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August 1, 2025

**VIA: ELECTRONIC FILING**

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

Re: Docket No. 20250004-GU; Natural Gas Conservation Cost Recovery

Dear Mr. Teitzman:

Attached for filing in the above docket is Peoples Gas System, Inc.'s Petition for approval of true up amount and cost recovery factors, along with the Testimony of Charles T. Morgan and Exhibit CTM-2.

Thank you for your assistance in connection with this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read 'V. Ponder', written over a light blue circular stamp.

Virginia L. Ponder

VLP/dh  
Attachment

cc: All Parties of Record (w/attachment)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural Gas Conservation Cost  
Recovery.

DOCKET NO. 20250004-GU

FILED: August 1, 2025

**PETITION OF PEOPLES GAS SYSTEM, INC.  
FOR APPROVAL OF TRUE-UP AMOUNT AND COST RECOVERY FACTORS**

Peoples Gas System, Inc. ("Peoples" or the "company"), by and through its undersigned counsel files this Petition for approval of the company's conservation cost recovery true-up and the cost recovery factors proposed for use during the period January through December 2026, and in support thereof, states:

1. The name and address of the petitioner are:

Peoples Gas System, Inc.  
3600 Midtown Drive  
Tampa, Florida 33607

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

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## **Conservation Cost Recovery**

1. During the period January through December 2024, Peoples incurred actual net conservation costs of \$33,000,351. The amount collected in the NGCCR clause was \$43,501,412, plus applicable regulatory assessment fees of \$217,507. The conservation revenue applicable to this period was \$31,069,935, which includes the \$43,501,412 amount collected in the ECCR clause and the prior period true-up under-recovery of \$12,431,477. The true-up amount for January through December 2024 was an under-recovery of \$1,353,768, including interest. (See Exhibit No. CTM-1; Schedule CT-1, Page 1 of 1, and Schedule CT-2, Page 1 of 3, filed May 1, 2025).

2. During the period January through December 2025, the company anticipates incurring expenses of \$28,570,070. For the period, the total net true-up over-recovery is estimated to be \$8,928,384, including interest. (See Exhibit No. CTM-2; Schedule C-3, page 3 of 5).

3. For the forthcoming cost recovery period January through December 2026, Peoples projects its total incremental conservation costs to be \$27,004,094. Peoples' total true-up and projected expenditures for the projection period are estimated to be \$18,075,710, including true-up estimates for January through December 2025. Utilizing the rate design and cost allocation methodology approved by the Commission, the required conservation cost recovery factors are as follows:

<b><u>Rate Schedule</u></b>	<b><u>Cost Recovery Factors (Dollars per Therm)</u></b>
RS & RS-SG & RS-GHP	\$0.08184
SGS	\$0.05231
GS-1 & CS-SG & CS-GHP	\$0.02770
GS-2	\$0.02095
GS-3	\$0.01742
GS-4	\$0.01282

GS-5 \$0.00880

CSLS \$0.01765

(See Exhibit No. CTM-2; Schedule C-1, Page 1 of 1)

4. Peoples is not aware of any disputed issues of material fact relating to the matters addressed or the relief requested in this petition.

WHEREFORE, Peoples Gas System, Inc., requests the Commission's approval of the company's prior period conservation cost recovery true-up calculations and projected conservation cost recovery charges to be collected during the period January 1, 2026, through December 31, 2026.

DATED this 1<sup>st</sup> day of August 2025.

Respectfully submitted,



J. JEFFRY WAHLEN

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Attorneys for Peoples Gas System, Inc.

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Petition, together with copies of the Direct Testimony of Charles T. Morgan II and Exhibit CTM-2, filed on behalf of Peoples Gas System, Inc., has been furnished by electronic mail this 1<sup>st</sup> day of August 2025, to the following:

Timothy Sparks  
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ATTORNEY



BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION  
DOCKET NO. 20250004-GU  
IN RE: NATURAL GAS CONSERVATION  
COST RECOVERY CLAUSE

TESTIMONY AND EXHIBIT  
OF  
CHARLES T. MORGAN II

FILED: AUGUST 1, 2025

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

PREPARED DIRECT TESTIMONY

OF

CHARLES T. MORGAN II

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

**A.** My name is Charles T. Morgan II. My business address is 3600 Midtown Drive, Tampa, Florida 33607. I am employed by Peoples Gas System, Inc. ("Peoples" or the "company"), as Supervisor, Conservation Programs, in the Regulatory Affairs Department.

**Q.** Please describe your educational and employment background.

**A.** I graduated from Florida State University in 2009 with a Bachelor of Science degree in Social Science. My work experience includes eight years of utility regulatory experience, including three years with the Florida Public Service Commission ("Commission") as a Public Utility Analyst and three years as a Regulatory Analyst with Peoples before being promoted into my current role in 2024. As the Supervisor of Conservation Programs, I am responsible for

1 Peoples' Natural Gas Conservation Cost Recovery ("NGCCR")  
2 Clause and other Conservation and demand-side management  
3 ("DSM") activities.  
4

5 **Q.** What is the purpose of your testimony in this docket?  
6

7 **A.** The purpose of my testimony is to support Peoples' actual  
8 conservation costs incurred during the period January  
9 through December 2024, the actual/estimated period  
10 January to December 2025, and the projected period January  
11 through December 2026. The projected 2026 NGCCR factors  
12 have been calculated based on the currently approved  
13 allocation methodology.  
14

15 **Q.** Are you sponsoring any exhibits with your testimony?  
16

17 **A.** Yes, I am sponsoring Exhibit No. CTM-2 prepared under my  
18 direction and supervision. This document consists of  
19 Schedules C-1 through C-5 and associated data which  
20 contain information that supports the development of the  
21 natural gas conservation cost recovery factors to be  
22 applied to customer bills during the period January 2026  
23 through December 2026.  
24  
25



1     **Q.**     Does Exhibit No. CTM-2 meet the requirements of Rule 25-  
2             17.015, Florida Administrative Code, which requires the  
3             projection filing to include the annual estimated/actual  
4             true-up filing showing actual and projected common costs,  
5             individual program costs, and any revenues collected?

6  
7     **A.**     Yes, it does.

8  
9     **Q.**     What timeframe did Peoples use in developing its 2025 annual  
10            actual/estimated true-up filing?

11  
12    **A.**     Peoples developed its 2025 annual actual/estimated true-up  
13            filing showing actual and projected common costs,  
14            individual program costs, and any revenues collected based  
15            on six months of actuals and six months of estimates.

16  
17    **Q.**     Please describe the conservation program costs projected by  
18            Peoples during the period January through December 2024.

19  
20    **A.**     For the period January through December 2024, Peoples  
21            projected conservation program costs to be \$33,850,334.  
22            The Commission authorized collections to recover these  
23            expenses in Order No. PSC-2024-0486-FOF-GU, issued November  
24            25, 2024, in Docket No. 20240004-GU.

1     **Q.**     For the period January through December 2024, what were  
2             Peoples' conservation costs, and what was recovered through  
3             the NGCCR Clause?

4  
5     **A.**     For the period January through December 2024, Peoples  
6             incurred actual net conservation costs of \$33,000,351. The  
7             amount collected in the NGCCR Clause was \$43,501,412, plus  
8             applicable regulatory assessment fees of \$217,507. The  
9             conservation revenue applicable to this period was  
10            \$31,069,935, which includes the \$43,501,412 amount  
11            collected in the NGCCR Clause, and the prior period true-  
12            up under-recovery of \$12,431,477.

13  
14    **Q.**     What is the true-up amount for Peoples for the period  
15             January through December 2024?

16  
17    **A.**     Peoples' true-up amount for the period January through  
18             December 2024 was an under-recovery of \$1,353,768,  
19             including interest, as detailed on Schedule CT-1 of  
20             Exhibit No. CTM-1.

21  
22    **Q.**     Please describe the conservation program costs projected  
23             to be incurred by Peoples during the period January  
24             through December 2025?

1 **A.** The actual costs incurred by Peoples through June 2025  
2 and projected for July through December 2025 are  
3 \$28,570,070, as shown on Schedule C-3, Page 1 of 4. For  
4 the period, Peoples anticipates an over-recovery of  
5 \$8,928,384 which includes the 2024 true-up and interest.  
6 A summary of these costs and estimates are fully detailed  
7 in Exhibit No. CTM-2, Estimated Conservation Program  
8 Costs Per Program, pages 12 through 15.

9  
10 **Q.** Please summarize the reasons for the over-recovery.  
11

12 **A.** The over-recovery is primarily a result of  
13 actual/estimated expenses falling short of projections in  
14 the Residential New Construction and Commercial Retention  
15 Programs. Specifically, after four consecutive years of  
16 increased activity, the company projected Residential New  
17 Construction expenses to increase again in 2025. Instead,  
18 Residential New Construction activity and expenses have  
19 decreased as compared to 2024. Additionally, as approved  
20 in Order No. PSC-2025-0054-PAA-EG, issued on February 12,  
21 2025, the company modified the Commercial Retention  
22 Program by restructuring the rebates for fryers to be  
23 based on cooking efficiency rather than cost, to  
24 incentivize the installation of higher efficiency models.  
25 With this change, the number of rebates has significantly

1 decreased. The actual/estimated costs for each program  
2 are detailed on Schedule C-3, Page 1 of 4.  
3

4 Q. Does Peoples expect the Residential Online Audit (the  
5 "Online Audit") to meet its projected participation of  
6 7,500 customers in 2025, as stated on Page 1 of Schedule  
7 C-5 in the company's 2024 NGCCR Projection Filing?  
8

9 A. No. Based on information from the company's vendor that  
10 supports the Online Audit, the company does not expect to  
11 meet its projected participation. In January and February  
12 2025, our vendor recorded 743 and 833 participants,  
13 respectively. However, between March 6 and March 9, 2025,  
14 the vendor's reporting shows a sharp decrease in daily  
15 participants from 25-30 per day to 0-3 per day. The  
16 company investigated this sharp decline through various  
17 means. Among other things, we verified (1) the accuracy  
18 of the vendor's reporting data, (2) that the website links  
19 were working within the company and with the vendor, and  
20 (3) that the Online Audit application was properly  
21 installed on our website. Additionally, individual  
22 company team members completed audits to verify they were  
23 properly recorded by the vendor.  
24

25 The company has not received notice from customers that

1 they are unable to complete the Online Audit or otherwise  
2 are having trouble in participating. However, we continue  
3 to see discrepancies between the number of visitors to  
4 the Online Audit webpage and those documented as  
5 completing the Online Audit. Thus, the company continues  
6 to investigate this matter with the vendor. The  
7 projections on Schedule C-5, page 1, of this filing assume  
8 accurate reporting resumes for the remainder of 2025 and  
9 through 2026. Nevertheless, participation for March  
10 through July appears low due to this issue.

11

12 Q. Please summarize the proposed conservation costs for the  
13 period January through December 2026 and the annualized  
14 recovery factors applicable for the period January through  
15 December 2026.

16

17 A. Peoples has estimated that the total conservation costs  
18 (less program revenues) during the period will be  
19 \$27,004,094, plus true-up. Including true-up estimates,  
20 the January through December 2026 conservation cost  
21 recovery factors for retail rate classes are as follows:

22

**Cost Recovery Factors**

23

**Rate Schedule**

**(Dollars per Therm)**

24

RS & RS-SG & RS-GHP

\$0.08184

25

SGS

\$0.05231

1	GS-1 & CS-SG & CS-GHP	\$0.02770
2	GS-2	\$0.02095
3	GS-3	\$0.01742
4	GS-4	\$0.01282
5	GS-5	\$0.00880
6	CSLS	\$0.01765

7

8 Exhibit No. CTM-2, Schedule C-1, Page 1 of 1, Energy  
9 Conservation Adjustment, Summary of Cost Recovery Clause  
10 Calculation, contains the Commission-prescribed form which  
11 details these estimates.

12

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

14

15 **A.** Yes, it does.

16

17

18

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25

ESTIMATED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH  
January 2026 through December 2026

	PROGRAM	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
1	RESIDENTIAL CUSTOMER ASSISTED AUDIT	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	\$200,000
2	RESIDENTIAL NEW CONSTRUCTION	1,223,463	1,223,463	1,223,463	1,223,463	1,223,463	1,223,463	1,223,463	1,223,463	1,223,463	1,223,463	1,223,463	1,223,463	\$14,681,558
3	RESIDENTIAL RETROFIT	21,403	21,403	21,403	21,403	21,403	21,403	21,403	21,403	21,403	21,403	21,403	21,403	\$256,837
4	RESIDENTIAL RETENTION	252,985	252,985	252,985	252,985	252,985	252,985	252,985	252,985	252,985	252,985	252,985	252,985	\$3,035,814
5	COMMERCIAL WALKTHROUGH AUDIT	12,409	12,409	12,409	12,409	12,409	12,409	12,409	12,409	12,409	12,409	12,409	12,409	\$148,910
6	COMMERCIAL NEW CONSTRUCTION	273,716	273,716	273,716	273,716	273,716	273,716	273,716	273,716	273,716	273,716	273,716	273,716	\$3,284,587
7	COMMERCIAL RETROFIT	57,832	57,832	57,832	57,832	57,832	57,832	57,832	57,832	57,832	57,832	57,832	57,832	\$693,979
8	COMMERCIAL RETROFIT CHP	0	0	0	0	0	0	0	0	0	0	0	0	\$0
9	COMMERCIAL RETROFIT ELECTRIC REPLACEMENT	0	0	0	0	0	0	0	0	0	0	0	0	\$0
10	COMMERCIAL RETENTION	176,757	176,757	176,757	176,757	176,757	176,757	176,757	176,757	176,757	176,757	176,757	176,757	\$2,121,083
11	CONSERVATION R&D	0	0	0	0	0	0	0	0	0	0	0	0	\$0
12	COMMON COSTS	215,111	215,111	215,111	215,111	215,111	215,111	215,111	215,111	215,111	215,111	215,111	215,111	\$2,581,326
	TOTAL ALL PROGRAMS	\$2,250,341	\$2,250,341	\$2,250,341	\$2,250,341	\$2,250,341	\$2,250,341	\$2,250,341	\$2,250,341	\$2,250,341	\$2,250,341	\$2,250,341	\$2,250,341	\$27,004,094

ENERGY CONSERVATION ADJUSTMENT  
SUMMARY OF COST RECOVERY CLAUSE CALCULATION  
MONTHS: January 2026 through December 2026

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	27,004,094
2. TRUE-UP (SCHEDULE C-3, PAGE 3, LINE 11)	-8,928,384
3. TOTAL (LINE 1 AND LINE 2)	18,075,710

RATE SCHEDULE	BILLS	THERMS	CUSTOMER CHARGE	NON-GAS ENERGY CHARGE	TOTAL CUST. & ENGY CHG REVENUE	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS THERM	TAX FACTOR	CONSERV FACTOR
RS & RS-SG & RS-GHP	5,913,442	96,381,542	147,934,607	33,892,569	181,827,176	7,847,947	4.31616%	0.08143	1.00503	0.08184
SGS	163,472	9,873,474	7,040,739	4,866,240	11,906,979	513,924	4.31616%	0.05205	1.00503	0.05231
GS-1 & CS-SG & CS-GHIP	266,717	101,063,262	17,616,658	46,916,598	64,533,256	2,785,357	4.31616%	0.02756	1.00503	0.02770
GS-2	98,378	141,622,572	12,146,732	56,256,734	68,403,466	2,952,401	4.31616%	0.02085	1.00503	0.02095
GS-3	10,173	82,620,743	5,112,136	28,074,528	33,186,664	1,432,389	4.31616%	0.01734	1.00503	0.01742
GS-4	1,783	52,669,966	1,698,111	13,864,315	15,562,426	671,699	4.31616%	0.01275	1.00503	0.01282
GS-5	2,410	212,843,650	5,063,410	38,094,756	43,158,166	1,862,774	4.31616%	0.00875	1.00503	0.00880
NGVS	0	0	0	0	0	0	4.31616%	0.00000	1.00503	0.00000
CSLS	0	525,047	0	213,589	213,589	9,219	4.31616%	0.01756	1.00503	0.01765
TOTAL	6,456,375	697,600,256	196,612,393	222,179,329	418,791,722	18,075,710				



ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM  
January 2026 through December 2026

	PROGRAM	CAPITAL INVEST	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1	RESIDENTIAL CUSTOMER ASSISTED AUDIT	0	0	0	0	0	200,000	0	0	\$200,000
2	RESIDENTIAL NEW CONSTRUCTION	0	0	0	0	14,681,558	0	0	0	\$14,681,558
3	RESIDENTIAL RETROFIT	0	0	0	0	256,837	0	0	0	\$256,837
4	RESIDENTIAL RETENTION	0	0	0	0	3,035,814	0	0	0	\$3,035,814
5	COMMERCIAL WALKTHROUGH AUDIT	0	0	0	0	0	148,910	0	0	\$148,910
6	COMMERCIAL NEW CONSTRUCTION	0	0	0	0	3,284,587	0	0	0	\$3,284,587
7	COMMERCIAL RETROFIT	0	0	0	0	693,979	0	0	0	\$693,979
8	COMMERCIAL RETROFIT CHP	0	0	0	0	0	0	0	0	\$0
9	COMMERCIAL RETROFIT ELECTRIC REPLACEMENT	0	0	0	0	0	0	0	0	\$0
10	COMMERCIAL RETENTION	0	0	0	0	2,121,083	0	0	0	\$2,121,083
11	CONSERVATION R&D	0	0	0	0	0	0	0	0	\$0
12	COMMON COSTS	0	826,751	0	1,500,000	0	163,550	0	91,025	\$2,581,326
	PROGRAM COSTS	\$0	\$826,751	\$0	\$1,500,000	\$24,073,858	\$512,460	\$0	\$91,025	\$27,004,094

SCHEDULE C - 3  
 PAGE 1 OF 4

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM

Estimated For Months July 2025 through December 2025

	PROGRAM	CAPITAL INVEST	PAYROLL BENEFITS	MATERIALS & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1	RESIDENTIAL CUSTOMER ASSISTED AUDIT									
	A. ACTUAL	0	0	0	0	0	160,938	0	0	160,938
	B. ESTIMATED	0	0	0	0	0	0	0	0	0
	C. TOTAL	0	0	0	0	0	160,938	0	0	160,938
2	RESIDENTIAL NEW CONSTRUCTION									
	A. ACTUAL	0	0	0	0	7,655,100	0	0	0	7,655,100
	B. ESTIMATED	0	0	0	0	7,037,519	0	0	0	7,037,519
	C. TOTAL	0	0	0	0	14,692,619	0	0	0	14,692,619
3	RESIDENTIAL RETROFIT									
	A. ACTUAL	0	0	0	0	154,488	0	0	0	154,488
	B. ESTIMATED	0	0	0	0	115,866	0	0	0	115,866
	C. TOTAL	0	0	0	0	270,354	0	0	0	270,354
4	RESIDENTIAL RETENTION									
	A. ACTUAL	0	0	0	0	1,727,348	0	0	0	1,727,348
	B. ESTIMATED	0	0	0	0	1,468,246	0	0	0	1,468,246
	C. TOTAL	0	0	0	0	3,195,594	0	0	0	3,195,594
5	COMMERCIAL WALKTHROUGH AUDIT									
	A. ACTUAL	0	0	0	0	0	51,103	0	0	51,103
	B. ESTIMATED	0	0	0	0	0	94,281	0	0	94,281
	C. TOTAL	0	0	0	0	0	145,384	0	0	145,384
6	COMMERCIAL NEW CONSTRUCTION									
	A. ACTUAL	0	0	0	0	1,597,368	0	0	0	1,597,368
	B. ESTIMATED	0	0	0	0	1,530,811	0	0	0	1,530,811
	C. TOTAL	0	0	0	0	3,128,179	0	0	0	3,128,179
7.	COMMERCIAL RETROFIT									
	A. ACTUAL	0	0	0	0	357,704	0	0	0	357,704
	B. ESTIMATED	0	0	0	0	372,800	0	0	0	372,800
	C. TOTAL	0	0	0	0	730,504	0	0	0	730,504
8.	COMMERCIAL RETROFIT CHP									
	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
9.	COMMERCIAL RETROFIT ELECTRIC REPLACEMENT									
	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
10.	COMMERCIAL RETENTION									
	A. ACTUAL	0	0	0	0	2,330,041	0	0	0	2,330,041
	B. ESTIMATED	0	0	0	0	1,390,541	0	0	0	1,390,541
	C. TOTAL	0	0	0	0	3,720,582	0	0	0	3,720,582
11.	CONSERVATION R&D									
	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
12	COMMON COSTS									
	A. ACTUAL	0	420,804	0	258,612	0	53,527	0	83,497	816,440
	B. ESTIMATED	0	389,070	0	1,224,999	0	94,329	0	1,078	1,709,476
	C. TOTAL	0	809,874	0	1,483,611	0	147,856	0	84,575	2,525,916
	TOTAL	0	809,874	0	1,483,611	25,737,833	454,178	0	84,575	28,570,070

CONSERVATION PROGRAM COSTS BY PROGRAM  
ACTUAL/ESTIMATED

Estimated For Months July 2025 through December 2025

PROGRAM NAME	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
RESIDENTIAL CUSTOMER ASSISTED AUDIT	0	0	0	160,938	0	0	0	0	0	0	0	0	\$160,938
RESIDENTIAL NEW CONSTRUCTION	1,557,975	971,250	1,128,800	812,900	1,642,525	1,541,650	1,172,920	1,172,920	1,172,920	1,172,920	1,172,920	1,172,920	\$14,692,619
RESIDENTIAL RETROFIT	27,450	23,650	13,850	38,600	32,213	18,725	19,311	19,311	19,311	19,311	19,311	19,311	\$270,354
RESIDENTIAL RETENTION	211,638	343,010	185,000	425,200	411,200	151,300	244,708	244,708	244,708	244,708	244,708	244,708	\$3,195,594
COMMERCIAL WALKTHROUGH AUDIT	4,767	4,767	8,953	9,681	18,169	4,767	15,714	15,714	15,714	15,714	15,714	15,714	\$145,384
COMMERCIAL NEW CONSTRUCTION	197,135	277,368	405,997	160,629	225,959	330,279	255,135	255,135	255,135	255,135	255,135	255,135	\$3,128,179
COMMERCIAL RETROFIT	30,200	35,068	10,500	128,902	75,034	78,000	62,133	62,133	62,133	62,133	62,133	62,133	\$730,504
COMMERCIAL RETROFIT CHP	0	0	0	0	0	0	0	0	0	0	0	0	\$0
COMMERCIAL RETROFIT ELECTRIC REPLACEME	0	0	0	0	0	0	0	0	0	0	0	0	\$0
COMMERCIAL RETENTION	274,500	585,626	317,750	468,666	492,500	190,999	231,757	231,757	231,757	231,757	231,757	231,757	\$3,720,582
CONSERVATION R&D	0	0	0	0	0	0	0	0	0	0	0	0	\$0
COMMON COSTS	40,030	360,819	89,368	88,525	74,993	162,705	284,913	284,913	284,913	284,913	284,913	284,913	\$2,525,916
TOTAL ALL PROGRAMS	\$2,343,694	\$2,601,557	\$2,160,218	\$2,294,041	\$2,972,595	\$2,478,424	\$2,286,590	\$2,286,590	\$2,286,590	\$2,286,590	\$2,286,590	\$2,286,590	\$28,570,070

ENERGY CONSERVATION ADJUSTMENT

January 2025 through December 2025

CONSERVATION REVS.	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
RCS AUDIT FEES	-	-	-	-	-	-	-	-	-	-	-	-	-
a. OTHER PROG. REV.	(4,481,769)	(4,435,296)	(3,805,148)	(3,502,961)	(3,105,552)	(2,540,222)	(2,791,321)	(2,791,321)	(2,791,321)	(2,791,321)	(2,791,321)	(2,791,321)	(38,618,875)
b. CONSERV. ADJ. REV.	-	-	-	-	-	-	-	-	-	-	-	-	-
c.	-	-	-	-	-	-	-	-	-	-	-	-	-
CONSERV. ADJ REV. (NET OF REV. TAXES)	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	(4,481,769)	(4,435,296)	(3,805,148)	(3,502,961)	(3,105,552)	(2,540,222)	(2,791,321)	(2,791,321)	(2,791,321)	(2,791,321)	(2,791,321)	(2,791,321)	(38,618,875)
PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	123,653	123,653	123,653	123,653	123,653	123,653	123,653	123,653	123,653	123,653	123,653	123,653	1,483,836
CONSERVATION REVS. APPLIC. TO PERIOD	(4,358,116)	(4,311,643)	(3,681,495)	(3,379,308)	(2,981,899)	(2,416,569)	(2,667,668)	(2,667,668)	(2,667,668)	(2,667,668)	(2,667,668)	(2,667,668)	(37,135,039)
CONSERVATION EXPS. (FORM C-3, PAGE 3)	2,343,694	2,601,557	2,160,218	2,294,041	2,972,595	2,478,424	2,286,590	2,286,590	2,286,590	2,286,590	2,286,590	2,286,590	28,570,070
TRUE-UP THIS PERIOD	(2,014,421)	(1,710,086)	(1,521,276)	(1,085,267)	(9,304)	61,856	(381,078)	(381,078)	(381,078)	(381,078)	(381,078)	(381,078)	(8,564,969)
REGULATORY ADJUSTMENTS													-
INTEREST THIS PERIOD (C-3,PAGE 5)	1,034	(6,172)	(12,439)	(17,488)	(20,064)	(20,544)	(21,531)	(23,421)	(25,318)	(27,222)	(29,132)	(31,050)	(233,347)
TRUE-UP & INT. BEG. OF MONTH	1,353,768	(783,272)	(2,623,183)	(4,280,551)	(5,506,959)	(5,659,980)	(5,742,321)	(6,268,583)	(6,796,735)	(7,326,784)	(7,858,737)	(8,392,601)	1,353,768
PRIOR TRUE-UP COLLECT./(REFUND.)	(123,653)	(123,653)	(123,653)	(123,653)	(123,653)	(123,653)	(123,653)	(123,653)	(123,653)	(123,653)	(123,653)	(123,653)	(1,483,836)
END OF PERIOD TOTAL NET TRUE-UP	(783,272)	(2,623,183)	(4,280,551)	(5,506,959)	(5,659,980)	(5,742,321)	(6,268,583)	(6,796,735)	(7,326,784)	(7,858,737)	(8,392,601)	(8,928,382)	(8,928,384)

CALCULATION OF TRUE-UP AND INTEREST PROVISION

January 2025 through December 2025

INTEREST PROVISION	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
BEGINNING TRUE-UP	1,353,768	-783,272	-2,623,183	-4,280,551	-5,506,959	-5,659,980	-5,742,321	-6,268,583	-6,796,735	-7,326,784	-7,858,737	-8,392,601	-8,928,382
END. T-UP BEFORE INT.	-784,306	-2,617,011	-4,268,112	-5,489,471	-5,639,916	-5,721,777	-6,247,052	-6,773,314	-7,301,466	-7,831,515	-8,363,468	-8,897,332	-8,695,037
TOT. BEG. & END. T-UP	569,462	-3,400,283	-6,891,295	-9,770,022	-11,146,875	-11,381,757	-11,989,373	-13,041,897	-14,098,201	-15,158,299	-16,222,205	-17,289,933	-17,623,419
AVERAGE TRUE-UP	284,731	-1,700,142	-3,445,648	-4,885,011	-5,573,438	-5,690,879	-5,994,687	-6,520,949	-7,049,101	-7,579,150	-8,111,103	-8,644,967	-8,811,710
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	4.3600%	4.3500%	4.3500%	4.3200%	4.2800%	4.3500%	4.3100%	4.3100%	4.3100%	4.3100%	4.3100%	4.3100%	
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MTH	4.3500%	4.3500%	4.3200%	4.2800%	4.3500%	4.3100%	4.3100%	4.3100%	4.3100%	4.3100%	4.3100%	4.3100%	
TOTAL	8.7100%	8.7000%	8.6700%	8.6000%	8.6300%	8.6600%	8.6200%	8.6200%	8.6200%	8.6200%	8.6200%	8.6200%	
AVG INTEREST RATE	4.3550%	4.3500%	4.3350%	4.3000%	4.3150%	4.3300%	4.3100%	4.3100%	4.3100%	4.3100%	4.3100%	4.3100%	
MONTHLY AVG. RATE	0.36300%	0.3630%	0.3610%	0.3580%	0.3600%	0.3610%	0.3592%	0.3592%	0.3592%	0.3592%	0.3592%	0.3592%	
INTEREST PROVISION	\$1,034	-\$6,172	-\$12,439	-\$17,488	-\$20,064	-\$20,544	-\$21,531	-\$23,421	-\$25,318	-\$27,222	-\$29,132	-\$31,050	-\$233,347

## **PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** RESIDENTIAL ONLINE ENERGY AUDIT

**Program Description:** The Residential Online Energy Audit is designed to save energy by increasing residential customer awareness of natural gas energy use in personal residences. This program allows new and prospective residential customers to engage in an online energy audit. Recommendations provided to the customer include an estimated range of energy savings and insightful advice on managing their overall energy usage.

**Program Projections:** January 1 to December 31, 2025

During this period, 3,650 customers are projected to participate.

January 1 to December 31, 2026

During this period, 6,000 customers are projected to participate.

**Program Fiscal  
Expenditures:**

January 1 to December 31, 2025

Expenditures are estimated to be \$160,938.

January 1 to December 31, 2026

Expenditures are estimated to be \$200,000.

**Historical Program  
Summary:**

Since the inception of this program, 42,713 customers have participated.

## **PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** RESIDENTIAL NEW CONSTRUCTION

**Program Description:** The Residential New Construction Program is designed to encourage builders and developers to construct new single family and multi-family homes with energy efficient natural gas appliances to help reduce the new customer's energy consumption and conserve energy resources. The rebates offered to builders and developers under this program are designed to assist in defraying the added cost of gas piping and venting.

**Program Projections:** January 1 to December 31, 2025

During this period, 13,469 customers are projected to participate.

January 1 to December 31, 2026

During this period, 13,500 customers are projected to participate.

**Program Fiscal  
Expenditures:**

January 1 to December 31, 2025

Expenditures are estimated to be \$14,692,619.

January 1 to December 31, 2026

Expenditures are estimated to be \$14,681,558.

**Historical Program  
Summary:**

Since the inception of this program, 233,076 customers have participated.

## PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** RESIDENTIAL RETROFIT

**Program Description:** The Residential Retrofit Program is designed to encourage both existing and new natural gas customers to make cost-effective improvements to their residences by installing energy- efficient natural gas appliances. This will help reduce their energy consumption and conserve energy resources. The rebates offered to customers under this program are designed to assist in defraying the added cost of gas piping and venting.

**Program Projections:** January 1 to December 31, 2025

During this period, customers are projected to install 620 appliances.

January 1 to December 31, 2026

During this period, customers are projected to install 589 appliances.

**Program Fiscal  
Expenditures:**

January 1 to December 31, 2025

Expenditures are estimated to be \$270,355.

January 1 to December 31, 2026

Expenditures are estimated to be \$256,837.

**Historical Program  
Summary:**

Since the inception of this program, 33,601 customers have participated.



## PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** RESIDENTIAL RETENTION

**Program Description:** The Residential Retention Program is designed to encourage current natural gas customers to make cost-effective improvements to existing residences with the installation of energy-efficient natural gas appliances to help reduce their energy consumption and conserve energy resources. The goal is to offer customer rebates for installing new energy-efficient natural gas equipment.

**Program Projections:** January 1 to December 31, 2025

During this period, customers are projected to install 7,957 appliances.

January 1 to December 31, 2026

During this period, customers are projected to install 7,559 appliances.

**Program Fiscal  
Expenditures:**

January 1 to December 31, 2025

Expenditures are estimated to be \$3,195,594.

January 1 to December 31, 2026

Expenditures are estimated at \$3,035,814.

**Historical Program  
Summary:**

Since the inception of this program, 241,500 customers have participated.

## **PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** COMMERCIAL WALKTHROUGH ENERGY AUDIT

**Program Description:** The Commercial Walk-Through Energy Audit is designed to reduce the energy consumption of commercial facilities by increasing customer awareness of the energy use in their facilities. The savings are dependent upon the customer's implementation of conservation measures and practices recommended.

**Program Projections:** January 1 to December 31, 2025

During this period, 150 customers are projected to participate.

January 1 to December 31, 2026

During this period, 150 customers are projected to participate.

**Program Fiscal  
Expenditures:**

January 1 to December 31, 2025

Expenditures are estimated to be \$145,384.

January 1 to December 31, 2026

Expenditures are estimated to be \$148,910.

**Historical Program  
Summary:**

Since the inception of this program, 164 customers have participated.

## PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** COMMERCIAL NEW CONSTRUCTION

**Program Description:** The Commercial New Construction Program is designed to encourage new natural gas customers to construct commercial facilities with energy efficient natural gas equipment to help reduce the new customer's energy consumption and conserve energy resources. The rebates offered to builders and developers under this program are designed to assist in defraying the added cost of gas piping and venting.

**Program Projections:** January 1 to December 31, 2025

During this period, customers are projected to install 1,108 appliances.

January 1 to December 31, 2026

During this period, there are 1,164 customers projected to participate.

**Program Fiscal  
Expenditures:**

January 1 to December 31, 2025

Expenditures are estimated to be \$3,284,587.

January 1 to December 31, 2026

Expenditures are estimated to be \$3,128,178.

**Historical Program  
Summary:**

Since its inception of this program, 2,901 customers have participated.

## **PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** COMMERCIAL RETROFIT

**Program Description:** The Commercial Retrofit Program is designed to encourage current and new natural gas customers to make cost-effective improvements to existing commercial facilities with the installation of energy-efficient natural gas equipment to help reduce their energy consumption and conserve energy resources.

**Program Projections:** January 1 to December 31, 2025

During this period, there are 213 customers projected to participate.

January 1 to December 31, 2026

During this period, there are 203 customers projected to participate.

**Program Fiscal  
Expenditures:**

January 1 to December 31, 2025

Expenditures are estimated to be \$730,504.

January 1 to December 31, 2026

Expenditures are estimated to be \$693,979.

**Historical Program  
Summary:**

Since the inception of this program, 2,957 customers have participated in this program.

## PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** COMMERCIAL RETROFIT COMBINED HEAT AND POWER

**Program Description:** The Commercial Retrofit Combined Heat and Power Program is designed to encourage current and new natural gas customers to make cost-effective improvements to existing commercial facilities with the installation of energy efficient natural gas equipment to help reduce their energy consumption and conserve energy resources. The goal is to offer customer rebates for installing new energy-efficient natural gas combined heat and power equipment that utilizes waste heat to displace portions of natural gas usage for on-site heating, cooling, and/or water heating.

**Program Projections:** January 1 to December 31, 2025

During this period, there are zero customers projected to participate.

January 1 to December 31, 2026

During this period, there are zero customers projected to participate.

**Program Fiscal  
Expenditures:**

January 1 to December 31, 2025

Expenditures are estimated to be \$0.

January 1 to December 31, 2026

Expenditures are estimated to be \$0.

**Historical Program  
Summary:**

Since its inception of this program, 7 customers have participated.

## PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** COMMERCIAL RETROFIT ELECTRIC REPLACEMENT

**Program Description:** The Commercial Retrofit Electric Replacement Program is designed to encourage current and new natural gas customers to make cost-effective improvements to existing commercial facilities with the installation of energy-efficient natural gas equipment to help reduce their energy consumption and conserve energy resources. The goal is to offer customer rebates for installing new energy efficient natural gas equipment.

**Program Projections:** January 1 to December 31, 2025

During this period, there are zero customers projected to participate.

January 1 to December 31, 2026

During this period, there are zero customers projected to participate.

**Program Fiscal  
Expenditures:**

January 1 to December 31, 2025

Expenditures are estimated to be \$0.

January 1 to December 31, 2026

Expenditures are estimated at \$0.

**Historical Program  
Summary:**

Since its inception of this program, 60,581 kW have been displaced.

## PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** COMMERCIAL RETENTION

**Program Description:** The Commercial Retention Program is designed to encourage current natural gas customers to make cost-effective improvements to existing commercial facilities with the installation of energy-efficient natural gas equipment to help reduce their energy consumption and conserve energy resources.

**Program Projections:** January 1 to December 31, 2025

During this period, there are 1,864 customers projected to participate.

January 1 to December 31, 2026

During this period, there are 1,063 customers projected to participate.

**Program Fiscal  
Expenditures:**

January 1 to December 31, 2025

Expenditures are estimated to be \$3,720,582.

January 1 to December 31, 2026

Expenditures are estimated to be \$2,121,083.

**Historical Program  
Summary:**

Since the inception of this program, 8,292 customers have participated.

## **PROGRAM DESCRIPTION AND PROGRESS**

**Program Title:** CONSERVATION RESEARCH AND DEVELOPMENT

**Program Description:** This program is in response to Rule 25-17.001 (5) (f), F.A.C., that requires aggressive R&D projects be "...an ongoing part of the practice of every well managed utility's programs." It is also in support of Commission Order No. 22176 dated November 14, 1989, requiring utilities to "...pursue research, development, and demonstration projects designed to promote energy efficiency and conservation." R&D activity will be conducted on proposed measures to determine the impact on the company and its ratepayers and may occur at customer premises, Peoples facilities or at independent test sites.

**Program Projections:** The company continues to review possible projects for this program and will notify the Commission prior to beginning any research and development projects.

**Program Fiscal Expenditures:** January 1 to December 31, 2025  
Expenditures are estimated to be \$0.  
January 1 to December 31, 2026  
Expenditures are estimated to be \$0.



## PROGRAM DESCRIPTION AND PROGRESS

**Program Title:** COMMON COSTS

**Program Description:** These expenses do not represent a separate program. These are expenses common to all Peoples' conservation programs. These expenses may include labor, advertising, software maintenance, and other administrative costs that cannot be attributed to any specific conservation program.

**Program Fiscal Expenditures:** January 1 to December 31, 2025

Expenditures are estimated to be \$2,525,916.

January 1 to December 31, 2026

Expenditures are estimated to be \$2,581,326.