

Writer's E-Mail Address: bkeating@gunster.com

August 5, 2022

**VIA E-PORTAL**

Mr. Adam Teitzman  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

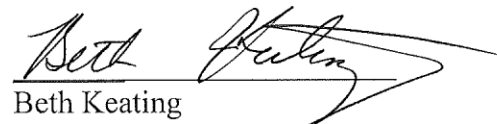
**Re: Docket No. 20220004-GU – Natural Gas Conservation Cost Recovery**

Dear Mr. Teitzman:

Enclosed for electronic filing, please find Sebring Gas System, Inc.'s Petition for Approval of PGA Factors for 2023, along with the Testimony and Exhibit JHM-2 of Mr. Jerry Melendy.

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

Sincerely,



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

MEK

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Natural Gas Conservation Cost        )  
Recovery Clause                                )  
\_\_\_\_\_  )

Docket No. 20220004-GU  
Filed: August 5, 2022

**PETITION FOR APPROVAL OF SEBRING GAS SYSTEM, INC.' S  
CONSERVATION COST RECOVERY FACTORS**

Sebring Gas System, Inc. (“the Company”), through undersigned counsel and pursuant to the requirements of this docket, hereby petitions the Commission to accept this Petition as if timely filed and to approve its conservation cost recovery factors and amounts as identified herein for the period January 2023 through December 2023. In support hereof, the Company states:

1) The Company is a natural gas utility company within the jurisdiction of this Commission. Its exact name and principal business address are:

Sebring Gas System, Inc.  
3515 U.S. Highway 27 South  
Sebring, FL 33870

2) The name and address of the person authorized to receive notices and communications with respect to this Petition are:

Beth Keating  
Gunster, Yoakley & Stewart, P.A.  
215 South Monroe St., Suite 601  
Tallahassee, FL 32301

Jerry H. Melendy  
Sebring Gas System, Inc.  
3515 U.S. Highway 27 South  
Sebring, FL 33870

3) Pursuant to the requirements of this Docket, the Company has pre-filed testimony and the conservation cost recovery forms (Exhibit JHM-2) supplied by the Commission Staff in a manner consistent with the Commission Staff's instructions.

4) As indicated in the pre-filed forms, the recoverable conservation costs for the period January 2023 through December 2023 are projected to be \$29,465. The estimated conservation costs recovery true-up amount for the period January 2022 through December 2022 is an under-recovery of \$6,479.

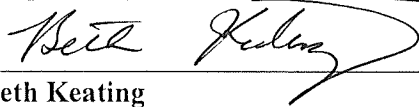
5) The resulting net total projected conservation costs to be recovered for the period January 2023 through December 2023 are \$35,944. Based upon projected sales, the appropriate conservation cost recovery factors to be applied on a per therm basis for the period January 2023 through December 2023 are as follows:

TS-1	\$0.12192
TS-2	\$0.05051
TS-3	\$0.03418
TS-4	\$0.02981

WHEREFORE, Sebring Gas System, Inc. respectfully requests that this Commission approve the foregoing conservation cost recovery factors to be applied to customer bills for the period January 2023 through December 2023 and to billings thereafter until other conservation costs recovery factors are approved by the Commission.

DATED this 5th day of August 2022.

Respectfully submitted,



**Beth Keating**

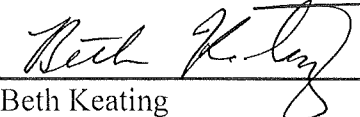
Gunster, Yoakley & Stewart  
215 South Monroe St., Suite 601  
Tallahassee, FL 32301  
(850) 521-1706

*Attorneys for Sebring Gas System, Inc.*

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by Electronic Mail to the following parties of record this 5th day of August, 2022:

Florida Public Utilities Company Mike Cassel 208 Wildlight Ave. Yulee, FL 32097 <a href="mailto:mcassel@fpuc.com">mcassel@fpuc.com</a>	<u>Ausley Law Firm</u> <u>J. Wahlen/M. Means/V. Ponder</u> <u>P.O. Box 391</u> <u>Tallahassee FL 32302</u> <a href="mailto:jwahlen@ausley.com">jwahlen@ausley.com</a> <a href="mailto:mmeans@ausley.com">mmeans@ausley.com</a>
Matt Jones, Esquire Theresa Lee Eng Tan Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399 <a href="mailto:majones@psc.state.fl.us">majones@psc.state.fl.us</a> <a href="mailto:ltan@psc.state.fl.us">ltan@psc.state.fl.us</a>	Office of Public Counsel Richard Gentry/Charles J. Rehwinkel c/o The Florida Legislature 111 W. Madison St., Rm 812 Tallahassee FL 32399 <a href="mailto:rehwinkel.charles@leg.state.fl.us">rehwinkel.charles@leg.state.fl.us</a> <a href="mailto:gentry.richard@leg.state.fl.us">gentry.richard@leg.state.fl.us</a>
Peoples Gas System Paula Brown/Kandi Floyd P.O. Box 111 Tampa, FL 33601-0111 <a href="mailto:regdept@tecoenergy.com">regdept@tecoenergy.com</a> <a href="mailto:kfloyd@tecoenergy.com">kfloyd@tecoenergy.com</a>	St. Joe Natural Gas Company, Inc. Andy Shoaf Debbie Stitt P.O. Box 549 Port St. Joe, FL 32457-0549 <a href="mailto:Andy@stjoegas.com">Andy@stjoegas.com</a> <a href="mailto:Dstitt@stjoegas.com">Dstitt@stjoegas.com</a>
Sebring Gas System, Inc. Jerry H. Melendy 3515 Highway 27 South Sebring FL 33870-5452 <a href="mailto:jmelendy@floridasbestgas.com">jmelendy@floridasbestgas.com</a>	Florida City Gas Kurt Howard 700 Universe Boulevard Juno Beach FL 33408 (561) 304-5458 <a href="mailto:kurt.howard@nexteraenergy.com">kurt.howard@nexteraenergy.com</a>
Christopher T. Wright Florida Power & Light Company 700 Universe Boulevard (JB/LAW) Juno Beach, Florida 33408 <a href="mailto:Christopher.wright@fpl.com">Christopher.wright@fpl.com</a>	

  
\_\_\_\_\_  
Beth Keating  
Gunster, Yoakley & Stewart, P.A.  
215 South Monroe St., Suite 601  
Tallahassee, FL 32301



1 provided for the period January 1, 2022 through June 30, 2022, as well  
2 as the costs the Company expects to incur from July 1, 2022, through  
3 December 31, 2022. I will also indicate the total costs the Company  
4 seeks to recover through its conservation factors during the period  
5 January 1, 2023 through December 31, 2023. Finally, I will also  
6 propose the energy conservation cost recovery factors which, when  
7 applied to consumer bills during the period January 1, 2023 through  
8 December 31, 2023, will permit recovery of the Company's total  
9 conservation costs.

10 **Q. HAVE YOU PREPARED A SUMMARY OF THE COMPANY'S**  
11 **CONSERVATION PROGRAMS AND THE COSTS ASSOCIATED**  
12 **WITH THESE PROGRAMS?**

13 A. Yes. Summaries of the Company's six approved programs are included  
14 in Schedule C-4 of Exhibit JHM-2. Included are the Residential New  
15 Construction Program, the Residential Appliance Replacement  
16 Program, the Residential Appliance Retention Program, the  
17 Commercial New Construction Program, the Commercial Appliance  
18 Replacement Program and the Commercial Retention Program.

19 **Q. HAVE YOU PREPARED SCHEDULES THAT INCLUDE THE**  
20 **COMPANY'S CONSERVATION PROGRAM EXPENDITURES FOR**  
21 **THE CURRENT (2022) AND PROJECTED (2023) PERIODS?**

22 A. Yes. Schedule C-3, Exhibit JHM-2 provides actual conservation  
23 expenses for the January 2022 through June 2022 period and projected

1 expenses for the January 2023 through December 2023 period, and  
2 are included in Schedule C-2, Exhibit JHM-2.

3 **Q. HAVE YOU PREPARED A SCHEDULE THAT INCLUDES THE**  
4 **COMPANY'S CONSERVATION RELATED REVENUES FOR 2021?**

5 A. Yes. Schedule C-3 (page 4 of 5), Exhibit JHM-2, provides actual  
6 conservation revenue for the January 2022 through June 2022 period,  
7 and projected conservation revenues for the July 2022 through  
8 December 2022 period.

9 **Q. WHAT IS THE COMPANY'S ESTIMATED TRUE-UP FOR THE**  
10 **PERIOD JANUARY 1, 2022, THROUGH DECEMBER 31, 2022?**

11 A. The Company is under-recovered by \$6,479, as calculated on Schedule  
12 C-3, Page 4, Line 11, Exhibit JHM-2.

13 **Q. WHAT IS THE TOTAL COST THE COMPANY SEEKS TO RECOVER**  
14 **DURING THE PERIOD JANUARY 1, 2023 THROUGH DECEMBER**  
15 **31, 2023?**

16 A. As indicated on Schedule C-1, Exhibit JHM-2, the Company seeks to  
17 recover \$35,944 during the referenced period. This amount represents  
18 the projected costs of \$29,465 to be incurred during 2023, plus the  
19 estimated true-up of \$6,479 for calendar year 2022.

20 **Q. WHAT ARE THE COMPANY'S PROPOSED ENERGY**  
21 **CONSERVATION COST RECOVERY FACTORS FOR EACH RATE**  
22 **CLASS FOR THE JANUARY 2023 THROUGH DECEMBER 2023**  
23 **PERIOD?**

1 A. Schedule C-1, Exhibit JHM-2, provides the calculation of the  
2 Company's proposed ECCR factors for 2023.

3 The Conservation Adjustment Factors per therm for Sebring Gas  
4 System are:

5 TS-1 \$.12192

6 TS-2 \$.05051

7 TS-3 \$.03418

8 TS-4 \$.02981

9 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

10 A. Yes.



ENERGY CONSERVATION ADJUSTMENT  
SUMMARY OF COST RECOVERY CLAUSE CALCULATION  
JANUARY 2023 THROUGH DECEMBER 2023

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	\$ 29,465
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	<u>\$ 6,480</u>
3. TOTAL (LINE 1 AND 2)	\$ 35,945

RATE SCHEDULE	BILLS	THERM SALES	CUSTOMER CHARGE REVENUES	DELIVERY CHARGE	TOTAL CUST & DELIVERY CHG REVENUE	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS THERM	TAX FACTOR	CONSERV FACTOR
TS-1	7,322	52,893	\$93,043	\$39,066	\$132,109	\$6,416	4.86%	0.12131	1.00503	0.12192
TS-2	696	25,986	\$13,910	\$12,981	\$26,891	\$1,306	4.86%	0.05026	1.00503	0.05051
TS-3	1,087	360,496	\$76,098	\$176,342	\$252,441	\$12,260	4.86%	0.03401	1.00503	0.03418
TS-4	480	538,230	\$108,061	\$220,601	\$328,662	\$15,962	4.86%	0.02966	1.00503	0.02981
TOTAL	9,585	977,604	\$291,112	\$448,991	\$740,103	\$35,945				



ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM  
JANUARY 2023 THROUGH DECEMBER 2023

PROGRAM	CAPITAL INVESTMENT	PAYROLL	MATERIAL & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 RESIDENTIAL NEW CONSTRUCTION	\$0	\$2,040	\$0	\$0	\$1,500	\$700	\$0	\$0	\$4,240
2 RESIDENTIAL APPLIANCE REPLACEMENT	\$0	\$2,040	\$0	\$0	\$5,825	\$700	\$0	\$0	\$8,565
3 RESIDENTIAL APPLIANCE RETENTION	\$0	\$2,040	\$0	\$0	\$3,200	\$700	\$0	\$0	\$5,940
4 COMMERCIAL NEW CONSTRUCTION	\$0	\$2,040	\$0	\$0	\$0	\$700	\$0	\$0	\$2,740
5 COMMERCIAL APPLIANCE REPLACEMENT	\$0	\$2,040	\$0	\$0	\$1,000	\$700	\$0	\$0	\$3,740
6 COMMERCIAL RETENTION	\$0	\$2,040	\$0	\$0	\$1,500	\$700	\$0	\$0	\$4,240
<b>PROGRAM COSTS</b>	<b>\$0</b>	<b>\$12,240</b>	<b>\$0</b>	<b>\$0</b>	<b>\$13,025</b>	<b>\$4,200</b>	<b>\$0</b>	<b>\$0</b>	<b>\$29,465</b>

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM  
JANUARY 2022 THROUGH DECEMBER 2022

<u>PROGRAM</u>	<u>CAPITAL INVESTMENT</u>	<u>PAYROLL</u>	<u>MATERIAL &amp; SUPPLIES</u>	<u>ADVERTISING</u>	<u>INCENTIVES</u>	<u>OUTSIDE SERVICES</u>	<u>VEHICLE</u>	<u>OTHER</u>	<u>TOTAL</u>
1 RESIDENTIAL NEW CONSTRUCTION									
A. ACTUAL	\$0	\$1,046	\$0	\$0	\$1,350	\$81	\$0	\$0	\$2,477
B. ESTIMATED	\$0	\$1,020	\$0	\$0	\$1,600	\$630	\$0	\$0	\$3,250
TOTAL	\$0	\$2,066	\$0	\$0	\$2,950	\$711	\$0	\$0	\$5,727
2 RESIDENTIAL APPLIANCE REPLACEMENT									
A. ACTUAL	\$0	\$1,047	\$0	\$0	\$2,625	\$81	\$0	\$0	\$3,753
B. ESTIMATED	\$0	\$1,020	\$0	\$0	\$3,800	\$630	\$0	\$0	\$5,450
TOTAL	\$0	\$2,067	\$0	\$0	\$6,425	\$711	\$0	\$0	\$9,203
3 RESIDENTIAL APPLIANCE RETENTION									
A. ACTUAL	\$0	\$1,046	\$0	\$0	\$100	\$81	\$0	\$0	\$1,227
B. ESTIMATED	\$0	\$1,020	\$0	\$0	\$2,050	\$630	\$0	\$0	\$3,700
TOTAL	\$0	\$2,066	\$0	\$0	\$2,150	\$711	\$0	\$0	\$4,927
4 COMMERCIAL NEW CONSTRUCTION									
A. ACTUAL	\$0	\$1,047	\$0	\$0	\$0	\$82	\$0	\$0	\$1,129
B. ESTIMATED	\$0	\$1,020	\$0	\$0	\$2,000	\$630	\$0	\$0	\$3,650
TOTAL	\$0	\$2,067	\$0	\$0	\$2,000	\$712	\$0	\$0	\$4,779
SUB-TOTAL	\$0	\$8,266	\$0	\$0	\$13,525	\$2,845	\$0	\$0	\$24,636

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM  
JANUARY 2022 THROUGH DECEMBER 2022

<u>PROGRAM</u>	CAPITAL INVESTMENT	PAYROLL	MATERIAL & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	\$0	\$8,266	\$0	\$0	\$13,525	\$2,845	\$0	\$0	\$24,636
5 COMMERCIAL APPLIANCE REPLACE									
A. ACTUAL	\$0	\$1,046	\$0	\$0	\$0	\$81	\$0	\$0	\$1,127
B. ESTIMATED	\$0	\$1,020	\$0	\$0	\$2,000	\$630	\$0	\$0	\$3,650
TOTAL	\$0	\$2,066	\$0	\$0	\$2,000	\$711	\$0	\$0	\$4,777
6 COMMERCIAL RETENTION									
A. ACTUAL	\$0	\$1,048	\$0	\$0	\$2,963	\$82	\$0	\$0	\$4,093
B. ESTIMATED	\$0	\$1,020	\$0	\$0	\$2,000	\$630	\$0	\$0	\$3,650
TOTAL	\$0	\$2,068	\$0	\$0	\$4,963	\$712	\$0	\$0	\$7,743
PROGRAM COSTS	\$0	\$12,400	\$0	\$0	\$20,488	\$4,268	\$0	\$0	\$37,156

CONSERVATION PROGRAM COSTS BY PROGRAM  
ACTUAL / ESTIMATED  
JANUARY 2022 THROUGH DECEMBER 2022

PROGRAM	JAN 2022	FEB 2022	MAR 2022	APR 2022	MAY 2022	JUN 2022	JUL 2022	AUG 2022	SEP 2022	OCT 2022	NOV 2022	DEC 2022	TOTAL
1 RESIDENTIAL NEW CONSTRUCTION	\$176	\$174	\$1,274	\$424	\$255	\$174	\$280	\$320	\$390	\$1,120	\$170	\$970	\$5,727
2 RESIDENTIAL APPLIANCE REPLACEMENT	\$851	\$175	\$1,149	\$1,149	\$255	\$174	\$955	\$995	\$590	\$995	\$370	\$1,545	\$9,203
3 RESIDENTIAL CUSTOMER RETENTION	\$176	\$174	\$274	\$174	\$255	\$174	\$280	\$320	\$940	\$970	\$170	\$1,020	\$4,927
4 COMMERCIAL NEW CONSTRUCTION	\$176	\$175	\$174	\$174	\$256	\$174	\$280	\$320	\$2,390	\$320	\$170	\$170	\$4,779
5 COMMERCIAL APPLIANCE REPLACE	\$176	\$174	\$174	\$174	\$255	\$174	\$280	\$320	\$390	\$320	\$2,170	\$170	\$4,777
6 COMMERCIAL RETENTION	\$177	\$175	\$3,137	\$174	\$256	\$174	\$280	\$320	\$390	\$2,320	\$170	\$170	\$7,743
<b>TOTAL ALL PROGRAMS</b>	<b>\$1,732</b>	<b>\$1,047</b>	<b>\$6,182</b>	<b>\$2,269</b>	<b>\$1,532</b>	<b>\$1,044</b>	<b>\$2,355</b>	<b>\$2,595</b>	<b>\$5,090</b>	<b>\$6,045</b>	<b>\$3,220</b>	<b>\$4,045</b>	<b>\$37,156</b>

ENERGY CONSERVATION ADJUSTMENT  
JANUARY 2022 THROUGH DECEMBER 2022

CONSERVATION REVENUES	JAN 2022	FEB 2022	MAR 2022	APR 2022	MAY 2022	JUN 2022	JUL 2022	AUG 2022	SEP 2022	OCT 2022	NOV 2022	DEC 2022	TOTAL
RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
OTHER PROGRAM REV	0	0	0	0	0	0	0	0	0	0	0	0	0
1. ECCR REVENUE	(5,558)	(5,215)	(5,757)	(4,660)	(4,680)	(4,524)	(4,123)	(4,497)	(4,200)	(4,254)	(5,080)	(3,485)	(56,032)
2. CONSERV. ADJ. REV. (NET OF REV. TAXES)	28	26	29	23	23	23	21	22	21	21	25	17	280
3. TOTAL REVENUES	(5,530)	(5,189)	(5,728)	(4,637)	(4,656)	(4,502)	(4,102)	(4,474)	(4,179)	(4,233)	(5,054)	(3,468)	(55,752)
4. PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	2,106	2,107	2,106	2,107	2,106	2,107	2,106	2,107	2,106	2,107	2,016	2,107	25,188
5. CONSERV. REVS. APPLIC. TO PERIOD	(3,424)	(3,082)	(3,622)	(2,530)	(2,550)	(2,395)	(1,996)	(2,367)	(2,073)	(2,126)	(3,038)	(1,361)	(30,564)
6. CONSERVATION EXPS. (FORM C-3, PAGE 3)	1,732	1,047	6,182	2,269	1,532	1,044	2,355	2,595	5,090	6,045	3,220	4,045	37,156
7. TRUE-UP THIS PERIOD	(1,692)	(2,035)	2,559	(261)	(1,018)	(1,351)	359	228	3,017	3,919	182	2,684	6,592
8. INTEREST THIS PERIOD (C-3, PAGE 5)	(2)	(3)	(5)	(9)	(11)	(13)	(12)	(9)	(9)	(11)	(13)	(14)	(112)
9. TRUE-UP & INT BEGIN OF MONTH	25,282	21,482	17,337	17,785	15,408	12,274	8,803	7,045	5,156	6,058	7,859	6,011	
10. PRIOR TRUE-UP COLLECT / (REFUND)	(2,106)	(2,107)	(2,106)	(2,107)	(2,106)	(2,107)	(2,106)	(2,107)	(2,106)	(2,107)	(2,016)	(2,107)	
11. END OF PERIOD TOTAL NET TRUE-UP	21,482	17,337	17,785	15,408	12,274	8,803	7,045	5,156	6,058	7,859	6,011	6,574	6,480

CALCULATION OF TRUE-UP AND INTEREST PROVISION  
JANUARY 2022 THROUGH DECEMBER 2022

INTEREST PROVISION	JAN 2022	FEB 2022	MAR 2022	APR 2022	MAY 2022	JUN 2022	JUL 2022	AUG 2022	SEP 2022	OCT 2022	NOV 2022	DEC 2022	TOTAL
BEGINNING TRUE-UP CT-3.2 Previous period	25,282	21,482	17,337	17,785	15,408	12,274	8,803	7,045	5,156	6,058	7,859	6,011	
END. T-UP BEFORE INT. (C3,4)	21,484	17,340	17,790	15,417	12,284	8,816	7,056	5,165	6,067	7,870	6,024	6,589	
TOTAL BEG. & END. T-UP	46,766	38,822	35,127	33,202	27,693	21,089	15,860	12,210	11,223	13,928	13,883	12,600	
AVERAGE TRUE-UP	23,383	19,411	17,563	16,601	13,846	10,545	7,930	6,105	5,611	6,964	6,942	6,300	
INT. RATE-FIRST DAY OF REPORTING BUSINESS MTH.	0.08%	0.14%	0.24%	0.49%	0.76%	1.12%	1.76%	1.80%	1.85%	1.95%	2.00%	2.50%	
INT. RATE-FIRST DAY OF SUBSEQUENT BUSINESS MTH.	0.14%	0.24%	0.49%	0.76%	1.12%	1.76%	1.80%	1.85%	1.95%	2.00%	2.50%	3.00%	
TOTAL	0.22%	0.38%	0.73%	1.25%	1.88%	2.88%	3.56%	3.65%	3.80%	3.95%	4.50%	5.50%	
AVG INTEREST RATE	0.110%	0.19%	0.37%	0.63%	0.94%	1.44%	1.78%	1.83%	1.90%	1.98%	2.25%	2.75%	
MONTHLY AVG. INT. RATE	0.01%	0.02%	0.03%	0.05%	0.08%	0.12%	0.15%	0.15%	0.16%	0.16%	0.19%	0.23%	
INTEREST PROVISION	-2	-3	-5	-9	-11	-13	-12	-9	-9	-11	-13	-14	(112)



**Sebring Gas System, Inc.**  
**Program Description and Progress**

Program Title

Residential New Construction Program

Program Description

This program is designed to increase the overall penetration of natural gas in the single family and multi-family residential construction markets of Sebring Gas System, Inc. (the Company)'s service territory by expanding consumer energy options in new homes. Incentives are offered to any home builder or developer who installs the below listed energy efficient appliances.

Current Approved Allowances

- \$350 Gas Storage Tank Water Heating
- \$400 Gas High Efficiency Storage tank Water Heater
- \$550 Tankless Water Heating
- \$500 Gas Heating
- \$150 Gas Cooking
- \$100 Gas Clothes Drying

Program Projections

For the twelve-month period of January through December 2023, the Company estimates that the following allowances will be paid for the Residential New Home Construction Program:

- Tankless Water Heating: 2 allowances at \$550 each for a total of \$1,100.
- Gas Cooking: 2 allowances at \$150 each for a total of \$ 300.
- Gas Clothes Drying: 1 allowance at \$100 each for a total of \$ 100.

The total estimated allowances for the Residential New Home Construction Program are \$1,500.

Program Fiscal Expenditures

For the twelve-month period of January through December 2023, the Company estimates expenses of the Residential New Home Construction Program to be \$4,240.

**Sebring Gas System, Inc.  
Program Description and Progress**

Program Title

Residential Appliance Replacement Program

Program Description

This program is designed to encourage the replacement of inefficient non-natural gas residential appliances with energy efficient natural gas appliances. Incentives are offered for the replacement of non-gas appliances through the purchase of energy efficient natural gas appliances.

Current Approved Allowances

- \$500 Gas Storage Tank Water Heating
- \$550 Gas High Efficiency Storage tank Water Heater
- \$675 Tankless Water Heating
- \$725 Gas Heating
- \$200 Gas Cooking
- \$150 Gas Clothes Drying

Program Projections

For the twelve-month period of January through December 2023, the Company estimates that the following allowances will be paid for Residential Appliance Replacement Program:

High Efficiency Tank Water Heater: No allowance.

Tankless Water Heating: 7 allowances at \$675 each for a total of \$4,725.

Gas Cooking: 4 allowances at \$200 each for a total of \$800.

Gas Clothes Drying: 2 allowances at \$150 each for a total of \$300.

The total estimated allowances for the Residential Appliance Replacement Program are \$5,825.

Program Fiscal Expenditures

For the twelve-month period of January through December 2023, the Company estimates expenses of the Residential Appliance Replacement Program to be \$8,565.

**Sebring Gas System, Inc.**  
**Program Description and Progress**

Program Title

Residential Appliance Retention Program

Program Description

This program is designed to encourage existing customers to continue to use natural gas in the home. As an incentive to continue to provide substantial benefits to the customer and utilize our county's resources effectively, this program offers cash allowances to the customer.

Current Approved Allowances

- \$350 Gas Storage Tank Water Heating
- \$400 Gas High Efficiency Storage tank Water Heater
- \$550 Tankless Water Heating
- \$500 Gas Heating
- \$100 Gas Cooking
- \$100 Gas Clothes Drying

Program Projections

For the twelve-month period of January through December 2023, the Company estimates that the following allowances will be paid for Residential Appliance Retention Program:

- Gas High Efficiency Storage Tank Water Heater: 1 allowance for \$400.
- Tankless Water Heating: 4 allowances at \$550 each for a total of \$2,200.
- Gas Cooking: 3 allowances at \$100 each for a total of \$300.
- Gas Clothes Drying: 3 allowances at \$100 each for a total of \$300.

The total estimated allowances for the Residential Appliance Retention Program are \$3,200.

Program Fiscal Expenditures

For the twelve-month period of January through December 2023, the Company estimates expenses of the Residential Appliance Retention Program to be \$5,940.

**Sebring Gas System, Inc.  
Program Description and Progress**

Program Title

Conservation Education Program

Program Description

The object of this program is to inform consumers about the Company's energy conservation programs and provide general information on energy efficiency measures that will reduce energy consumption and costs.

Program Activity and Projections:

The Company continues to communicate with several homebuilders, appliance retailers and contractors in its service area to provide information on its programs. The Company attends local builder association meetings, participating in their events. The Company continues to use a part-time outside contract sales group in an attempt to increase program participation. In 2009, the Company began participation in the Get Gas Florida consumer education program supported by the Florida Natural Gas Association. In the year 2010 the Company began a program of direct mailings to inform the public located within its service area of the benefit of using natural gas and the awareness of the programs offered by the Company.

Program Fiscal Expenditures:

The Company books any expenditures for the education program to the various incentive programs.

**Sebring Gas System, Inc.**  
**Program Description and Progress**

Program Title

Small Commercial Food Service

Program Description

This program is designed to encourage owners and operators of Small Commercial Food Service establishments to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates.

Current Approved Allowances

New Construction: 50% of the purchase and installation cost up to the amounts below.

Tank W/H	\$1,000
Tankless W/H	\$2,000
Range/Oven	\$1,000
Fryer	\$3,000

Replacement: 100% of the purchase and installation cost up to the amounts below.

Tank W/H	\$1,500
Tankless W/H	\$2,500
Range/Oven	\$1,500
Fryer	\$3,000

**Sebring Gas System, Inc.  
Program Description and Progress**

Program Title

Large Commercial Non-Food Service

Program Description

This program is designed to encourage owners and operators of Large Commercial Non-Food Service establishments to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates.

Current Approved Allowances

New Construction: 50% of the purchase and installation cost up to the amounts below.

Tank W/H \$1,500

Tankless W/H \$2,000

Replacement: 100% of the purchase and installation cost up to the amounts below.

Tank W/H \$2,000

Tankless W/H \$2,500

Retention: 50% of the purchase and installation cost up to the amounts below.

Tank W/H \$1,500

Tankless W/H \$2,000

**Sebring Gas System, Inc.  
Program Description and Progress**

Program Title

Large Commercial Food Service

Program Description

This program is designed to encourage owners and operators of Large Commercial Food Service establishments to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates.

Current Approved Allowances

New Construction: 50% of the purchase and installation cost up to the amounts below.

Tank W/H	\$1,500
Tankless W/H	\$2,000
Range/Oven	\$1,500
Fryer	\$3,000

Replacement: 100% of the purchase and installation cost up to the amounts below.

Tank W/H	\$2,000
Tankless W/H	\$2,500
Range/Oven	\$1,500
Fryer	\$3,000

Retention: 50% of the purchase and installation cost up to the amounts below.

Tank W/H	\$1,500
Tankless W/H	\$2,000
Range/Oven	\$1,500
Fryer	\$3,000

**Sebring Gas System, Inc.  
Program Description and Progress**

Program Title

Large Commercial Hospitality

Program Description

This program is designed to encourage owners and operators of Large Commercial Hospitality establishments to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates.

Current Approved Allowances

New Construction: 50% of the purchase and installation cost up to the amounts below.

Tank W/H	\$1,500
Tankless W/H	\$2,000
Range/Oven	\$1,500
Fryer	\$3,000
Dryer	\$1,500

Replacement: 100% of the purchase and installation cost up to the amounts below.

Tank W/H	\$2,000
Tankless W/H	\$2,500
Range/Oven	\$1,500
Fryer	\$3,000
Dryer	\$1,500



Large Commercial Hospitality Program, continued from page 16 of 19

Retention: 50% of the purchase and installation cost up to the amounts below.

Tank W/H	\$1,500
Tankless W/H	\$2,000
Range/Oven	\$1,500
Fryer	\$3,000
Dryer	\$1,500

**Sebring Gas System, Inc.  
Program Description and Progress**

Program Title

Large Commercial Cleaning Service

Program Description

This program is designed to encourage owners and operators of Large Commercial Hospitality establishments to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates.

Current Approved Allowances

New Construction: 50% of the purchase and installation cost up to the amounts below.

Tank W/H     \$1,500  
Tankless W/H \$2,000  
Dryer         \$1,500

Replacement: 100% of the purchase and installation cost up to the amounts below.

Tank W/H     \$2,000  
Tankless W/H \$2,500  
Range/Oven   \$1,500

Retention: 50% of the purchase and installation cost up to the amounts below.

Tank W/H     \$1,500  
Tankless W/H \$2,000  
Dryer         \$1,500

**Sebring Gas System, Inc.  
Program Description and Progress**

Program Projections

For the twelve-month period of January through December 2023, the Company estimates that the following allowances will be paid for the Commercial Rebate Programs:

Commercial New Construction:	\$ 00
Commercial Appliance Replacement	\$ 1,000
Commercial Retention	\$ 1,500

Program Fiscal Expenditures

For the twelve-month period of January through December 2023, the Company estimates expenses of the Commercial Rebate Programs to be \$10,720.