

22

Sebring's Response to Staff's
Second Set of Interrogatories,
No. 7

INTERROGATORY NO. 7 (A&B)INTERROGATORIES

Please refer to Schedule CT-2, Page 2 of 3, in Exhibit JHM-1, from Sebring's May 2, 2022 filing in Docket No. 20220004-GU, reflecting that no expense was allocated to Advertising. Please answer the following:

- A. Explain how customers are informed or made aware of the Company's conservation programs.

Company Response:

New or potential Sebring customers are made aware of the available conservation rebates in several ways. A few of these ways are:

- When the customer comes into our office or calls Sebring, inquiring about natural gas, they are given either written or verbal information about the rebates and how the program works.
- When Sebring sends the customer a rebate check, it is accompanied by a "thank you" letter, which also reminds them of the rebates that are available.
- When our personnel go to a customer's location to give a quote for work or to gather data to perform a feasibility study, we provide the customer with conservation rebate information.
- When Sebring is extending its mains in a neighborhood, our technicians will drop conservation rebate information off to residents along the route of the new main.

- B. As recently as 2008, the Company recorded costs for advertising expenses for the conservation programs. Please discuss the rationale for no longer recording costs for advertising expenses for its conservation programs from 2016 through the current period.

Company Response:

In the True-Up Filing for Docket 20190004-GU, Sebring reported the amount of \$151.00 in Advertising Expenses. This was the amount allocated to expenses for the labor of Sebring's technicians to distribute flyers detailing Sebring's conservation programs to potential customers in the area of its mains being installed. The subject of this practice was touched on in the last bullet point in the Sebring's reply to question 7A above.

The allocation of the expense was limited to the conservation category: Residential Appliance Replacement. The allocation to only one category was due to no new homes, homes presently using natural gas or potential commercial customers located in the area.

Sebring continues to make potential and present customers aware of our conservation programs but does no longer records expenses in our conservation filings. .

Respondent: Jerry Melendy