXPENSES	75,000.00	

PROGRAM PROGRESS SUMMARY: The Company recognizes that the cost to retain an existing customer is significantly lower than the cost to add a new customer. The proposed retention allowances will strengthen the Company's ability to retain existing gas customers and avoid the removal of services. This program has been well received by the customers as well.

PROGRAM TITLE:

LARGE FOOD SERVICE COMMERCIAL CONSERVATION REBATE PROGRAM

PROGRAM DESCRIPTION:

This program is designed to encourage owners and operators of large food service restaurants to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial large food service customers are defined as establishments primarily engaged in the retail sale of prepared food and drinks for on-premise with an annual consumption of greater than 9,000 therms. The rebates offered within this program are depicted below:

<u>APPLIANCE LOAD</u>	<u>ALLOWANCE</u>
GAS WATER HEATING	\$1,500.00
FRYER	\$3,000.00
GAS RANGE	\$1,500.00
GAS TANKLESS W/HEATER	\$2,000.00
	<u>\$8,000.00</u>

PROGRAM PROJECTIONS FOR:

JANUARY 2018 - DECEMBER 2019

	<u>WATER</u>	<u>FRYER</u>	<u>RANGE</u>	<u>TANKLESS W/H</u>
JANUARY 2018 - DECEMBER 2018 (12 MTHS)	0	0	0	0
JANUARY 2019 - DECEMBER 2019 (12 MTHS)	0	0	0	0

PROGRAM FISCAL EXPENSES FOR:

JANUARY 2018 THROUGH DECEMBER 2019

JANUARY 18 - JULY 18	ACTUAL EXPENSES	0.00	0.00
AUGUST 18 - DECEMBER 18	ESTIMATED EXPENSES	0.00	
JANUARY 2019 - DECEMBER 2019	ESTIMATED EXPENSES	0.00	

PROGRAM PROGRESS SUMMARY:

Since inception, only 11 (eleven) appliances have qualified for this program.

PROGRAM TITLE: COMMERCIAL HOSPITALITY AND LODGING

PROGRAM DESCRIPTION: This program is designed to encourage owners and operators of hospitality & lodging facilities to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial hospitality and lodging customers are defined as establishments known to the public as hotels or motels primarily engaged in providing lodging for the general public. The rebates offered are depicted below;

<u>APPLIANCE LOAD</u>	<u>ALLOWANCE</u>
GAS WATER HEATING	\$1,500.00
FRYER	\$3,000.00
GAS RANGE	\$1,500.00
GAS TANKLESS W/HEATER	\$2,000.00
DRYER	\$1,500.00
	<u>\$9,500.00</u>

PROGRAM PROJECTIONS FOR: JANUARY 2018 THROUGH DECEMBER 2019

	<u>WATER</u>	<u>FRYER</u>	<u>RANGE</u>	<u>TANKLESS W/H</u>	<u>DRYER</u>
JANUARY 2018 - DECEMBER 2018 (12 MTHS)	0	0	0	0	0
JANUARY 2019 - DECEMBER 2019 (12 MTHS)	0	0	0	0	0

PROGRAM FISCAL EXPENSES FOR: JANUARY 2018 THROUGH DECEMBER 2019

JANUARY 18 - JULY 18	ACTUAL EXPENSES	0.00	0.00
AUGUST 18 - DECEMBER 18	ESTIMATED EXPENSES	0.00	
JANUARY 2019 - DECEMBER 2019	ESTIMATED EXPENSES	0.00	

PROGRAM PROGRESS SUMMARY: Since inception, only three (3) appliance have qualified for this program.