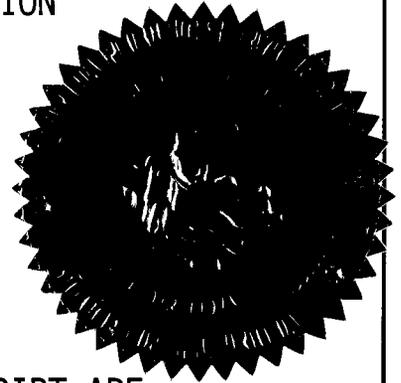


BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 010004-GU

In the Matter of

NATURAL GAS CONSERVATION
COST RECOVERY.



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PROCEEDINGS: HEARING

BEFORE: CHAIRMAN E. LEON JACOBS, JR.
COMMISSIONER J. TERRY DEASON
COMMISSIONER LILA A. JABER
COMMISSIONER BRAULIO L. BAEZ
COMMISSIONER MICHAEL A. PALECKI

DATE: November 20, 2001

TIME: Commenced at 9:30 a.m.
Concluded at 5:25 p.m.

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: JANE FAUROT, RPR
Chief, Office of Hearing Reporter Services
FPSC Division of Commission Clerk and
Administrative Services
(850) 413-6732

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FPSC-COMMISSION CLERK

1 APPEARANCES:

2 RICHARD D. MELSON, Hopping Green Sams and
3 Smith, Post Office Box 6526, Tallahassee, Florida
4 32314, appearing on behalf of City Gas Corporation.

5 WAYNE L. SCHIEFELBEIN, P. O. Box 15756,
6 Tallahassee, Florida 32317-5856, appearing on behalf
7 of Chesapeake Utilities Corporation.

8 ANSLEY WATSON, JR., Macfarlane, Ferguson
9 and McMullen, P.O. Box 1531, Tampa, Florida 33601,
10 appearing on behalf of Peoples Gas System.

11 MARLENE K. STERN, Florida Public Service
12 Commission, Division of Legal Services, 2540 Shumard
13 Oak Boulevard, Tallahassee, Florida 32399-0870,
14 appearing on behalf of the Commission Staff.

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I N D E X

WITNESSES

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CARL SMITH	
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BEVERLY A. BAUCK	
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AMANDA J. PRICE	
Stipulated Prefiled Direct Testimony Inserted	23
THOMAS A. GEOFFROY	
Stipulated Prefiled Direct Testimony Inserted	27
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Stipulated Prefiled Direct Testimony Inserted	39
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EXHIBITS

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NUMBER:	ID.	ADMTD.
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2 CS-1	12	12
3 BAB-1	15	15
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CHAIRMAN JACOBS: We will move to 04.

MS. STERN: Commissioners, all the testimony goes to stipulated issues in 04, and their testimony can be moved into the record as though read.

MR. MELSON: Commissioner Jacobs, on behalf of City Gas Company, I would ask that the prefiled testimony of Gloria Lopez be inserted into the record as though read.

CHAIRMAN JACOBS: Just one moment, please. Without objection, show the prefiled testimony of Ms. Lopez is entered into the record as though read.

MR. MELSON: And I would ask that her Exhibits GL-1 and GL-2, which are listed on Page 8 of the order, be marked as Composite Exhibit 1.

CHAIRMAN JACOBS: Without objection, show it marked as Exhibit 1.

MR. MELSON: And I ask that Exhibit 1 be admitted.

CHAIRMAN JACOBS: Without objection, show Exhibit 1 is admitted.

(Composite Exhibit 1 marked for identification and admitted into the record.)

1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 DIRECT TESTIMONY OF

3 GLORIA L. LOPEZ

4 ON BEHALF OF

5 CITY GAS COMPANY OF FLORIDA

6 DOCKET NO. 010004-GU

7 October 5, 2001

8

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

11

12 A. My name is Gloria L. Lopez and my business address is 955 East 25th Street,
13 Hialeah, Florida 33013-3498. I am employed by NUI Utilities, Inc. as Director of
14 Regulatory & Business Affairs.

15

16 **Q. Are you familiar with the energy conservation programs of City Gas**
17 **Company of Florida ("City Gas")?**

18

19 A. Yes, I am. City Gas is NUI Utilities, Inc.'s Florida utility operation.

20

21 **Q. Are you familiar with the costs that have been incurred and are projected to**
22 **be incurred by City Gas in implementing its energy conservation**
23 **programs?**

24

1 A. Yes, I am.

2

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

4

5 A. To submit the conservation cost recovery true-up for the final true-up period
6 January 1, 2000 through December 31, 2000, and for the actual and estimated
7 period of January 1, 2001, through December 31, 2001. I will also present the
8 total level of costs City Gas seeks to recover through its conservation factors
9 during the period January 1, 2002 through December 31, 2002, as well as the
10 conservation factors which, when applied to our customer's bills during the
11 period January 1, 2002 through December 31, 2002, will permit recovery of total
12 ECCR costs. I am also adopting the testimony of Carl Smith filed in this docket
13 on May 15, 2001.

14

15 **Q. What is the Company's estimated true-up for the period January 1, 2001**
16 **through December 31, 2001?**

17

18 A. An over-recovery of \$524,136. This amount is calculated on page 4 of
19 Schedule C-3 and takes into account the final audited true-up for the year
20 ended December 31, 2000, which was an over-recovery of \$631,579, including
21 interest.

22

23 **Q. What is the total cost City Gas seeks to recover during the period January**
24 **1, 2002 through December 31, 2002?**

1 A. \$1,816,331. This represents the projected costs of \$2,340,467 to be incurred
2 during 2002, less the estimated true-up of \$524,136 for calendar year 2001.

3

4 **Q. What conservation factors does City Gas need to permit recovery of these**
5 **costs?**

6

7 A.	Residential (RS, ED & GL)	\$00.04983
8	Commercial (CS, ED & SCTS)	\$00.01428
9	Commercial Large Volume (LCS & CTS)	\$00.00946
10	Industrial (IP & ITS)	\$00.00863

11

12 **Q. Has City Gas proposed any changes to the rate classes from which the**
13 **Company’s conservation costs will be recovered?**

14

15 A. Yes. City Gas proposes to recover its conservation costs from its interruptible
16 sales and transportation customers in addition to the firm residential and
17 commercial classes from which the Company has recovered conservation costs
18 in the past.

19

20 **Q. Why is City Gas proposing to recover conservation costs from its**
21 **interruptible sales and transportation classes?**

22

1 A. City Gas has two conservation programs (approved by the Commission in
2 Docket No. 970478-GU) under which customers in the IP & ITS rate classes are
3 eligible to receive incentives and have, in fact received incentives in the past.

4

5 **Q. Please identify these programs.**

6 A. Program 9 is the Commercial/Industrial Conversion Program and Program 10 is
7 the Commercial/Industrial Alternative Technology Program.

8

9 **Q. What is the effect of adding the IP and the ITS classes to the firm classes**
10 **from which the Company previously recovered conservation costs?**

11

12 A. The effect of adding the IP and the ITS classes is to reduce the conservation
13 cost recovery factors to the firm classes, as the same level of costs is being
14 spread over a larger base.

15

16 **Q. Has City Gas prepared summaries of its conservation programs and the**
17 **costs associated with these programs?**

18

19 A. Yes. Summaries of the Company's programs are contained in Schedule C-5 of
20 my Exhibit ____ (GL-1).

21

22 **Q. Has City Gas prepared schedules to support its requested Conservation**
23 **Cost Recovery Factor?**

24

1 A. Yes. I have prepared and filed together with this testimony Schedules C-1
2 through C-3 as prescribed by Commission Staff. These schedules are included
3 in my Exhibit ____ (GL-1).

4

5 **Q. Does City Gas expect to make any modifications to the manner in which it**
6 **promotes the approved energy conservation programs during the period**
7 **January 1, 2002 through December 31, 2002?**

8

9 A. Yes. City Gas plans to participate in the statewide GetGasFL advertising
10 campaign. The campaign will promote the energy conservation benefits of gas
11 through the use of multiple media outlets. The intent of the campaign is to direct
12 consumers to a common website. The website will contain additional benefits on
13 the utilization of gas, the availability of gas by region, and contact information,
14 as well as specifics about the energy conservation programs offered.

15

16 **Q. Does the proposed campaign meet the guidelines for recovery under Rule**
17 **25-17.015, Energy Conservation Cost Recovery?**

18

19 A. Yes, the proposed campaign meets the guidelines as established by Rule 25-
20 17.015, Energy Cost Conservation Cost Recovery. The proposed advertising
21 content for the billboards is attached as Exhibit ____ (GL-2). The radio and
22 television advertising will be consistent with the basic concept of the billboards.

23

1 **Q.** **Has City Gas included the estimated cost of the campaign in the projected**
2 **costs associated with the conservation programs?**

3

4 **A.** Yes the estimated cost of the campaign is included in the projections. The
5 amount projected to be spent on the campaign during calendar year 2002 is
6 \$190,000.

7

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

9

10 **A.** Yes, it does.

1 MR. MELSON: I would also ask that the prefiled
2 testimony of Carl Smith be inserted into the record as though
3 read.

4 CHAIRMAN JACOBS: Without objection, show that Mr.
5 Smith's testimony is entered into the record as though read.

6 MR. MELSON: And that Exhibit CS-1 listed on Page 8
7 of the order be marked as Exhibit 2 and admitted into the
8 record.

9 CHAIRMAN JACOBS: Without objection, show that marked
10 as Exhibit 2, CS-1. And without objection, show Exhibit 2 is
11 admitted.

12 (Exhibit 2 marked for identification and admitted
13 into the record.)
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1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 DIRECT TESTIMONY OF

3 CARL SMITH

4 ON BEHALF OF

5 CITY GAS COMPANY OF FLORIDA

6 DOCKET NO. 010004-GU

7 May 15, 2001

8

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

11 A. My name is Carl Smith and my business address is 955 East 25th Street,
12 Hialeah, Florida 33013-3498. I am employed by NUI Corporation as
13 Director of Marketing for its regulated businesses, comprising the Florida,
14 North Carolina, Maryland, Pennsylvania, New York and New Jersey utility
15 operations of NUI Corporation.

16

17 **Q. Are you familiar with the energy conservation programs of City Gas**
18 **Company of Florida (“City Gas”)?**

19 A. Yes, I am. City Gas is NUI Corporation’s Florida utility operation.

20

21 **Q. Are you familiar with the costs that have been incurred and that are**
22 **projected to be incurred by City Gas in implementing its energy**
23 **conservation programs?**

1 A. Yes, I am.

2

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

4 A. To submit the recoverable costs incurred during the period ending
5 December 31, 2000, and to identify the final true-up amount related to that
6 period.

7

8 **Q. Has City Gas prepared schedules which show the expenditures**
9 **associated with its energy conservation programs for the period you**
10 **have mentioned?**

11 A. Yes. I have prepared and filed together with this testimony Schedules CT-
12 1, CT-2 and CT-3.

13

14 **Q. What amount did City Gas spend on conservation programs during**
15 **this period?**

16 A. \$1,628,648.

17

18 **Q. What is the final true-up amount associated with the period ending**
19 **December 31, 2000?**

20 A. An over-recovery of \$616,757, including interest.

21

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

23 A. Yes, it does.

1 MR. SCHIEFELBEIN: Commissioners, on behalf of
2 Florida Division of Chesapeake Utilities Corporation, I would
3 ask that the prefiled direct testimony of Beverly A. Bauck be
4 inserted into the record as though read.

5 CHAIRMAN JACOBS: Without objection, show Ms. Bauck's
6 testimony is entered into the reported as though read.

7 MR. SCHIEFELBEIN: I would ask that the exhibit
8 amended as BAB-1 be identified as Exhibit Number 3.

9 CHAIRMAN JACOBS: Show it marked as Exhibit 3.

10 MR. SCHIEFELBEIN: I would ask that Exhibit 3 be
11 admitted into evidence.

12 CHAIRMAN JACOBS: Show Exhibit 3 is admitted without
13 objection.

14 (Exhibit 3 marked for identification and admitted
15 into the record.)

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1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 In Re: Conservation Cost Recovery Clause

3 DIRECT TESTIMONY OF BEVERLY A. BAUCK

4 On Behalf of5 Chesapeake Utilities Corporation

6 DOCKET NO. 010004-GU

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

9 A. My name is Beverly Bauck, and my business address is 1015 6th Street N.W.,
10 Winter Haven, Florida, 33881. I am employed by Chesapeake Utilities
11 Corporation ("Chesapeake") as Conservation Service Representative.

12 Q. Are you familiar with the energy conservation programs of Chesapeake and
13 costs which have been, are projected to be, incurred in their implementation?

14 A. Yes.

15 Q. What is the purpose of your testimony in this docket?

16 A. The purpose of my testimony is to present data and summaries concerning the
17 planned and actual accomplishments of Chesapeake's energy conservation
18 programs during the period January 2000 through December 2000. Data
19 related to calculation of the true-up for this period is also included.

20 Q. Have you prepared summaries of Chesapeake's conservation programs and
21 the costs associated with them?

22 A. Yes. Summaries of the seven programs in connection with which Chesapeake
23 incurred recoverable costs during the period January 2000 through December

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1 2000 are contained in Schedule CT-6 of Exhibit BAB-1. Included are our
2 Residential Home Builders Programs, Appliance Replacement Program,
3 Water Heater Retention Program, Natural Gas Space Conditioning for
4 Residential Homes Program, Natural Gas Space Conditioning Program,
5 Residential Propane Distribution Program and our Conservation Education
6 Program.

7 Q. Have you prepared schedules which show the expenditures associated with
8 Chesapeake's energy conservation programs for the periods you have
9 mentioned?

10 A. Yes. Schedule CT-2 page 1, Exhibit BAB-1 shows actual expenses for the
11 period.

12 Schedule CT-2, page 1, shows a comparison of the actual program costs and
13 true-up with the estimated costs and true-up submitted at the November 2000
14 hearing in this docket.

15 Q. What was the total cost incurred by Chesapeake in connection with the seven
16 programs during the twelve months ending December 2000?

17 A. As shown in Exhibit BAB-1, Schedule CT-2, page 2, total program costs were
18 \$349,254. This total is \$ 80,942 more than our projection of the program
19 costs for the twelve month period.

20 Q. Have you prepared, for the twelve month period involved, a schedule which
21 shows the variance of actual from projected costs by categories of expenses.

22 A. Yes. Schedule CT-2, page 3, of Exhibit BAB-1 shows these variances.
23 Reasons for the variance are included in Schedule CT-5 of Exhibit BAB-1.

- 1 Q. What is Chesapeake's adjusted net true-up for the twelve months ended
2 December 2000?
- 3 A. We originally estimated an overrecovery, including interest, of \$79,550. This
4 projected true-up amount was based on conservation revenues of \$348,976 for
5 the period January 2000 through December 2000. However, sales during this
6 period actually yielded conservation revenues of \$315,655, \$33,321 below
7 projection. Expenses for the period were \$80,941 more than projected. The
8 total difference, including interest, is \$120,705, as shown on Schedule CT-1
9 of Exhibit BAB-1.
- 10 Q. Is this adjusted net true-up of \$120,705 an overrecovery or an underrecovery?
- 11 A. An underrecovery, as shown on Schedule CT-1 of Exhibit BAB-1.
- 12 Q. Does this conclude your testimony?
- 13 A. Yes, it does.

1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 In Re: Conservation Cost Recovery Clause

3 AMENDED DIRECT TESTIMONY OF BEVERLY A. BAUCK

4 On Behalf of5 Chesapeake Utilities Corporation

6 DOCKET NO. 010004-GU

7 Q. Please state your name, business address, by whom you are employed, and in
8 what capacity.9 A. My name is Beverly Bauck, and my business address is 1015 6th Street N.W.,
10 Winter Haven, Florida, 33881. I am employed by Chesapeake Utilities
11 Corporation ("Chesapeake") as Conservation Service Representative.12 Q. Are you familiar with the energy conservation programs of Chesapeake and
13 costs which have been, are projected to be, incurred in their implementation?

14 A. Yes.

15 Q. What is the purpose of your testimony in this docket?

16 A. The purpose of my testimony is to present data and summaries concerning the
17 planned and actual accomplishments of Chesapeake's energy conservation
18 programs during the period January 2000 through December 2000. Data
19 related to calculation of the true-up for this period is also included.20 Q. Have you prepared summaries of Chesapeake's conservation programs and
21 the costs associated with them?22 A. Yes. Summaries of the seven programs in connection with which Chesapeake
23 incurred recoverable costs during the period January 2000 through December

1 2000 are contained in Schedule CT-6 of Amended Exhibit BAB-1. Included
2 are our Residential Home Builders Programs, Appliance Replacement
3 Program, Water Heater Retention Program, Natural Gas Space Conditioning
4 for Residential Homes Program, Natural Gas Space Conditioning Program,
5 Residential Propane Distribution Program and our Conservation Education
6 Program.

7 Q. Have you prepared schedules which show the expenditures associated with
8 Chesapeake's energy conservation programs for the periods you have
9 mentioned?

10 A. Yes. Schedule CT-2 page 1, Amended Exhibit BAB-1 shows actual expenses
11 for the period.

12 Schedule CT-2, page, 1, shows a comparison of the actual program costs and
13 true- up with the estimated costs and true-up submitted at the November 2000
14 hearing in this docket.

15 Q. What was the total cost incurred by Chesapeake in connection with the seven
16 programs during the twelve months ending December 2000?

17 A. As shown in Amended Exhibit BAB-1, Schedule CT-2, page 2, total program
18 costs were \$349,254. This total is \$ 80,942 more than our projection of the
19 program costs for the twelve month period.

1 Q. Have you prepared, for the twelve month period involved, a schedule which
2 shows the variance of actual from projected costs by categories of expenses.

3 A. Yes. Schedule CT-2, page 3, of Amended Exhibit BAB-1 shows these
4 variances. Reasons for the variance are included in Schedule CT-5 of
5 Amended Exhibit BAB-1.

6 Q. What is Chesapeake's adjusted net true-up for the twelve months ended
7 December 2000?

8 A. We originally estimated an underrecovery, including interest, of \$12,609.
9 This projected true-up amount was based on conservation revenues of
10 \$256,807 for the period January 2000 through December 2000. However,
11 sales during this period actually yielded conservation revenues of \$316,031,
12 \$59,224 over projection. Expenses for the period were \$80,942 more than
13 projected. The total difference, including interest, is \$22,052, as shown on
14 Schedule CT-1 of Amended Exhibit BAB-1.

15 Q. Is this adjusted net true-up of \$22,052 an overrecovery or an underrecovery?

16 A. An underrecovery, as shown on Schedule CT-1 of Amended Exhibit BAB-1.

17 Q. Does this conclude your testimony?

18 A. Yes, it does.

1 MR. SCHIEFELBEIN: I would ask that the prefiled
2 direct testimony of Amanda J. Price be admitted or inserted
3 into the record as though read.

4 CHAIRMAN JACOBS: Without objection, show that Ms.
5 Price's testimony is entered into the record as though read.

6 MR. SCHIEFELBEIN: I would ask that Exhibit AJP-1 be
7 identified as Exhibit 4 and be admitted into evidence.

8 CHAIRMAN JACOBS: Show that marked as Exhibit 4 and,
9 without objection, show Exhibit 4 is admitted.

10 (Exhibit 4 marked for identification and admitted
11 into the record.)

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1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 In Re: Natural Gas Conservation Cost Recovery

3 DIRECT TESTIMONY OF AMANDA J. PRICE

4 On behalf of5 The Florida Division of Chesapeake Utilities Corporation6 DOCKET NO. 010004-GU7 Q. Please state your name, business address, by whom you are employed, and in what
8 capacity.9 A. My name is Amanda J. Price, and my business address is 1015 6th Street N.W.,
10 Winter Haven, Florida, 33881. I am employed by the Florida Division of Chesapeake Utilities
11 Corporation ("the Company") as Division Accountant.12 Q. Are you familiar with the energy conservation programs of the Company and costs which
13 have been, and are projected to be, incurred in their implementation?

14 A. Yes

15 Q. What is the purpose of your testimony in this docket?

16 A. To describe generally the expenditures made and projected to be made in implementing,
17 promoting, and operating the Company's energy conservation programs. This will
18 include recoverable costs incurred in January through July, 2001 and projections of
19 program costs to be incurred from August through December, 2001. It will
20 also include projected conservation costs for the period January 2002 through
21 December 2002, with a calculation of the conservation adjustment factors to be applied
22 to the customers' bills during the collection period of January 1, 2002 through December 31,
23 2002.24 Q. Have you prepared summaries of the Company's conservation programs and the costs
25 associated with these programs?

26

1 A. Yes. Summaries of the five programs are contained in Schedule C-4 of Exhibit AJP-
2 1. Included are our Home Builder Program, Residential Appliance Replacement,
3 Residential Propane Distribution, Residential Water Heater Retention, Natural Gas Space
4 Conditioning for Residential Homes, Gas Space Conditioning, and our Conservation Education
5 Program.

6 Q. Have you prepared schedules which show the expenditures associated with
7 the Company's energy conservation programs for the periods you have mentioned?

8 A. Yes, Schedule C-3, Exhibit AJP-1 shows actual expenses for the months January through
9 July, 2001. Projections for August through December, 2001 are also
10 shown on Schedule C-3. Projected expenses for the January 2002 through December 2002
11 period are shown on Schedule C-2 of Exhibit AJP-1.

12 Q. Have you prepared schedules which show revenues for the period January, 2001
13 through December, 2001?

14 A. Yes. Schedule C-3 (Page 4 of 5) shows actual revenues for the months January
15 through July, 2001. Projections for August through December, 2001, are
16 also shown on Schedule C-3 (Page 4 of 5).

17 Q. Have you prepared a schedule which shows the calculation of the Company's proposed
18 conservation adjustment factors to be applied during billing periods from January 1, 2002
19 through December 31, 2002?

20 A. Yes. Schedule C-1 of Exhibit AJP-1 shows this calculation. Net program cost
21 estimates for the period January 1, 2002 through December 31, 2002 are used. The
22 estimated true-up amount from Schedule C-3 (Page 4 of 5, Line 12) of Exhibit AJP-1,
23 being an underrecovery, was added to the total of the projected costs for the twelve month
24 period. The total amount was then divided among the Company's firm rate classes,
25 based on total projected contribution. The results were then divided by the projected
26 retail firm therm sales for each rate class for the twelve-month period ending December 31,

1 2002. The resulting factors are shown on Schedule C-1 of Exhibit AJP-1.

2 Q. Does this conclude your testimony?

3 A. Yes, it does.

4

5

6

1 MR. SCHIEFELBEIN: And I would ask that the prefiled
2 direct testimony of Thomas A. Geoffroy be inserted into the
3 record as though read.

4 CHAIRMAN JACOBS: Without objection, show Mr.
5 Geoffroy's testimony is entered into the record as though read.

6 MR. SCHIEFELBEIN: And, finally, I would ask that
7 Exhibit TAG-1 be identified as Exhibit 5, and that Exhibit 5 be
8 accepted into the record.

9 CHAIRMAN JACOBS: Show that marked as Exhibit 5 and,
10 without objection, show Exhibit 5 is admitted.

11 (Exhibit 5 marked for identification and admitted
12 into the record.)

13 MR. SCHIEFELBEIN: Thank you.
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1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 DIRECT TESTIMONY

3 OF THOMAS A. GEOFFROY

4 ON BEHALF OF THE FLORIDA DIVISION OF

5 CHESAPEAKE UTILITIES CORPORATION

6 DOCKET NO. 010004-GU

7

8 **Q. Please state your name, occupation, and business address.**

9 A. My name is Thomas A. Geoffroy. I am the Assistant Vice President of the Florida
10 Division of Chesapeake Utilities Corporation (the "Company"). My business address is
11 1015 6th Street N.W., Winter Haven, Florida 33882.

12

13 **Q. Please describe your educational background and relevant professional**
14 **experience.**

15 A. I have a Bachelor of Science Degree in Accounting from the University of Florida.
16 From 1983 through 1996, I was employed by Gainesville Gas Company, prior to its
17 acquisition by the City of Gainesville. During my tenure there, I worked in various
18 capacities, including Special Services Manager, in charge of customer service,
19 accounting and information services. Next, I held the position of Controller and then
20 Gas System Operations Director. I have been employed by the Company since 1996,
21 first as the Florida Regional Manager and currently as the Assistant Vice President, in
22 charge of all of the Florida operations.

23

24

25

1 Q. **Please describe your current duties.**

2 A. My duties as the Assistant Vice President include managing all facets of the Florida
3 operations of the Company, including strategic planning, preparation of capital, revenue
4 and operation and maintenance budgets, natural gas operations, engineering, sales and
5 marketing, customer service, accounting functions and regulatory activities.

6

7 Q. **Does the Company expect to expand its promotion of the approved energy
8 conservation programs during the period January 1, 2002 through December 31,
9 2002?**

10 A. Yes, the Company plans to participate in the statewide GetGasFL advertising campaign.
11 The campaign promotes the energy conservation benefits of natural gas through the use
12 of multiple media outlets. The intent of the campaign is to describe the benefits of using
13 natural gas, the availability of natural gas by region, specifics about the energy
14 conservation programs, and will direct consumers to a common website.

15

16 Q. **Does the proposed campaign meet the guidelines for recovery under Rule 25-
17 17.015, Florida Administrative Code, regarding Energy Conservation Cost
18 Recovery?**

19 A. Yes, I believe the proposed campaign meets the rule's guidelines. The proposed
20 advertising content for the billboards is attached as Exhibit ____ (TAG-1). The radio
21 and television advertising will be consistent with the basic concept of the billboards.

22

23 Q. **Has the Company included the estimated cost of the campaign in the projected
24 costs associated with the conservation programs?**

25

1 A. Yes, the Company estimates that its share of the campaign cost will be \$20,000 for
2 2002 and this amount is included in the projected expenses as set forth in Schedule C-2,
3 Page 2 of 3, of Exhibit ____ (AJP-1).

4

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

6 A. Yes, it does.

7

8

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1 MS. STERN: Counsel for Florida Public Utilities
2 Company is not here today, so staff asks that the testimony of
3 witness Robert L. Smith be inserted into the record as though
4 read.

5 CHAIRMAN JACOBS: Without objection, show Mr. Smith's
6 testimony is entered into the record as though read.

7 MS. STERN: And that Composite Exhibit RLS-1,
8 Composite Exhibit RLS-2, and Exhibit RLS-3 be marked as
9 Composite Exhibit 6 and put into the record.

10 CHAIRMAN JACOBS: Show it marked as Exhibit 6. And,
11 without objection, show Exhibit 6 is admitted.

12 (Exhibit 6 marked for identification and admitted
13 into the record.)

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1 Q. How do these amounts compare with the estimated true-up
2 amounts, which were allowed by the Commission?

3 A. We did not provide any estimated true-up amounts for this
4 period.

5 Q. Have you prepared any exhibits at this time?

6 A. We have prepared and pre-filled Schedules CT-1, CT-2, CT-3,
7 CT-4 and CT-5 (Composite Exhibit RLS-1).

8 Q. Does this conclude your testimony?

9 A. Yes.

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BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 010004-GU
DETERMINATION OF CONSERVATION COSTS RECOVERY FACTOR

Direct Testimony of
ROBERT L. SMITH
On Behalf of
FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION

- 1 Q. Please state your name and business address.
- 2 A. Robert L. Smith: my business address is P.O.
3 Box 3395, West Palm Beach, Florida 33402-3395.
- 4 Q. By whom are you employed and in what capacity?
- 5 A. I am employed by Florida Public Utilities
6 Company as Director, Marketing and Sales.
- 7 Q. What is the purpose of your testimony at this
8 time?
- 9 A. To advise the Commission as to the Conservation
10 Cost Recover Clause Calculation for the period
11 January 2002 through December 2002 and to
12 clarify the use of "Good Cents" branding to
13 support Florida Public Utilities conservation
14 programs.
- 15 Q. What are the total projected costs for the
16 period January 2002 through December 2002 in the
17 Consolidated Natural Gas Division?
- 18 A. The total projected Conservation Program Costs

1 are \$1,860,000. Please see Schedule C-2, page 2,
 2 for the programmatic and functional breakdown of
 3 these total costs.

4 Q. What is the true-up for the period January, 2001
 5 through December, 2001?

6 A. As reflected in the respective "C" schedules, the
 7 True-up amount for the Consolidated Natural Gas
 8 Division is \$190,818.

9 Q. What are the resulting net total projected
 10 conservation costs to be recovered during this
 11 period?

12 A. The total costs to be recovered are \$2,050,818.

13 Q. What is the Conservation Adjustment Factor
 14 necessary to recover these projected net total
 15 costs?

16 A. The Conservation Adjustment Factors per them for
 17 the Consolidated Natural Gas Division are:

18		
19	Residential	\$.09208
20	General Service & GS Transportation	\$.03527
21	Large Volume Service & LV Transportation <50,000	\$.02360
22	Large Volume Transportation Service >50,000	\$.02360

23
 24 Q. Are there any exhibits that you wish to sponsor in
 25 this proceeding?

26 A. Yes. I wish to sponsor as Exhibits Schedules
 27 C-1, C-2, C-3, and C-5 (Composite Prehearing

1 Identification Number RLS-2), which have been
2 filed with this testimony.

3

4 Q. How does Florida Public Utilities plan to
5 promote the Commission approved conservation
6 programs to customers?

7 A. These programs will be promoted through the
8 implementation of the company's "Good Cents"
9 branding.

10 Q. What is the "Good Cents" branding?

11 A. "Good Cents" is a nationally recognized licensed
12 energy conservation and fuel neutral program
13 utilized by numerous electric and natural gas
14 utilities. Florida Public Utilities has
15 expanded its branding license arrangement to
16 include the Commission approved natural gas
17 conservation programs.

18 Q. How does Florida Public Utilities utilize this
19 branding?

20 A. The Company uses the "Good Cents" branding to
21 create an awareness of its energy conservation
22 and fuel neutral programs among consumers,
23 businesses, builders and developers via
24 broadcast and print media, promotional items and
25 other collateral materials. Through this
26 branding, end users and specifiers can readily

1 identify where to obtain energy expertise to
2 assist them with their energy decisions.

3 Q. Does Florida Public Utilities Company expect to
4 make any modifications to the manner in which it
5 promotes the approved energy conservation programs
6 during the period January 1, 2002 through December
7 31, 2002?

8 A. Yes. Florida Public Utilities Company plans to
9 participate in the statewide GetGasFL advertising
10 campaign. The campaign will promote the energy
11 conservation benefits of gas through the use of
12 multiple media outlets. The intent of the campaign
13 is to direct consumers to a common website. The
14 website will contain additional benefits on the
15 utilization of gas, the availability of gas by
16 region, and contact information, as well as
17 specifics about the energy conservation programs
18 offered.

19 Q. Does the proposed campaign meet the guidelines for
20 recovery under Rule 25-17.015, Energy Conservation
21 Cost Recovery?

22 A. Yes, the proposed campaign meets the guidelines as
23 established by Rule 25-17.015, Energy Cost
24 Conservation Cost Recovery. The proposed

1 advertising content for the billboards is attached
2 as Exhibit No. ___ (RLS-3). The radio and
3 television advertising will be consistent with the
4 basic concept of the billboards.

5 Q. Has Florida Public Utilities Company included the
6 estimated cost of the campaign in the projected
7 costs associated with the conservation programs?

8 A. Yes the estimated cost of the campaign is included
9 in the projections. The projected amount to be
10 spent on the campaign during calendar year 2002 is
11 \$76,000.

12 Q. Does this conclude your testimony?

13 A. Yes.

1 MR. WATSON: I'm Ansley Watson. On behalf of Peoples
2 Gas System we would ask that the prefiled direct testimony of
3 Kandi M. Floyd be inserted into the record as though read.

4 CHAIRMAN JACOBS: Without objection, show Ms. Floyd's
5 testimony is entered into the record.

6 MR. WATSON: And we would ask that Ms. Floyd's
7 Exhibits KMF-1R, KMF-2R, and KMF-3 through KMF-5 be marked for
8 identification as Composite Exhibit 7.

9 CHAIRMAN JACOBS: Show that marked as Exhibit 7.

10 MR. WATSON: And we would ask that Composite Exhibit
11 7 be admitted into evidence.

12 CHAIRMAN JACOBS: Without objection, show that
13 Exhibit 7 is admitted.

14 (Composite Exhibit 7 marked for identification and
15 admitted into the record.)

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1 A. My testimony addresses Peoples' conservation programs, the expenses that Peoples
2 has incurred, the revenues recovered by Peoples through the ECCR clause from
3 January 2001 through August 2001, and the costs that Peoples seeks to recover
4 through the ECCR clause in 2002. My testimony supports the conservation programs
5 of both Peoples Gas System, Inc. and the former West Florida Natural Gas Company.
6 I will hereinafter refer to the former West Florida Natural Gas Company territory as
7 Peoples' "West Florida Region."

8
9 First, my testimony describes generally the actual and projected expenditures made for
10 the purpose of implementing, promoting and operating Peoples' energy conservation
11 programs for the current period. This information includes the adjusted net true-up
12 amounts associated with those programs for the period January 2000 through
13 December 2000. Next, my testimony addresses the actual costs incurred in January
14 2001 through August 2001, and revised projections of program costs that Peoples
15 expects to incur from September 2001 through December 2001. In addition, my
16 testimony presents projected conservation program costs for the period January 2002
17 through December 2002.

18
19 Finally, my testimony presents the calculation of the conservation cost recovery
20 adjustment factors to be applied to customers' bills during the period beginning with
21 the first billing cycle for January 2002 and continuing through the last billing cycle for
22 December 2002.

23
24 Q. Are you sponsoring any exhibits with your testimony?
25

- 1 A. Yes. I am sponsoring four exhibits produced under my direction and supervision.
2 Exhibit ____ (KMF-1R) contains the conservation cost recovery true-up data for the
3 period January 2000 through December 2000 for Peoples' non-West Florida Region,
4 and Exhibit ____ (KMF-2R) contains similar information for the same period for the
5 West Florida Region. Exhibit ____ (KMF-3) contains the conservation cost recovery
6 true-up data for the period January 2001 through August 2001 as well as reprojected
7 expenses for the period September 2001 through December 2001 for Peoples' non-
8 West Florida Region, and Exhibit ____ (KMF-4) contains similar information for the
9 West Florida Region. In addition, Exhibit ____ (KMF-3) consists of Schedules C-1
10 through C-5, which contain information related to the calculation of the ECCR factors
11 to be applied to customers' bills during the period January through December 2002 in
12 Peoples' non-West Florida Region. Exhibit ____ (KMF-4) contains the same
13 schedules and similar information for Peoples' West Florida Region.
14
- 15 Q. Have you prepared schedules showing the expenditures associated with Peoples'
16 energy conservation programs for the period January 2000 through December 2000?
17
- 18 A. Yes. Actual expenses for the period January 2000 through December 2000 for
19 Peoples' non-West Florida Region are shown on Schedule CT-2, page 2, of Exhibit
20 ____ (KMF-1R). Actual expenses for that period for the West Florida Region are
21 shown on Schedule CT-2, page 2, of Exhibit ____ (KMF-2R). In each of these
22 exhibits, Schedule CT-2, page 1 presents a comparison of the actual program costs and
23 true-up amount to the projected costs and true-up amount for the same period.
24
- 25 Q. What are the Company's true-up amounts for the period January 2000 through

1 December 2000?

2
3 A. With respect to Peoples' non-West Florida Region, as shown on Schedule CT-1 of
4 Exhibit ____ (KMF-1R), the end-of-period net true-up for the period is an
5 overrecovery of \$443,731 including both principal and interest. The projected true-up
6 for the period, as approved by Commission Order No. PSC-00-2392-FOF-EG, was an
7 overrecovery of \$1,200,880 (including interest). Subtracting the projected true-up
8 overrecovery from the actual overrecovery yields the adjusted net true-up of \$757,149
9 underrecovery (including interest).

10
11 With respect to Peoples' West Florida Region, as shown on Schedule CT-1 of Exhibit
12 ____ (KMF-2R), the end-of-period net true-up for the period is an underrecovery of
13 \$758,566, including both principal and interest. The projected true-up for the period,
14 as approved by Commission Order No. PSC-00-2392-FOF-EG, was an underrecovery
15 of \$298,032 (including interest). Subtracting the projected true-up underrecovery
16 from the actual underrecovery yields the adjusted net true-up of \$460,534
17 underrecovery (including interest).

18
19 Q. Have you prepared summaries of the Company's conservation programs and the
20 projected costs associated with these programs?

21
22 A. Yes. Summaries of the Company's programs in the non-West Florida Region are
23 presented in Exhibit ____ (KMF-3), Schedule C-5. Summaries of the programs in the
24 West Florida Region are presented in Exhibit ____ (KMF-4), Schedule C-5.

25

1 Q. Have you prepared schedules required for the calculation of Peoples' proposed
2 conservation adjustment factors to be applied during the billing periods from January
3 2002 through and including December 2002?

4
5 A. Yes. Schedule C-3 of Exhibit ____ (KMF-3) (for the non-West Florida Region) and
6 Exhibit ____ (KMF-4) (for the West Florida Region) show actual expenses for the
7 period January 2001 through August 2001 and projected expenses for the period
8 September 2001 through December 2001.

9
10 Projected expenses for the January 2002 through December 2002 period are shown on
11 Schedule C-2 of Exhibits ____ (KMF-3) and ____ (KMF-4). The total annual cost
12 projected represents a continuation of Peoples' active expansion of the availability of
13 natural gas throughout the state of Florida. Schedule C-1 of both exhibits shows the
14 calculation of the conservation adjustment factors. The estimated true-up amount
15 from Schedule C-3 (Page 4) of Exhibit ____ (KMF-3) being an underrecovery, and
16 Exhibit ____ (KMF-4) being an underrecovery, were incorporated into the totals of the
17 projected costs for the January 2002 through December 2002 period. The resulting
18 totals of \$9,103,998 (for the non-West Florida Region) and \$2,713,164 (for the West
19 Florida Region) are the total expenses to be recovered during calendar year 2002.
20 These total expenses were then allocated to the Company's affected rate classes
21 pursuant to the methodology approved by the Commission, divided by the expected
22 consumption of each rate class, and then adjusted for the regulatory assessment fee.

23
24 Schedule C-1 of Exhibit ____ (KMF-3) shows the resulting estimated ECCR revenues
25 and adjustment factors by rate class for Peoples' non-West Florida Region for the

1 period January through December 2002. Schedule C-1 of Exhibit ____ (KMF-4)
2 shows the resulting estimated ECCR revenues and adjustment factors by rate class for
3 Peoples' West Florida Region for the same period.

4
5 Q. Does Peoples expect to make any modifications to the manner in which it promotes
6 the approved energy conservation programs during the period January 2002 through
7 December 2002?

8
9 A. Yes. Peoples plans to participate in the statewide GetGasFL advertising campaign.
10 The campaign will promote the energy conservation benefits of gas through the use of
11 multiple media outlets. The intent of the campaign is to direct consumers to a common
12 website. The website will contain additional benefits on the utilization of gas, the
13 availability of gas by region, and contact information, as well as specifics about the
14 energy conservation programs offered.

15
16 Q. Does the proposed campaign meet the guidelines for recovery under Rule 25-17.015,
17 Energy Conservation Cost Recovery?

18
19 A. Yes, the proposed campaign meets the guidelines as established by Rule 25-17.015,
20 Energy Cost Conservation Cost Recovery. The proposed advertising content for the
21 billboards is attached as Exhibit ____ (KMF-5). The radio and television advertising
22 will be consistent with the basic concept of the billboards.

23
24 Q. Has Peoples included the estimated cost of the campaign in the projected costs
25 associated with the conservation programs?

1 A. Yes the estimated cost of the campaign is included in the projections. The amount
2 projected to be spent on the campaign for Peoples non-West Florida Region and West
3 Florida Region combined during calendar year 2002 is \$320,000.

4

5 Q. Does this conclude your prefiled direct testimony?

6

7 A. Yes, it does.

1 MS. STERN: And counsel for St. Joe Natural Gas has
2 been excused. So staff asks that the testimony of Debbie Stitt
3 be moved into the record as though read.

4 CHAIRMAN JACOBS: Without objection, show Ms. Stitt's
5 testimony is inserted into the record as though read.

6 MS. STERN: And that Exhibit DS-1 be marked as
7 Exhibit 7 and inserted into the record.

8 CHAIRMAN JACOBS: Show DS-1 --

9 MS. STERN: I'm sorry, Exhibit 8. It should be
10 marked as Exhibit 8.

11 CHAIRMAN JACOBS: Correct. And without objection,
12 show Exhibit 8 is admitted.

13 (Exhibit 8 marked for identification and admitted
14 into the record.)

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1 2nd day of October 2001 Schedules C1 through C4
2 prescribed by the Commission Staff which have
3 collectively been entitled "Energy Conservation
4 Adjustmnt Summary of Cost Recovery Clause Calculation
5 for months January 1, 2002 through December 31, 2002"
6 for identification.

7 Q. What Conservation Adjustment Factor does St. Joe
8 Natural Gas seek approval through its petition for
9 the twelve month period ending December 31, 2002.

10 A. \$0.03014 per therm for Residential, \$0.02583 per
11 therm for Small Commercial, and \$0.01196 for
12 Commercial.

13 Q. Does this conclude your testimony?

14 A. Yes.

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1 CHAIRMAN JACOBS: That takes care of the witnesses
2 for Docket 04.

3 COMMISSIONER JABER: Mr. Chairman, I can make a
4 motion to accept the stipulated positions on Issues 1 through
5 4.

6 COMMISSIONER DEASON: Second.

7 CHAIRMAN JACOBS: It has been moved and seconded.
8 Any further discussion? All in favor.

9 (Simultaneous affirmative vote.)

10 CHAIRMAN JACOBS: Opposed? Show Issues 1 through 4
11 are approved as stipulated. There are no other pending matters
12 in Docket 04, is that correct?

13 MS. STERN: That is correct.

14 CHAIRMAN JACOBS: So that takes care of Dockets 03
15 and 04. And unless there are any other pending matters from
16 the parties, all the parties in those dockets are excused.
17 Thank you.

18 (Thereupon, the portion of the hearing pertaining to
19 010004-GU was concluded.)

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1 STATE OF FLORIDA)
2 : CERTIFICATE OF REPORTER
3 COUNTY OF LEON)

4
5 I, JANE FAUROT, RPR, Chief, Office of Hearing Reporter
6 Services, FPSC Division of Commission Clerk and Administrative
7 Services, do hereby certify that the foregoing proceeding was
8 heard at the time and place herein stated.

9 IT IS FURTHER CERTIFIED that I stenographically
10 reported the said proceedings; that the same has been
11 transcribed under my direct supervision; and that this
12 transcript constitutes a true transcription of my notes of said
13 proceedings.

14 I FURTHER CERTIFY that I am not a relative, employee,
15 attorney or counsel of any of the parties, nor am I a relative
16 or employee of any of the parties' attorney or counsel
17 connected with the action, nor am I financially interested in
18 the action.

19 DATED THIS 3RD DAY OF DECEMBER, 2001.

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JANE FAUROT, RPR
Chief, Office of Hearing Reporter Services
FPSC Division of Commission Clerk and
Administrative Services
(850) 413-6732

ENERGY CONSERVATION ADJUSTMENT - SUMMARY OF COST RECOVERY CLAUSE CALCULATION

PROJECTED PERIOD: JANUARY 2002 THROUGH DECEMBER 2002
ACTUAL/ESTIMATED PERIOD: JANUARY 2001 THROUGH DECEMBER 2001
FINAL TRUE-UP PERIOD: JANUARY 2000 THROUGH DECEMBER 2000
COLLECTION PERIOD FOR PRIOR TRUE-UP: JANUARY 2002 THROUGH DECEMBER 2002

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	\$ 2,340,467
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 12)	\$ (524,136)
3. TOTAL (LINE 1 AND 2)	<u>\$ 1,816,331</u>

RATE SCHEDULE	BILLS	THERM SALES	CUSTOMER CHARGE	NON-GAS ENERGY CHARGE	TOTAL CUST. & ENERGY CHG REVENUES	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS PER THERM	TAX FACTOR	CONSERVATION FACTOR
RESIDENTIAL (RS, ED & GL)	1,170,456	19,472,550	\$ 8,756,117	\$ 9,613,017	\$ 18,369,134	\$ 965,422	5.2557%	\$ 0.04958	1.00503	\$ 0.04983
COMMERCIAL (CS, ED & SCTS)	66,642	45,473,620	\$ 1,448,115	\$ 10,849,439	\$ 12,297,554	\$ 646,319	5.2557%	\$ 0.01421	1.00503	\$ 0.01428
COMMERCIAL LARGE VOLUME (LCS & CTS)	727	11,145,200	\$ 38,905	\$ 1,957,176	\$ 1,996,081	\$ 104,907	5.2556%	\$ 0.00941	1.00503	\$ 0.00946
INDUSTRIAL (IP & ITS)	<u>372</u>	<u>11,613,020</u>	<u>\$ 63,275</u>	<u>\$ 1,833,353</u>	<u>\$ 1,896,628</u>	<u>\$ 99,683</u>	5.2558%	\$ 0.00858	1.00503	\$ 0.00863
TOTAL	<u>1,238,197</u>	<u>87,704,390</u>	<u>\$10,306,412</u>	<u>\$ 24,252,985</u>	<u>\$ 34,559,397</u>	<u>\$ 1,816,331</u>				

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET
NO. 010004-GU EXHIBIT NO. 1
COMPANY: City Gas
WITNESS: [Signature]
DATE: 11-20-01

PROJECTED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
FOR THE PERIOD JANUARY 2002 THROUGH DECEMBER 2002

PROGRAM NAME	Jan-02	Feb-02	Mar-02	Apr-02	May-02	Jun-02	Jul-02	Aug-02	Sep-02	Oct-02	Nov-02	Dec-02	TOTAL
1. RESIDENTIAL BUILDER	\$ 87,592	\$ 86,149	\$ 86,630	\$ 87,112	\$ 87,592	\$ 86,149	\$ 87,592	\$ 87,112	\$ 86,630	\$ 87,592	\$ 87,112	\$ 86,630	\$ 1,043,892
2. MULTI-FAMILY RESIDENTIAL BLDR	1,966	1,726	1,806	1,887	1,966	1,726	1,966	1,887	1,369	1,966	1,887	1,369	\$ 21,521
3. APPLIANCE REPLACEMENT	19,399	18,323	18,682	19,041	19,399	18,323	19,399	19,041	18,682	19,399	19,041	18,682	\$ 227,411
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
6. RES PROPANE CONVERSION	269	248	256	263	269	248	269	263	256	269	263	256	\$ 3,129
7. RES WATER HEATER RETENTION	4,747	4,471	4,563	4,655	4,747	4,471	4,747	4,655	4,563	4,747	4,655	4,563	\$ 55,584
8. RES CUT AND CAP ALTERNATIVE	1,814	1,666	1,716	1,766	1,814	1,666	1,814	1,766	1,945	1,814	1,766	1,945	\$ 21,492
9. COMM/IND CONVERSION	23,283	21,081	21,815	22,550	23,283	21,081	23,283	22,550	21,815	23,283	22,550	21,815	\$ 268,389
10. COMM/IND ALTERNATIVE TECH. COMMON COSTS	11,828 46,839	11,481 46,195	11,597 46,410	11,712 46,624	11,828 46,839	11,481 46,195	11,828 46,839	11,712 46,624	11,597 46,410	11,828 46,839	11,712 46,624	11,597 46,410	\$ 140,201 \$ 558,848
TOTAL ALL PROGRAMS	\$ 197,737	\$ 191,340	\$ 193,475	\$ 195,610	\$ 197,737	\$ 191,340	\$ 197,737	\$ 195,610	\$ 193,267	\$ 197,737	\$ 195,610	\$ 193,267	\$ 2,340,467
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENSES	\$ 197,737	\$ 191,340	\$ 193,475	\$ 195,610	\$ 197,737	\$ 191,340	\$ 197,737	\$ 195,610	\$ 193,267	\$ 197,737	\$ 195,610	\$ 193,267	\$ 2,340,467

PROJECTED CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD JANUARY 2002 THROUGH DECEMBER 2002

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. RESIDENTIAL BUILDER	\$ -	\$ 125,592	\$ -	\$ 6,000	\$ 903,600	\$ -	\$ 8,700	\$ -	\$ 1,043,892
2. MULTI-FAMILY RESIDENTIAL BLDR	-	20,069	-	-	-	-	1,452	-	21,521
3. APPLIANCE REPLACEMENT	-	93,719	-	-	127,200	-	6,492	-	227,411
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	-
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	-
6. RES PROPANE CONVERSION	-	1,809	-	-	1,200	-	120	-	3,129
7. RES WATER HEATER RETENTION	-	23,928	-	-	30,000	-	1,656	-	55,584
8. RES CUT AND CAP ALTERNATIVE	-	13,392	-	-	7,200	-	900	-	21,492
9. COMM/IND CONVERSION	-	191,529	-	6,000	57,600	-	13,260	-	268,389
10. COMM/IND ALTERNATIVE TECH. COMMON COSTS	-	30,113	-	6,000	102,000	-	2,088	-	140,201
	-	56,060	15,000	450,000	-	36,000	1,788	-	558,848
TOTAL ALL PROGRAMS	-	556,211	15,000	468,000	1,228,800	36,000	36,456	-	2,340,467
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENDITURES	\$ -	\$ 556,211	\$ 15,000	\$ 468,000	\$ 1,228,800	\$ 36,000	\$ 36,456	\$ -	\$ 2,340,467

EXHIBIT NO. _____ (GL-1)
 COMPANY: CITY GAS COMPANY OF FLORIDA
 (A DIVISION OF NUI UTILITIES, INC.)
 DOCKET NO. 010004-GU

CONSERVATION PROGRAM COSTS BY COST CATEGORY
 FOR THE PERIOD JANUARY 2001 THROUGH DECEMBER 2001
 SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. RESIDENTIAL BUILDER									
A. ACTUAL (6 months)	\$ -	\$ 66,424	\$ -	\$ 4,415	\$ 524,307	\$ -	\$ 6,525	\$ -	\$ 601,671
B. ESTIMATED (6 months)	-	61,579	-	6,000	447,000	-	5,697	-	520,276
C. TOTAL	-	128,003	-	10,415	971,307	-	12,222	-	1,121,947
2. MULTI-FAMILY RESIDENTIAL BLDR									
A. ACTUAL (6 months)	-	10,998	-	-	-	-	790	-	11,788
B. ESTIMATED (6 months)	-	10,205	-	-	-	-	708	-	10,913
C. TOTAL	-	21,203	-	-	-	-	1,498	-	22,701
3. APPLIANCE REPLACEMENT									
A. ACTUAL (6 months)	-	26,681	-	29,758	53,218	-	7,908	-	117,565
B. ESTIMATED (6 months)	-	45,917	-	18,000	99,300	-	7,647	-	170,864
C. TOTAL	-	72,598	-	47,758	152,518	-	15,555	-	288,429
4. DEALER PROGRAM									
A. ACTUAL (6 months)	-	-	-	-	-	-	-	-	-
B. ESTIMATED (6 months)	-	-	-	-	-	-	-	-	-
C. TOTAL	-	-	-	-	-	-	-	-	-
5. GAS APPLIANCES IN SCHOOLS									
A. ACTUAL (6 months)	-	-	-	-	-	-	-	-	-
B. ESTIMATED (6 months)	-	-	-	-	-	-	-	-	-
C. TOTAL	-	-	-	-	-	-	-	-	-
6. RES PROPANE CONVERSION									
A. ACTUAL (6 months)	-	294	-	-	400	-	597	-	1,291
B. ESTIMATED (6 months)	-	732	-	-	1,100	-	228	-	2,060
C. TOTAL	-	1,026	-	-	1,500	-	825	-	3,351
SUB-TOTAL	\$ -	\$ 222,830	\$ -	\$ 58,173	\$ 1,125,325	\$ -	\$ 30,100	\$ -	\$ 1,436,428

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR THE PERIOD JANUARY 2001 THROUGH DECEMBER 2001
SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	\$ -	\$ 222,830	\$ -	\$ 58,173	\$ 1,125,325	\$ -	\$ 30,100	\$ -	\$ 1,436,428
7. RES WATER HEATER RETENTION									
A. ACTUAL (6 months)	-	22,782	-	-	16,758	-	2,001	-	41,541
B. ESTIMATED (6 months)	-	11,714	-	6,000	22,500	-	1,419	-	41,633
C. TOTAL	-	34,496	-	6,000	39,258	-	3,420	-	83,174
8. RES CUT AND CAP ALTERNATIVE									
A. ACTUAL (6 months)	-	5,199	-	-	2,170	-	758	-	8,127
B. ESTIMATED (6 months)	-	6,323	-	-	4,500	-	681	-	11,504
C. TOTAL	-	11,522	-	-	6,670	-	1,439	-	19,631
9. COMM/IND CONVERSION									
A. ACTUAL (6 months)	-	119,024	-	1,747	26,680	-	15,281	-	162,732
B. ESTIMATED (6 months)	-	93,508	-	3,000	36,900	-	12,345	-	145,753
C. TOTAL	-	212,532	-	4,747	63,580	-	27,626	-	308,485
10. COMM/IND ALTERNATIVE TECH.									
A. ACTUAL (6 months)	-	19,138	-	2,797	-	-	2,357	-	24,292
B. ESTIMATED (6 months)	-	14,706	-	3,000	58,500	-	1,950	-	78,156
C. TOTAL	-	33,844	-	5,797	58,500	-	4,307	-	102,448
COMMON COSTS									
A. ACTUAL (6 months)	-	2,046	-	-	-	11,844	-	-	13,890
B. ESTIMATED (6 months)	-	20,241	3,750	112,500	-	15,900	789	-	153,180
C. TOTAL	-	22,287	3,750	112,500	-	27,744	789	-	167,070
TOTAL	\$ -	\$ 537,511	\$ 3,750	\$ 187,217	\$ 1,293,333	\$ 27,744	\$ 67,681	\$ -	\$ 2,117,236

CONSERVATION PROGRAM COSTS - EXPENSES BY MONTH
FOR THE PERIOD JANUARY 2001 THROUGH DECEMBER 2001
SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED

DESCRIPTION	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01	TOTAL
1. RESIDENTIAL BUILDER	\$ 151,516	\$ 58,356	\$ 104,923	\$ 47,482	\$ 133,124	\$ 106,270	\$ 86,745	\$ 86,821	\$ 86,597	\$ 87,167	\$ 86,704	\$ 86,242	1,121,947
2. MULTI-FAMILY RESIDENTIAL BLDR	2,219	2,074	1,986	1,898	2,154	1,457	1,819	1,819	1,819	1,896	1,819	1,741	22,701
3. APPLIANCE REPLACEMENT	19,501	20,654	17,649	15,107	28,580	16,074	38,271	38,432	37,950	19,082	18,737	18,392	288,429
4. DEALER PROGRAM	-	-	-	-	-	-	-	-	-	-	-	-	-
5. GAS APPLIANCES IN SCHOOLS	-	-	-	-	-	-	-	-	-	-	-	-	-
6. RES PROPANE CONVERSION	-	-	399	6	118	119	649	656	636	263	256	249	3,351
7. RES WATER HEATER RETENTION	7,205	5,336	6,562	5,990	7,369	9,079	9,322	9,387	9,191	4,666	4,578	4,489	83,174
8. RES CUT AND CAP ALTERNATIVE	1,240	1,312	1,037	1,015	2,603	920	2,122	2,153	2,059	1,771	1,724	1,675	19,631
9. COMM/IND CONVERSION	28,063	23,287	29,126	30,406	22,096	29,754	26,677	26,741	26,550	22,633	21,929	21,223	308,485
10. COMM/IND ALTERNATIVE TECH.	6,024	3,271	3,841	3,929	3,587	3,640	14,437	14,437	14,437	11,726	11,615	11,504	102,448
COMMON COSTS	1,750	2,348	1,561	2,268	3,718	2,245	4,536	4,563	4,480	46,744	46,534	46,323	167,070
TOTAL ALL PROGRAMS	217,518	116,638	167,084	108,101	203,349	169,558	184,578	185,009	183,719	195,948	193,896	191,838	2,117,236
LESS: AMOUNT IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
NET RECOVERABLE	\$ 217,518	\$ 116,638	\$ 167,084	\$ 108,101	\$ 203,349	\$ 169,558	\$ 184,578	\$ 185,009	\$ 183,719	\$ 195,948	\$ 193,896	\$ 191,838	\$ 2,117,236

ENERGY CONSERVATION COST RECOVERY ADJUSTMENT
FOR THE PERIOD JANUARY 2001 THROUGH DECEMBER 2001
SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED

CONSERVATION REVENUES	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01	TOTAL
1. RCS AUDIT FEE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. OTHER PROG. REVS.	-	-	-	-	-	-	-	-	-	-	-	-	-
3. CONSERV. ADJ REVS.	(245,096)	(252,204)	(194,621)	(149,697)	(145,409)	(128,274)	(132,720)	(129,283)	(133,531)	(134,908)	(152,162)	(181,045)	(1,978,950)
4. TOTAL REVENUES	(245,096)	(252,204)	(194,621)	(149,697)	(145,409)	(128,274)	(132,720)	(129,283)	(133,531)	(134,908)	(152,162)	(181,045)	(1,978,950)
5. PRIOR PERIOD TRUE-UP NOT APPLICABLE TO THIS PERIOD	(52,632)	(52,632)	(52,632)	(52,632)	(52,632)	(52,632)	(52,632)	(52,632)	(52,632)	(52,632)	(52,632)	(52,627)	(631,579)
6. CONSERV. REVS. APPLICABLE TO THE PERIOD	(297,728)	(304,836)	(247,253)	(202,329)	(198,041)	(180,906)	(185,352)	(181,915)	(186,163)	(187,540)	(204,794)	(233,672)	(2,610,529)
7. CONSERV. EXPS.	217,518	116,638	167,084	108,101	203,349	169,558	184,578	185,009	183,719	195,948	193,896	191,838	2,117,236
8. TRUE-UP THIS PERIOD	(80,210)	(188,198)	(80,169)	(94,228)	5,308	(11,348)	(774)	3,094	(2,444)	8,408	(10,898)	(41,834)	(493,293)
9. INTEREST PROV. THIS PERIOD	(3,240)	(3,257)	(3,447)	(3,327)	(2,935)	(2,589)	(2,401)	(2,238)	(2,078)	(1,908)	(1,751)	(1,673)	(30,843)
10. TRUE-UP AND INTEREST PROV. BEG. OF MONTH	(631,579)	(662,397)	(801,219)	(832,204)	(877,126)	(822,121)	(783,426)	(733,969)	(680,481)	(632,371)	(573,239)	(533,256)	
11. PRIOR TRUE-UP COLLECTED OR (REFUNDED)	52,632	52,632	52,632	52,632	52,632	52,632	52,632	52,632	52,632	52,632	52,632	52,627	631,579
12. TOTAL NET TRUE-UP	\$ (662,397)	\$ (801,219)	\$ (832,204)	\$ (877,126)	\$ (822,121)	\$ (783,426)	\$ (733,969)	\$ (680,481)	\$ (632,371)	\$ (573,239)	\$ (533,256)	\$ (524,136)	\$ (524,136)

CALCULATION OF TRUE-UP AND INTEREST PROVISION
FOR THE PERIOD JANUARY 2001 THROUGH DECEMBER 2001
SIX MONTHS ACTUAL AND SIX MONTHS ESTIMATED

INTEREST PROVISION	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01	TOTAL
1. BEGINNING TRUE-UP	\$ (631,579)	\$ (662,397)	\$ (801,219)	\$ (832,204)	\$ (877,126)	\$ (822,121)	\$ (783,426)	\$ (733,969)	\$ (680,481)	\$ (632,371)	\$ (573,239)	\$ (533,256)	
2. ENDING TRUE-UP BEFORE INTEREST	(659,157)	(797,963)	(828,756)	(873,800)	(819,186)	(780,837)	(731,568)	(678,243)	(630,293)	(571,331)	(531,505)	(522,463)	
3. TOTAL BEGINNING & ENDING TRUE-UP	(1,290,736)	(1,460,359)	(1,629,976)	(1,706,003)	(1,696,313)	(1,602,958)	(1,514,994)	(1,412,212)	(1,310,775)	(1,203,702)	(1,104,744)	(1,055,719)	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	\$ (645,368)	\$ (730,180)	\$ (814,988)	\$ (853,002)	\$ (848,156)	\$ (801,479)	\$ (757,497)	\$ (706,106)	\$ (655,387)	\$ (601,851)	\$ (552,372)	\$ (527,859)	
5. INTEREST RATE FIRST DAY OF REPORTING MONTH	6.500%	5.550%	5.150%	5.000%	4.370%	3.940%	3.800%	3.800%	3.800%	3.800%	3.800%	3.800%	
6. INTER. RATE - FIRST DAY SUBSEQUENT MONTH	5.550%	5.150%	5.000%	4.370%	3.940%	3.800%	3.800%	3.800%	3.800%	3.800%	3.800%	3.800%	
7. TOTAL (SUM LINES 5 & 6)	12.050%	10.700%	10.150%	9.370%	8.310%	7.740%	7.600%	7.600%	7.600%	7.600%	7.600%	7.600%	
8. AVG. INTEREST RATE (LINE 7 TIMES 50%)	6.025%	5.350%	5.075%	4.685%	4.155%	3.870%	3.800%	3.800%	3.800%	3.800%	3.800%	3.800%	
9. MONTHLY AVG INTEREST RATE	0.502%	0.446%	0.423%	0.390%	0.346%	0.323%	0.317%	0.317%	0.317%	0.317%	0.317%	0.317%	
10 INTEREST PROVISION	\$ (3,240)	\$ (3,257)	\$ (3,447)	\$ (3,327)	\$ (2,935)	\$ (2,589)	\$ (2,401)	\$ (2,238)	\$ (2,078)	\$ (1,908)	\$ (1,751)	\$ (1,673)	\$ (30,843)

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL BUILDER - PROGRAM 1

DESCRIPTION: The Residential Builder Program is designed to increase the overall energy efficiency in the residential new construction market by promoting energy-efficient natural gas appliances in residences that would qualify for the RS rates. The program offers builders and developers incentives in the form of cash allowances to assist in defraying the additional costs associated with the installation of natural gas supply lines, house piping, venting and natural gas appliances.

PROGRAM ALLOWANCES:

Furnace	\$350
Water Heater	350
Range	100
Dryer	100
Triathlon	1200

REPORTING PERIOD: January 2001 through June 2001

APPLIANCES INSTALLED:

The Company connected 1,936 gas appliances during the period.

EXHIBIT No. _____ (GL-1)
City Gas Company of Florida
A Division of NUI Utilities, Inc.
DOCKET NO. 010004-GU

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: MULTI-FAMILY RESIDENTIAL BUILDER - PROGRAM 2

DESCRIPTION: The Multi-Family Residential Builder Program is designed to increase overall energy efficiency in the multi-family new construction market by promoting energy-efficient natural gas in multi-unit residences qualifying for the Company's CS rates.

PROGRAM ALLOWANCES:

Per dwelling unit \$300

REPORTING PERIOD: January 2001 through June 2001

PROGRAM SUMMARY:

Program costs for the period were \$13,607.

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL APPLIANCE REPLACEMENT PROGRAM 3

DESCRIPTION: The Residential Appliance Replacement Program is designed to promote the replacement of inefficient non-natural gas residential appliances with energy efficient natural gas appliances. The Program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the installation of efficient natural gas appliances.

PROGRAM ALLOWANCES:

Furnace	\$625
Water Heater	525
Range	100
Dryer	100
Triathlon	1200

REPORTING PERIOD: January 2001 through June 2001

APPLIANCES INSTALLED:

The Company connected 148 gas appliances during the period.

EXHIBIT No. _____ (GL-1)
City Gas Company of Florida
A Division of NUI Utilities, Inc.
DOCKET NO. 010004-GU

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: DEALER - PROGRAM 4

DESCRIPTION: The Dealer Program is designed to encourage the replacement of non-gas appliances with energy efficient natural gas appliances through appliance dealers and contractors. The program offers incentives to the dealers and contractors.

PROGRAM ALLOWANCES:

Furnace
Water Heater
Range
Dryer

REPORTING PERIOD: January 2001 through June 2001

APPLIANCES INSTALLED:

This program was discontinued in February 1998 with Order #PSC-98-0154-GOF-GU granting the new programs.

*EXHIBIT No. _____ (GL-1)
City Gas Company of Florida
A Division of NUI Utilities, Inc.
DOCKET NO. 010004-GU*

CITY GAS COMPANY OF FLORIDA

*Schedule C-5
PROGRAM PROGRESS REPORT*

NAME: GAS APPLIANCES IN SCHOOLS - PROGRAM 5

DESCRIPTION: The Gas Appliances in Schools Program is designed to promote natural gas appliances where cost-efficient, in Home Economic Departments in schools located in our Company's service area. The program provides teaching assistance on energy conservation and on the use, care, and safety of natural gas appliances through a Company-employed home economist.

REPORTING PERIOD: January 2001 through June 2001

PROGRAM SUMMARY:

Program costs for the period were \$0.

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL PROPANE CONVERSION - PROGRAM 6

DESCRIPTION: The Residential Propane Conversion Program is designed to promote the conversion of existing residential propane appliances to utilize efficient natural gas. The program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the conversion of their existing propane appliances to utilize natural gas.

PROGRAM ALLOWANCES:

Furnace	\$200
Water Heater	100
Dryer	25
Dryer	50

REPORTING PERIOD: January 2001 through June 2001

PROGRAM SUMMARY:

Program costs for the period were \$2,741.

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL WATER HEATER RETENTION - PROGRAM 7

DESCRIPTION: The Residential Water Heater Retention Program is designed to promote the retention of energy efficient natural gas water heaters in existing residential structures. The program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the purchase and installation of energy efficient natural gas appliances.

PROGRAM ALLOWANCES:

Water Heater	\$50
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REPORTING PERIOD: January 2001 through June 2001

PROGRAM SUMMARY:

The Company retained 338 water heaters during the period.

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: RESIDENTIAL CUT AND CAP - PROGRAM 8

DESCRIPTION: The Residential Cut and Cap Program is designed to encourage the re-activation of existing residential service lines that are scheduled to be cut off and capped. The program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the purchase and/or lease and the installation of energy efficient natural gas appliances.

PROGRAM ALLOWANCES:

Service re-activation..... \$200

REPORTING PERIOD: January 2001 through June 2001

PROGRAM SUMMARY:

The retained 15 accounts during the period.

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: COMMERCIAL/INDUSTRIAL CONVERSION - PROGRAM 9

DESCRIPTION: The Commercial/Industrial Conversion Program is designed to promote the conversion of commercial and industrial inefficient non-gas equipment to energy efficient natural gas. The program offers incentives in the form of cash allowances to existing commercial and industrial businesses located in existing structures, to assist in defraying the incremental first costs associated with the installation of natural gas supply lines, internal piping, venting and equipment.

PROGRAM ALLOWANCES:

Per 100,000 BTU input rating..... \$75

REPORTING PERIOD: January 2001 through June 2001

PROGRAM SUMMARY:

The Company converted 56 accounts during the period, with a combined BTU input rating of 31,136,000 BTUs.

CITY GAS COMPANY OF FLORIDA

Schedule C-5
PROGRAM PROGRESS REPORT

NAME: COMMERCIAL/INDUSTRIAL ALTERNATIVE TECHNOLOGY INCENTIVE - PROGRAM 10

DESCRIPTION: The Commercial/Industrial Alternative Technology Incentive Program (ATI) is designed to encourage commercial and industrial business owners to install alternate technologies that utilize natural gas that are not covered by one of the other City Gas Energy Conservation Programs, but which cost-effectively reduce the total utility expense of the business. The program offers incentives based on the cost-effectiveness under a life-cycle analysis utilizing a computerized energy consumption simulation model.

PROGRAM ALLOWANCES:

Payback period of three years subject to a maximum incentive of three times the projected incremental annualized margin.

REPORTING PERIOD: January 2001 through June 2001

PROGRAM SUMMARY:

Program costs for the period were \$23,280, including an incentive of \$18,000 paid to Kendall Ice Arena. This customer is utilizing a natural gas direct-fired desiccant system to maintain the humidity levels within the ice arena and to replace the mechanical cooling system.

Objectives

- Increase awareness of conservation programs
- Increase customers and throughput
- Increase gas demand in new home construction
- Position gas as the preferred energy choice when available
- Reduce attrition

Billboards

- Major highways: I-95 / I-4 / I-75 / I-10 / Turnpike
- Boards face both directions
- Tied to radio and television
- Promote web-site as focal point for customers to learn about ECP



*You Can Heat Your Home
or Just Burn Your Money*

More Info? getgasFL.com

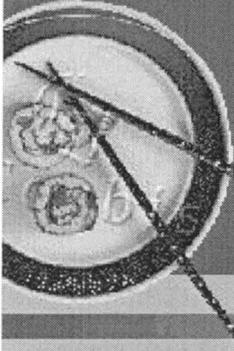
10'6" x 36' 14" Scale



*Build it with Natural Gas.
Conserve Energy. Save Money.*

More Info? getgasFL.com

10'6" x 36' 14" Scale



**99% of Chefs PREFER GAS.
THE OTHER GUY MAKES SUSHI.**

More Info? getgasFL.com

10'6" x 36' 14" Scale



**Getting The Cold Shoulder?
Switch Water Heaters!**

More Info? getgasFL.com

10'6" x 36' 14" Scale

Radio

- **Based on basic concept of the billboards**
- **Two weeks on, two weeks off during course of the year**
- **Target market 35-64**
- **Adult listening, Country, and talk radio**
- **Meet requirements of ECP recovery rule**
- **Direct listeners to website for additional information**

Television

- **Based on radio and billboards**
- **Utilize main cable systems**
- **Two weeks per month**
- **Target market 35-64**
- **Meet requirements of ECP recovery rule**
- **Direct viewers to website for additional information**

Website

- **www.GetGasFL.com**
- **Energy conservation benefits of gas**
- **Availability of conservation programs**
- **Contact information and links to company website**
- **Tracking**

SCHEDULE CT-1

CITY GAS COMPANY OF FLORIDA
DOCKET NO. 010004-GU

ADJUSTED NET TRUE UP
JANUARY 2000 THROUGH DECEMBER 2000

END OF PERIOD NET TRUE-UP

PRINCIPLE	(611,327)	
INTEREST	(18,569)	(629,896)

LESS PROJECTED TRUE-UP

PRINCIPLE	(10,388)	
INTEREST	(2,751)	(13,139)

ADJUSTED NET TRUE-UP

(616,757)

() REFLECTS OVER-RECOVERY

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 010004-GU EXHIBIT NO. 2
COMPANY: Smith
WITNESS: Smith
DATE: 11-20-01

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VERSUS ESTIMATED
JANUARY 2000 THROUGH DECEMBER 2000

	<u>ACTUAL</u>	<u>PROJECTED</u>	<u>DIFFERENCE</u>
CAPITAL INVESTMENT	-		-
PAYROLL & BENEFITS	381,150	530,451	(149,301)
MATERIALS & SUPPLIES	-	4,800	(4,800)
ADVERTISING	150,185	220,000	(69,815)
INCENTIVES	998,703	1,419,000	(420,297)
OUTSIDE SERVICES	29,205	-	29,205
VEHICLES	69,405	96,612	(27,207)
OTHER	<u>-</u>	<u>3,200</u>	<u>(3,200)</u>
SUB-TOTAL	1,628,648	2,274,063	(645,415)
PROGRAM REVENUES	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL PROGRAM COSTS	1,628,648	2,274,063	(645,415)
LESS:			
PAYROLL ADJUSTMENTS	-	-	-
AMOUNTS INCLUDED IN RATE BASE	-	-	-
CONSERVATION ADJUSTMENT REVENUES	(2,239,975)	(2,284,451)	44,476
ROUNDING ADJUSTMENT	<u>-</u>	<u>-</u>	<u>-</u>
TRUE-UP BEFORE INTEREST	(611,327)	(10,388)	(600,939)
INTEREST PROVISION	(18,569)	(2,751)	(15,818)
END OF PERIOD TRUE-UP	<u>(629,896)</u>	<u>(13,139)</u>	<u>(616,757)</u>

() REFLECTS OVER-RECOVERY

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2000 THROUGH DECEMBER 2000

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: SINGLE FAMILY HOME BUILDER	-	94,593	-	8,423	732,523	-	17,494	-	853,033
PROGRAM 2: MULTI FAMILY HOME BUILDER	-	12,169	-	809	-	-	2,261	-	15,239
PROGRAM 3: ELECTRIC REPLACEMENT	-	63,726	-	123,014	179,867	-	11,577	-	378,184
PROGRAM 4: DEALER PROGRAM	-	-	-	-	-	-	-	-	-
PROGRAM 5: SCHOOLS PROGRAM	-	-	-	-	-	-	-	-	-
PROGRAM 6: PROPANE CONVERSION	-	378	-	-	25	-	69	-	472
PROGRAM 7: WATER HEATER RETENTION	-	46,673	-	479	22,014	-	8,883	-	78,049
PROGRAM 8: RESIDENTIAL CUT AND CAP	-	13,460	-	-	6,632	-	2,565	-	22,657
PROGRAM 9: COMM/IND CONVERSION	-	134,505	-	15,960	23,642	-	22,711	-	196,818
PROGRAM 10: ALTERNATIVE TECHNOLOGY	-	5,239	-	1,500	34,000	-	1,468	-	42,207
COMMON COSTS	-	10,407	-	-	-	29,205	2,377	-	41,989
TOTAL TOTAL OF ALL PROGRAMS	-	381,150	-	150,185	998,703	29,205	69,405	-	1,628,648

CITY GAS COMPANY OF FLORIDA
PROJECTED CONSERVATION COSTS PER PROGRAM
JANUARY 2000 THROUGH DECEMBER 2000

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL	
PROGRAM 1: SINGLE FAMILY HOME BUILDE	-	65,946	-	20,600	884,400	-	15,384	-	986,330	
PROGRAM 2: MULTI FAMILY HOME BUILDER	-	8,528	-	1,000	9,000	-	1,512	-	20,040	
PROGRAM 3: ELECTRIC REPLACEMENT	-	148,478	-	83,700	270,000	-	26,328	-	528,506	
PROGRAM 4: DEALER PROGRAM	-	-	-	-	-	-	-	-	-	
PROGRAM 5: SCHOOLS PROGRAM	-	-	-	-	-	-	-	-	-	
PROGRAM 6: PROPANE CONVERSION	-	7,260	-	2,700	4,800	-	1,296	-	16,056	
PROGRAM 7: WATER HEATER RETENTION	-	24,692	-	12,300	18,000	-	4,404	-	59,396	
PROGRAM 8: RESIDENTIAL CUT AND CAP	-	11,258	-	5,100	10,800	-	1,992	-	29,150	
PROGRAM 9: COMM/IND CONVERSION	-	220,806	-	33,000	90,000	-	39,456	-	383,262	
PROGRAM 10 ALTERNATIVE TECHNOLOGY	-	35,053	-	37,600	132,000	-	6,240	-	210,893	
COMMON COSTS	-	8,430	4,800	24,000	-	-	-	3,200	40,430	
TOTAL	TOTAL OF ALL PROGRAMS	-	530,451	4,800	220,000	1,419,000	-	96,612	3,200	2,274,063

CONSERVATION COSTS PER PROGRAM - VARIANCE ACTUAL VERSUS PROJECTED
JANUARY 2000 THROUGH DECEMBER 2000

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: SINGLE FAMILY HOME BUILDER	-	28,647	-	(12,177)	(151,877)	-	2,110	-	(133,297)
PROGRAM 2: MULTI FAMILY HOME BUILDER	-	3,641	-	(191)	(9,000)	-	749	-	(4,801)
PROGRAM 3: ELECTRIC REPLACEMENT	-	(84,752)	-	39,314	(90,133)	-	(14,751)	-	(150,322)
PROGRAM 4: DEALER PROGRAM	-	-	-	-	-	-	-	-	-
PROGRAM 5: SCHOOLS PROGRAM	-	-	-	-	-	-	-	-	-
PROGRAM 6: PROPANE CONVERSION	-	(6,882)	-	(2,700)	(4,775)	-	(1,227)	-	(15,584)
PROGRAM 7: WATER HEATER RETENTION	-	21,981	-	(11,821)	4,014	-	4,479	-	18,653
PROGRAM 8: RESIDENTIAL CUT AND CAP	-	2,202	-	(5,100)	(4,168)	-	573	-	(6,493)
PROGRAM 9: COMM/IND CONVERSION	-	(86,301)	-	(17,040)	(66,358)	-	(16,745)	-	(186,444)
PROGRAM 10: ALTERNATIVE TECHNOLOGY	-	(29,814)	-	(36,100)	(98,000)	-	(4,772)	-	(168,686)
COMMON COSTS	-	1,977	(4,800)	(24,000)	-	29,205	2,377	(3,200)	1,559
TOTAL TOTAL OF ALL PROGRAMS	-	(149,301)	(4,800)	(69,815)	(420,297)	29,205	(27,207)	(3,200)	(645,415)

() REFLECTS PROJECTED OVER ACTUAL EXPENSE ESTIMATES

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
SUMMARY OF EXPENSES BY MONTH
JANUARY 2000 THROUGH DECEMBER 2000

EXPENSES:	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	Total
PROGRAM 1:	58,320	110,403	92,398	52,706	79,100	88,018	30,227	103,651	74,283	31,147	106,434	26,346	853,033
PROGRAM 2:	306	-	-	1,616	2,010	1,509	1,452	1,334	1,575	1,758	1,457	2,222	15,239
PROGRAM 3:	44,375	58,611	23,707	48,618	24,963	27,383	16,834	16,239	25,409	31,615	27,235	33,195	378,184
PROGRAM 4:	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 5:	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 6:	-	-	-	54	50	50	48	69	49	54	49	49	472
PROGRAM 7:	4,917	6,528	6,195	7,512	7,596	7,072	6,263	4,714	7,351	5,199	6,748	7,954	78,049
PROGRAM 8:	1,128	1,678	1,307	1,941	2,834	2,129	1,443	1,197	1,651	2,634	2,053	2,662	22,657
PROGRAM 9:	26,600	14,906	18,146	11,460	15,357	14,333	19,016	14,753	16,256	8,365	18,796	18,830	196,818
PROGRAM 10:	561	2,017	670	467	18,441	441	684	188	182	54	218	18,284	42,207
COMMON COST	4,303	5,527	5,381	3,250	1,101	1,591	8,599	-	2,821	2,405	3,571	3,440	41,989
TOTAL	140,510	199,670	147,804	127,624	151,452	142,526	84,566	142,145	129,577	83,231	166,561	112,982	1,628,648
LESS AMOUNT INCLUDED IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENSES	140,510	199,670	147,804	127,624	151,452	142,526	84,566	142,145	129,577	83,231	166,561	112,982	1,628,648

SCHEDULE CT-2
PROJECTED CONSERVATION COSTS PER MONTH
JANUARY 2000 THROUGH DECEMBER 2000

EXPENSES:	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	Total
PROGRAM 1:	84,649	80,293	80,436	83,900	81,552	84,000	81,500	80,400	82,400	82,400	82,400	82,400	986,330
PROGRAM 2:	1,187	823	2,323	1,023	823	2,523	823	823	2,423	2,423	2,423	2,423	20,040
PROGRAM 3:	46,482	42,620	42,974	51,372	43,954	42,872	43,872	42,872	42,872	42,872	42,872	42,872	528,506
PROGRAM 4:	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 5:	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 6:	1,509	1,291	1,309	1,406	1,299	1,306	1,406	1,306	1,306	1,306	1,306	1,306	16,056
PROGRAM 7:	5,324	4,769	4,972	5,011	4,843	4,911	5,011	4,911	4,911	4,911	4,911	4,911	59,396
PROGRAM 8:	2,685	2,346	2,414	2,492	2,369	2,392	2,492	2,392	2,392	2,392	2,392	2,392	29,150
PROGRAM 9:	35,126	31,755	31,483	31,401	33,090	31,401	31,401	32,001	31,401	31,401	31,401	31,401	383,262
PROGRAM 10:	21,058	15,885	18,985	20,385	15,885	16,485	20,385	15,885	16,485	16,485	16,485	16,485	210,893
COMMON COSTS	3,226	3,033	3,929	3,097	4,666	3,097	3,097	3,897	3,097	3,097	3,097	3,097	40,430
TOTAL	201,246	182,815	188,825	200,087	188,481	188,987	189,987	184,487	187,287	187,287	187,287	187,287	2,274,063
LESS AMOUNT INCLUDED IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
RECOVERABLE													
CONSERVATION EXPENSES	<u>201,246</u>	<u>182,815</u>	<u>188,825</u>	<u>200,087</u>	<u>188,481</u>	<u>188,987</u>	<u>189,987</u>	<u>184,487</u>	<u>187,287</u>	<u>187,287</u>	<u>187,287</u>	<u>187,287</u>	<u>2,274,063</u>

SCHEDULE CT-2
SUMMARY OF EXPENSES BY PROGRAM
VARIANCE ACTUAL VERSUS PROJECTED
JANUARY 2000 THROUGH DECEMBER 2000

EXPENSES:	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	Total
PROGRAM 1:	(26,329)	30,110	11,962	(31,194)	(2,452)	4,018	(51,273)	23,251	(8,117)	(51,253)	24,034	(56,054)	(133,297)
PROGRAM 2:	(881)	(823)	(2,323)	593	1,187	(1,014)	629	511	(848)	(665)	(966)	(201)	(4,801)
PROGRAM 3:	(2,107)	15,991	(19,267)	(2,754)	(18,991)	(15,489)	(27,038)	(26,633)	(17,463)	(11,257)	(15,637)	(9,677)	(150,322)
PROGRAM 4:	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 5:	-	-	-	-	-	-	-	-	-	-	-	-	-
PROGRAM 6:	(1,509)	(1,291)	(1,309)	(1,352)	(1,249)	(1,256)	(1,358)	(1,237)	(1,257)	(1,252)	(1,257)	(1,257)	(15,584)
PROGRAM 7:	(407)	1,759	1,223	2,501	2,753	2,161	1,252	(197)	2,440	288	1,837	3,043	18,653
PROGRAM 8:	(1,557)	(668)	(1,107)	(551)	465	(263)	(1,049)	(1,195)	(741)	242	(339)	270	(6,493)
PROGRAM 9:	(8,526)	(16,849)	(13,337)	(19,941)	(17,733)	(17,068)	(12,385)	(17,248)	(15,145)	(23,036)	(12,605)	(12,571)	(186,444)
PROGRAM 10:	(20,497)	(13,868)	(18,315)	(19,918)	2,556	(16,044)	(19,701)	(15,697)	(16,303)	(16,431)	(16,267)	1,799	(168,686)
COMMON COST	1,077	2,494	1,452	153	(3,565)	(1,506)	5,502	(3,897)	(276)	(692)	474	343	1,559
TOTAL	(60,736)	16,855	(41,021)	(72,463)	(37,029)	(46,461)	(105,421)	(42,342)	(57,710)	(104,056)	(20,726)	(74,305)	(645,415)
LESS AMOUNT INCLUDED IN RATE BASE	-	-	-	-	-	-	-	-	-	-	-	-	-
RECOVERABLE CONSERVATION EXPENSES	(60,736)	16,855	(41,021)	(72,463)	(37,029)	(46,461)	(105,421)	(42,342)	(57,710)	(104,056)	(20,726)	(74,305)	(645,415)

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2000 THROUGH DECEMBER 2000

	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	Total
1 RCS AUDIT FEES	-	-	-	-	-	-	-	-	-	-	-	-	-
2 OTHER PROGRAM REVS	-	-	-	-	-	-	-	-	-	-	-	-	-
3 CONSERV. ADJ REVS	<u>(249,232)</u>	<u>(267,438)</u>	<u>(240,181)</u>	<u>(202,569)</u>	<u>(172,921)</u>	<u>(174,332)</u>	<u>(162,934)</u>	<u>(167,858)</u>	<u>(153,496)</u>	<u>(177,383)</u>	<u>(185,578)</u>	<u>(203,680)</u>	<u>(2,357,602)</u>
4 TOTAL REVENUES	<u>(249,232)</u>	<u>(267,438)</u>	<u>(240,181)</u>	<u>(202,569)</u>	<u>(172,921)</u>	<u>(174,332)</u>	<u>(162,934)</u>	<u>(167,858)</u>	<u>(153,496)</u>	<u>(177,383)</u>	<u>(185,578)</u>	<u>(203,680)</u>	<u>(2,357,602)</u>
5 PRIOR PERIOD TRUE UP NOT APPLICABLE TO THIS PERIOD	<u>9,802</u>	<u>9,805</u>	<u>117,627</u>										
CONSERVATION REVENUES													
6 APPLICABLE TO THE PERIOD	<u>(239,430)</u>	<u>(257,636)</u>	<u>(230,379)</u>	<u>(192,767)</u>	<u>(163,119)</u>	<u>(164,530)</u>	<u>(153,132)</u>	<u>(158,056)</u>	<u>(143,694)</u>	<u>(167,581)</u>	<u>(175,776)</u>	<u>(193,875)</u>	<u>(2,239,975)</u>
CONSERVATION EXPENSES (FROM CT-3, PAGE 1)													
7	<u>140,510</u>	<u>199,670</u>	<u>147,804</u>	<u>127,624</u>	<u>151,452</u>	<u>142,526</u>	<u>84,566</u>	<u>142,145</u>	<u>129,577</u>	<u>83,231</u>	<u>166,561</u>	<u>112,982</u>	<u>1,628,648</u>
8 TRUE-UP THIS PERIOD	<u>(98,920)</u>	<u>(57,966)</u>	<u>(82,575)</u>	<u>(65,143)</u>	<u>(11,667)</u>	<u>(22,004)</u>	<u>(68,566)</u>	<u>(15,911)</u>	<u>(14,117)</u>	<u>(84,350)</u>	<u>(9,215)</u>	<u>(80,893)</u>	<u>(611,327)</u>
9 INTEREST PROVISION THIS PERIOD (FROM CT-3 PAGE 3)	<u>301</u>	<u>(119)</u>	<u>(519)</u>	<u>(965)</u>	<u>(1,266)</u>	<u>(1,458)</u>	<u>(1,759)</u>	<u>(2,036)</u>	<u>(2,181)</u>	<u>(2,514)</u>	<u>(2,867)</u>	<u>(3,185)</u>	<u>(18,569)</u>
10 TRUE-UP & INTER. PROV. BEGINNING OF MONTH	<u>117,627</u>	<u>9,206</u>	<u>(58,682)</u>	<u>(151,577)</u>	<u>(227,487)</u>	<u>(250,222)</u>	<u>(283,486)</u>	<u>(363,613)</u>	<u>(391,362)</u>	<u>(417,462)</u>	<u>(514,128)</u>	<u>(536,012)</u>	
11 PRIOR PERIOD TRUE UP													
COLLECTED/(REFUNDED)	<u>(9,802)</u>	<u>(9,805)</u>											
12 TOTAL NET TRUE UP (SUM LINES 8+9+10+11)	<u>9,206</u>	<u>(58,682)</u>	<u>(151,577)</u>	<u>(227,487)</u>	<u>(250,222)</u>	<u>(283,486)</u>	<u>(363,613)</u>	<u>(391,362)</u>	<u>(417,462)</u>	<u>(514,128)</u>	<u>(536,012)</u>	<u>(629,896)</u>	<u>(629,896)</u>

CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2000 THROUGH DECEMBER 2000

INTEREST PROVISION	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	Total
1. BEGINNING TRUE-UP	117,627	9,206	(58,682)	(151,577)	(227,487)	(250,222)	(283,486)	(363,613)	(391,362)	(417,462)	(514,128)	(536,012)	
2. ENDING TRUE-UP BEFORE INTEREST	<u>8,905</u>	<u>(58,562)</u>	<u>(151,059)</u>	<u>(226,522)</u>	<u>(248,956)</u>	<u>(282,028)</u>	<u>(361,854)</u>	<u>(389,326)</u>	<u>(415,281)</u>	<u>(511,614)</u>	<u>(533,145)</u>	<u>(626,710)</u>	
3. TOTAL BEGINNING & ENDING TRUE-UP	126,532	(49,357)	(209,741)	(378,100)	(476,444)	(532,250)	(645,340)	(752,938)	(806,642)	(929,076)	(1,047,274)	(1,162,722)	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	<u>63,266</u>	<u>(24,678)</u>	<u>(104,870)</u>	<u>(189,050)</u>	<u>(238,222)</u>	<u>(266,125)</u>	<u>(322,670)</u>	<u>(376,469)</u>	<u>(403,321)</u>	<u>(464,538)</u>	<u>(523,637)</u>	<u>(581,361)</u>	
5. INTER. RATE - 1ST DAY OF REPORTING MONTH	5.600%	5.800%	5.800%	6.070%	6.180%	6.570%	6.580%	6.500%	6.480%	6.500%	6.490%	6.650%	
6. INTER. RATE - 1ST DAY OF SUBSEQUENT MONTH	5.800%	5.800%	6.070%	6.180%	6.570%	6.580%	6.500%	6.480%	6.500%	6.490%	6.650%	6.500%	
7. TOTAL (SUM LINES 5 & 6)	11.400%	11.600%	11.870%	12.250%	12.750%	13.150%	13.080%	12.980%	12.980%	12.990%	13.140%	13.150%	
8. AVG INTEREST RATE (LINE 7 TIMES 50%)	5.700%	5.800%	5.935%	6.125%	6.375%	6.575%	6.540%	6.490%	6.490%	6.495%	6.570%	6.575%	
9. MONTHLY AVG INTEREST RATE	0.475%	0.483%	0.495%	0.510%	0.531%	0.548%	0.545%	0.541%	0.541%	0.541%	0.548%	0.548%	
10. INTEREST PROVISION (LINE 4 TIMES LINE 9)	<u>301</u>	<u>(119)</u>	<u>(519)</u>	<u>(965)</u>	<u>(1,266)</u>	<u>(1,458)</u>	<u>(1,759)</u>	<u>(2,036)</u>	<u>(2,181)</u>	<u>(2,514)</u>	<u>(2,867)</u>	<u>(3,185)</u>	<u>(18,569)</u>
10. a. INT. ADJ													

Amended Exhibit _____ (BAB-1)

CHESAPEAKE UTILITIES CORPORATION
CONSERVATION COST RECOVERY TRUE-UP
January 1, 2000 through December 31, 2000

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 010004-GU EXHIBIT NO. 3
COMPANY/ Duck
WITNESS: _____
DATE: 10-20-01

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SCHEDULE CT-1

COMPANY: Chesapeake Utilities Corporation
Docket No. 010004-GU
Amended Exhibit BAB-1
Page 1 of 16

ADJUSTED NET TRUE-UP
FOR MONTH JANUARY 2000 THROUGH DECEMBER 2000

END OF PERIOD NET TRUE-UP

PRINCIPAL	33,224	
INTEREST	<u>1,438</u>	34,661

LESS PROJECTED TRUE-UP

PRINCIPAL	11,506	
INTEREST	<u>1,103</u>	<u>12,609</u>

ADJUSTED NET TRUE-UP		<u>22,052</u>
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() REFLECTS OVER-RECOVERY

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VERSUS ESTIMATED

JANUARY 2000 THROUGH DECEMBER 2000

	<u>ACTUAL</u>	<u>PROJECTED*</u>	<u>DIFFERENCE</u>
CAPITAL INVESTMENT	0	0	0
PAYROLL & BENEFITS	28,577	34,030	(5,453)
MATERIALS & SUPPLIES	2,791	2,030	761
ADVERTISING	58,761	59,017	(256)
INCENTIVES	250,348	172,294	78,054
OUTSIDE SERVICES	8,779	0	8,779
VEHICLES	0	942	(942)
OTHER	<u>0</u>	<u>0</u>	<u>0</u>
SUB-TOTAL	349,255	268,313	80,942
PROGRAM REVENUES	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL PROGRAM COSTS	349,255	268,313	80,942
LESS:			
PAYROLL ADJUSTMENTS	0	0	0
AMOUNTS INCLUDED IN RATE BASE	0	0	0
CONSERVATION REVENUES APPLICABLE TO THE PERIOD	(316,031)	(256,807)	(59,224)
ROUNDING ADJUSTMENT	<u>0</u>	<u>0</u>	<u>0</u>
TRUE-UP BEFORE INTEREST	33,224	11,506	21,718
INTEREST PROVISION	<u>1,438</u>	<u>1,103</u>	<u>335</u>
END OF PERIOD TRUE-UP	<u>34,661</u>	<u>12,609</u>	<u>22,052</u>

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

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM
FOR MONTHS: JANUARY 2000 THROUGH DECEMBER 2000

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: RES. HOME BUILDER	0	12,727	401	18,925	209,965	5,815	0	0	247,832
PROGRAM 2: RES. APPLIANCE REPLACEMENT	0	7,740	534	37,025	22,605	0	0	0	67,904
PROGRAM 3: WATER HEATER RETENTION	0	7,216	0	0	17,778	0	0	0	24,994
PROGRAM 4: CONSERVATION EDUCATION	0	894	1,856	2,391	0	2,964	0	0	8,105
PROGRAM 5: GAS SPACE CONDITIONING	0	0	0	420	0	0	0	0	420
PROGRAM 6: COMMON COSTS	0	0	0	0	0	0	0	0	0
PROGRAM 7: RES. SPACE CONDIONTING	0	0	0	0	0	0	0	0	0
PROGRAM 8: PROPANE DISTRIBUTION	0	0	0	0	0	0	0	0	0
PROGRAM 9: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 10: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 11: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 12: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 13: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 14: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 15: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 16: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 17: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 18: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 19: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 20: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
TOTAL	0	28,577	2,791	58,761	250,348	8,779	0	0	349,255

CONSERVATION COSTS PER PROGRAM - VARIANCE ACTUAL VERSUS PROJECTED
FOR MONTHS: JANUARY 2000 THROUGH DECEMBER 2000

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: RES. HOME BUILDER	0	(3,611)	(582)	(15,971)	71,185	5,815	(474)	0	56,361
PROGRAM 2: RES. APPLIANCE REPLACEMENT	0	(1,017)	(153)	25,539	8,188	0	(155)	0	32,402
PROGRAM 3: WATER HEATER RETENTION	0	(187)	0	(2,571)	(1,319)	0	(155)	0	(4,232)
PROGRAM 4: CONSERVATION EDUCATION	0	(638)	1,496	(7,673)	0	2,964	(158)	0	(4,009)
PROGRAM 5: GAS SPACE CONDITIONING	0	0	0	420	0	0	0	0	420
PROGRAM 6: COMMON COSTS	0	0	0	0	0	0	0	0	0
PROGRAM 7: RES. SPACE CONDIONTING	0	0	0	0	0	0	0	0	0
PROGRAM 8: PROPANE DISTRIBUTION	0	0	0	0	0	0	0	0	0
PROGRAM 9: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 10: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 11: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 12: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 13: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 14: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 15: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 16: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 17: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 18: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 19: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
PROGRAM 20: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0
TOTAL	0	(5,453)	761	(256)	78,054	8,779	(942)	0	80,942

() REFLECTS PROJECTED OVER ACTUAL EXPENSE ESTIMATES

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
FOR MONTHS: JANUARY 2000 THROUGH DECEMBER 2000

EXPENSES:	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
PROGRAM 1: RES. HOME BUILDER	1,361	12,386	25,375	17,305	18,414	6,429	30,177	37,195	15,393	35,576	29,686	18,535	247,832
PROGRAM 2: RES. APPLIANCE REPLACEMENT	730	2,430	6,360	3,290	5,880	4,056	1,322	2,442	2,588	13,749	7,654	17,404	67,904
PROGRAM 3: WATER HEATER RETENTION	617	2,117	3,667	2,067	1,317	2,220	2,767	578	718	2,869	4,865	1,192	24,994
PROGRAM 4: CONSERVATION EDUCATION	128	128	338	5,334	443	128	128	0	630	0	0	850	8,105
PROGRAM 5: GAS SPACE CONDITIONING	0	0	0	0	0	0	0	420	0	0	0	0	420
PROGRAM 6: COMMON COSTS	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 7: RES. SPACE CONDIONTING	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 8: PROPANE DISTRIBUTION	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 9: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 10: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 11: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 12: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 13: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 14: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 15: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 16: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 17: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 18: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 19: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 20: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	2,836	17,061	35,739	27,995	26,053	12,832	34,394	40,634	19,330	52,194	42,205	37,981	349,255
LESS AMOUNT INCLUDED IN RATE BASE	0	0	0	0	0	0	0	0	0	0	0	0	0
RECOVERABLE CONSERVATION EXPENSES	2,836	17,061	35,739	27,995	26,053	12,832	34,394	40,634	19,330	52,194	42,205	37,981	349,255

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2000 THROUGH DECEMBER 2000

CONSERVATION REVENUES	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	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	<u>(51,022.82)</u>	<u>(48,725.54)</u>	<u>(35,964.93)</u>	<u>(33,195.10)</u>	<u>(27,462.29)</u>	<u>(24,811.20)</u>	<u>(21,298.98)</u>	<u>(24,357.83)</u>	<u>(24,958.80)</u>	<u>(29,261.81)</u>	<u>(35,844.44)</u>	<u>(51,295.19)</u>	<u>(408,198.93)</u>
4. TOTAL REVENUES	<u>(51,022.82)</u>	<u>(48,725.54)</u>	<u>(35,964.93)</u>	<u>(33,195.10)</u>	<u>(27,462.29)</u>	<u>(24,811.20)</u>	<u>(21,298.98)</u>	<u>(24,357.83)</u>	<u>(24,958.80)</u>	<u>(29,261.81)</u>	<u>(35,844.44)</u>	<u>(51,295.19)</u>	<u>(408,198.93)</u>
5. PRIOR PERIOD TRUE-UP NOT APPLICABLE TO THIS PERIOD	<u>7,681.00</u>	<u>7,680.00</u>	<u>7,681.00</u>	<u>7,682.00</u>	<u>92,168.00</u>								
6. CONSERVATION REVS APPLICABLE TO THE PERIOD	<u>(43,341.82)</u>	<u>(41,045.54)</u>	<u>(28,283.93)</u>	<u>(25,515.10)</u>	<u>(19,781.29)</u>	<u>(17,131.20)</u>	<u>(13,617.98)</u>	<u>(16,677.83)</u>	<u>(17,277.80)</u>	<u>(21,581.81)</u>	<u>(28,163.44)</u>	<u>(43,613.19)</u>	<u>(316,030.93)</u>
7. CONSERVATION EXPS (FROM CT-3, PAGE 1)	2,835.71	17,060.71	35,739.36	27,994.88	26,053.21	12,832.47	34,393.79	40,634.15	19,330.22	52,194.05	42,205.43	37,980.67	349,254.67
8. TRUE-UP THIS PERIOD	(40,506.11)	(23,984.83)	7,455.43	2,479.78	6,271.92	(4,298.73)	20,775.81	23,956.32	2,052.42	30,612.24	14,041.99	(5,632.52)	33,223.74
9. INTER. PROV. THIS PERIOD (FROM CT-3, PAGE 3)	323.35	137.61	62.64	51.12	35.92	0.56	3.60	83.02	112.26	159.78	242.69	225.16	1,437.72
10. TRUE-UP & INTER. PROV. BEGINNING OF MONTH	92,168.00	44,304.25	12,777.04	12,615.11	7,465.01	6,092.85	(5,886.32)	7,212.10	23,571.44	18,055.12	41,147.14	47,750.83	
11. PRIOR TRUE-UP COLLECTED/(REFUNDED)	<u>(7,681.00)</u>	<u>(7,680.00)</u>	<u>(7,680.00)</u>	<u>(7,681.00)</u>	<u>(7,680.00)</u>	<u>(7,681.00)</u>	<u>(7,681.00)</u>	<u>(7,680.00)</u>	<u>(7,681.00)</u>	<u>(7,680.00)</u>	<u>(7,681.00)</u>	<u>(7,682.00)</u>	
12. TOTAL NET TRUE-UP (SUM LINES 8+9+10+11)	<u>44,304.25</u>	<u>12,777.04</u>	<u>12,615.11</u>	<u>7,465.01</u>	<u>6,092.85</u>	<u>(5,886.32)</u>	<u>7,212.10</u>	<u>23,571.44</u>	<u>18,055.12</u>	<u>41,147.14</u>	<u>47,750.83</u>	<u>34,661.47</u>	<u>34,661.47</u>

CALCULATION OF TRUE-UP AND INTEREST PROVISION
FOR MONTHS: JANUARY 2000 THROUGH DECEMBER 2000

INTEREST PROVISION	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
1. BEGINNING TRUE-UP	92,168.00	44,304.25	12,777.04	12,615.11	7,465.01	6,092.85	(5,886.32)	7,212.10	23,571.44	18,055.12	41,147.14	47,750.83	
2. ENDING TRUE-UP BEFORE INTEREST	<u>43,980.89</u>	<u>12,639.42</u>	<u>12,552.47</u>	<u>7,413.89</u>	<u>6,056.93</u>	<u>(5,886.88)</u>	<u>7,208.50</u>	<u>23,488.42</u>	<u>17,942.86</u>	<u>40,987.36</u>	<u>47,508.13</u>	<u>34,436.31</u>	
3. TOTAL BEGINNING & ENDING TRUE-UP	136,148.89	56,943.67	25,329.51	20,029.00	13,521.94	205.97	1,322.18	30,700.52	41,514.30	59,042.48	88,655.28	82,187.14	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	<u>68,074.45</u>	<u>28,471.84</u>	<u>12,664.75</u>	<u>10,014.50</u>	<u>6,760.97</u>	<u>102.98</u>	<u>661.09</u>	<u>15,350.26</u>	<u>20,757.15</u>	<u>29,521.24</u>	<u>44,327.64</u>	<u>41,093.57</u>	
5. INTER. RATE - 1ST DAY OF REPORTING MONTH	5.600%	5.800%	5.800%	6.070%	6.180%	6.570%	6.580%	6.500%	6.480%	6.500%	6.490%	6.650%	
6. INTER. RATE - 1ST DAY OF SUBSEQUENT MONTH	<u>5.800%</u>	<u>5.800%</u>	<u>6.070%</u>	<u>6.180%</u>	<u>6.570%</u>	<u>6.580%</u>	<u>6.500%</u>	<u>6.480%</u>	<u>6.500%</u>	<u>6.490%</u>	<u>6.650%</u>	<u>6.500%</u>	
7. TOTAL (SUM LINES 5 & 6)	11.400%	11.600%	11.870%	12.250%	12.750%	13.150%	13.080%	12.980%	12.980%	12.990%	13.140%	13.150%	
8. AVG INTEREST RATE (LINE 7 TIMES 50%)	5.700%	5.800%	5.935%	6.125%	6.375%	6.575%	6.540%	6.490%	6.490%	6.495%	6.570%	6.575%	
9. MONTHLY AVG INTEREST RATE	0.475%	0.483%	0.495%	0.510%	0.531%	0.548%	0.545%	0.541%	0.541%	0.541%	0.548%	0.548%	
10. INTEREST PROVISION (LINE 4 TIMES LINE 9)	<u>\$323.35</u>	<u>\$137.61</u>	<u>\$62.64</u>	<u>\$51.12</u>	<u>\$35.92</u>	<u>\$0.56</u>	<u>\$3.60</u>	<u>\$83.02</u>	<u>\$112.26</u>	<u>\$159.78</u>	<u>\$242.69</u>	<u>\$225.16</u>	<u>\$1,437.72</u>

Amended Exhibit No. _____ (BAB-1)
Docket No. 010004-GU
CHESAPEAKE UTILITIES CORPORATION
Page 9 of 16

Schedule CT-5

CHESAPEAKE UTILITIES CORPORATION

Reconciliation and Explanation of Differences Between Filing and PSC Audit
Report for January 2000 through December 2000.

NO DIFFERENCES AS OF THE DATE OF THIS FILING

Schedule CT-6
Page 1 of 7

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:
Residential Home Builder Program

Program Description:
This program is designed to increase the number of high priority natural gas customers in the new home construction market. Incentives are offered in the form of gas piping and venting allowances to assist builders with gas appliance installation.

Allowances:
Conservation allowances are currently:
 \$275 Energy efficient natural gas water heater installation.
 \$275 Natural Gas home heating.
 \$75 Energy efficient natural gas range or dryer stub outlet.

Program Projections:
For the twelve-month period January 2000 through December 2000, we estimated that 317 homes would be connected to the system. During this period, allowances were actually paid for building 395 new homes equipped with natural gas appliances.

Program Fiscal Expenditures:
During the twelve-month period, expenditures for this program totaled \$247,832.

Program Progress Summary:
Since the program's inception, 5069 new homes have been equipped with natural gas appliances. Company representatives continue to work closely with area builders to promote the installation of natural gas appliances in new homes.

Schedule CT-6
Page 2 of 7

CHESAPEAKE UTILITIES CORPORATION
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 in the form of allowances to assist in defraying the additional cost associated with the installation of piping, venting and purchase of natural gas appliances.

Program Projections:

For the twelve-month period January 2000 through December 2000, we estimated that 63 residences would qualify for incentives during this period. In actuality, 62 residences qualified for incentives.

Program Fiscal Expenditures:

For this twelve-month period, CUC incurred program costs of \$67,904.

Program Summary:

Since inception, 89 residences have qualified for this program.

Schedule CT-6
Page 3 of 7

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:

Residential Water Heater Retention Program

Program Description:

This program is design to encourage the continued use of natural gas in the home and avoid costly abandonment activities by the Company. This program offers a cash incentive to both the customer and the dealer to promote the retention of the natural gas water heater.

Program Projections:

For the twelve-month period January 2000 through December 2000, we estimated that 105 natural gas water heaters would qualify for this program. In actuality, 145 natural gas water heaters were installed.

Program Fiscal Expenditures:

For this twelve-month period, CUC incurred program costs of \$24,994.

Program Summary:

Since inception, 383 natural gas water heaters have been changed out and natural gas water heaters reinstalled. CUC will continue to work closely with homeowners and dealers to promote the continued used of energy efficient natural gas.

Schedule CT-6
Page 4 of 7

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:
Conservation Education Program

Program Description:
The objective of this program is to teach adults and young people conservation measures designed to reduce energy consumption and consequently reduce their family's utility bill.

Program Projections:
Over the next several months we intend to supply conservation education materials to schools in our service area.

Program Fiscal Expenditures:
Program costs totaled \$8,105 for this twelve-month period.

Programs Progress Summary:
We continue to meet requests from school and the community for speakers and from schools for conservation education materials.

Schedule CT-6
Page 5 of 7

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:
Gas Space Conditioning Program

Program Description:
The program is designed to convert customers from electric space conditioning equipment to energy efficient natural gas space conditioning equipment. The program provides an allowance to qualifying participants to compensate for the higher initial costs of natural gas space conditioning equipment and its installation. The program will also help reduce summer kw demand and will assist in the conservation of kwh production. The company offers incentives of \$50 per ton installed natural gas space conditioning equipment.

Program Projections:
There were no projections made for natural gas cooling during this period.

Program Fiscal Expenditures:
Program cost totaled \$420 for this twelve-month period.

Program Summary:
Seven natural gas space conditioning units have been installed since this program began.

Schedule CT-6
Page 6 of 7

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:
Residential Space Conditioning Program

Program Description:
This program is designed to convert residential customers from electric space conditioning equipment to energy efficient natural gas space conditioning equipment. The program provides an allowance to qualifying participants to compensate for the higher initial costs of natural gas space conditioning equipment and its installation. The program will also help reduce the summer KW demand and will assist in the conservation of KWH production.

Program Projections:
There has been no activity in this program to date.

Program Fiscal Expenditures:
For this twelve-month period, CUC has not incurred any costs related to this program.

Program Summary:
There has been no activity in this program to date.

Schedule CT-6
Page 7 of 7

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:

Residential Propane Distribution Program

Program Description:

This program is designed to promote the use of gas within subdivisions that are built beyond existing natural gas lines. This program is designed to provide Builders and developers a cash incentive to encourage the installation of gas appliances in newly constructed homes.

Program Projections:

There has been no activity in this program to date.

Program Fiscal Expenditures:

For this twelve-month period, CUC has not incurred any costs related to this program.

Program Summary:

There has been no activity in this program to date.

Exhibit _____ (AJP-1)

THE FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION

CONSERVATION COST RECOVERY PROJECTION

January 1, 2002 through December 31, 2002

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET

NO. 010004-GU EXHIBIT NO. 4

COMPANY/

WITNESS: Price

DATE: 11-20-01 11-21-01

ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
JANUARY 2002 THROUGH DECEMBER 2002

1. INCREMENTAL COSTS (SCHEDULE C-2)	961,036
2. TRUE-UP (SCHEDULE C-3)	<u>79,429</u>
3. TOTAL	<u>1,040,466</u>

RATE CLASS	BILLS	THERM SALES	CUSTOMER CHARGE REVENUES	ENERGY CHARGE	TOTAL	ESTIMATED ECCR	% SURCHARGE	CENTS PER THERM	PEREXPANSION FACTOR	ECCR ADJUSTMENT FACTORS
GS-1\TS-1	108,525	2,399,330	1,123,290	1,057,454	2,180,744	326,205	14.9584%	0.1360	1.00503	0.13664
GS-2\TS-2	6,501	1,177,100	182,700	345,548	528,248	79,018	14.9584%	0.0671	1.00503	0.06747
GS-3\TS-3	2,580	1,794,604	145,308	453,766	599,073	89,612	14.9584%	0.0499	1.00503	0.05019
GS-4\TS-4	614	1,812,842	79,750	401,215	480,965	71,945	14.9584%	0.0397	1.00503	0.03989
GS-5\TS-5	133	1,401,996	61,500	263,599	325,099	48,630	14.9584%	0.0347	1.00503	0.03486
GS-6\TS-6	297	1,272,610	48,000	187,188	235,188	35,180	14.9584%	0.0276	1.00503	0.02778
GS-7\TS-7	170	7,926,659	143,400	774,744	918,144	137,340	14.9584%	0.0173	1.00503	0.01741
GS-8\TS-8	84	6,068,203	60,000	529,323	589,323	88,153	14.9584%	0.0145	1.00503	0.01460
GS-9\TS-9	<u>192</u>	<u>12,008,913</u>	<u>151,200</u>	<u>947,742</u>	<u>1,098,942</u>	<u>164,384</u>	<u>14.9584%</u>	<u>0.0137</u>	<u>1.00503</u>	<u>0.01376</u>
TOTAL	119,096	35,862,257	1,995,148	4,960,579	6,955,727	1,040,466	14.9584%	0.0290	1.00503	0.02916

PROJECTED CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR PERIOD: JANUARY 2002 THROUGH DECEMBER 2002

PROGRAM NAME	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. RESIDENTIAL HOME BUILDER	0	81,326	9,735	40,590	372,475	1,620	6,506	2,400	514,652
2. RESIDENTIAL APPLIANCE REPLACEMENT	0	54,217	6,490	27,060	87,750	1,080	4,337	1,600	182,534
3. RESIDENTIAL PROPANE DISTRIBUTION	0	0	0	0	4,388	0	0	0	4,388
4. RESIDENTIAL WATER HEATER RETENTION	0	27,109	3,245	13,530	22,500	540	2,169	800	69,893
5. NG SPACE CONDITIONING	0	0	0	0	0	0	0	0	0
6. GAS SPACE CONDITIONING	0	0	0	0	0	0	0	0	0
7. EDUCATION	0	108,435	12,980	54,120	0	2,160	8,675	3,200	189,570
8. COMMON COSTS	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
12. (INSERT NAME)	0	0	0	0	0	0	0	0	0
13. (INSERT NAME)	0	0	0	0	0	0	0	0	0
14. (INSERT NAME)	0	0	0	0	0	0	0	0	0
15. (INSERT NAME)	0	0	0	0	0	0	0	0	0
16. (INSERT NAME)	0	0	0	0	0	0	0	0	0
17. (INSERT NAME)	0	0	0	0	0	0	0	0	0
18. (INSERT NAME)	0	0	0	0	0	0	0	0	0
19. (INSERT NAME)	0	0	0	0	0	0	0	0	0
20. (INSERT NAME)	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	0	271,087	32,450	135,300	487,113	5,400	21,687	8,000	961,036
LESS: AMOUNT IN RATE BASE	0	0	0	0	0	0	0	0	0
RECOVERABLE CONSER.	0	271,087	32,450	135,300	487,113	5,400	21,687	8,000	961,036

CONSERVATION PROGRAM COSTS BY COST CATEGORY
FOR PERIOD JANUARY 2001 THROUGH DECEMBER 2001
SEVEN MONTHS ACTUAL AND FIVE MONTHS ESTIMATED

	CAPITAL INVESTMENT	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1. RESIDENTIAL HOME BUILDER									
A. ACTUAL	0	22,242	13,096	62,268	108,180	5,014	2,018	1,360	214,178
B. ESTIMATED	0	15,887	9,354	33,227	35,538	3,581	1,441	972	100,001
C. TOTAL	0	38,128	22,450	95,496	143,718	8,595	3,460	2,332	314,180
2. RESIDENTIAL APPLIANCE REPLACEMENT									
A. ACTUAL	0	11,816	1,615	24,118	11,880	5,350	1,072	723	56,574
B. ESTIMATED	0	8,440	1,154	9,727	2,076	3,821	766	516	26,500
C. TOTAL	0	20,256	2,768	33,845	13,956	9,171	1,838	1,239	83,073
3. RESIDENTIAL PROPANE DISTRIBUTION									
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
4. RESIDENTIAL WATER HEATER RETENTION									
A. ACTUAL	0	10,194	0	0	7,250	0	925	623	18,992
B. ESTIMATED	0	7,281	0	0	5,179	0	661	445	13,566
C. TOTAL	0	17,476	0	0	12,429	0	1,586	1,069	32,558
5. NG SPACE CONDITIONING FOR RESIDENTIAL HOMES									
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
6. GAS SPACE CONDITIONING									
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
7. EDUCATION									
A. ACTUAL	0	2,085	1,452	3,538	0	943	189	128	8,334
B. ESTIMATED	0	1,489	1,037	2,527	0	674	135	91	5,953
C. TOTAL	0	3,575	2,488	6,065	0	1,617	324	219	14,287
8 COMMON COST									
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
TOTAL COSTS	0	79,434	27,707	135,406	170,103	19,383	7,207	4,858	444,098

CONSERVATION PROGRAM COSTS - EXPENSES BY MONTH
FOR PERIOD: JANUARY 2001 THROUGH DECEMBER 2001
SEVEN MONTHS ACTUAL AND FIVE MONTHS PROJECTED

DESCRIPTION	MONTH JAN	MONTH FEB	MONTH MAR	MONTH APR	MONTH MAY	MONTH JUN	MONTH JUL	MONTH AUG	MONTH SEP	MONTH OCT	MONTH NOV	MONTH DEC	TOTAL
1. HOME BUILDER PROGRAM	18,168	14,097	69,243	26,109	31,171	33,963	21,427	20,000	20,000	20,000	20,000	20,000	314,180
2. RES. APPLIANCE REPLACEMENT	11,300	1,878	8,926	5,239	10,528	9,863	8,840	7,000	7,000	5,000	5,000	2,500	83,073
3. RES PROPANE DISTRIBUTION	0	0	0	0	0	0	0	0	0	0	0	0	0
4. RES WATER HEATER RETENTION	(2,964)	4,760	978	379	1,872	1,950	1,359	1,191	1,191	1,191	1,191	1,191	14,287
5. NG SPACE CONDITIONING	0	0	0	0	0	0	0	0	0	0	0	0	0
6. GAS SPACE CONDITIONING	0	0	0	0	0	0	0	0	0	0	0	0	0
7. EDUCATION	600	2,577	3,339	3,154	3,128	3,756	2,438	2,713	2,713	2,713	2,713	2,713	32,558
8. COMMON COSTS	0	0	0	0	0	0	0	0	0	0	0	0	0
9. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
10. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
11. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
12. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
13. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
14. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
15. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
16. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
17. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
18. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
19. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
20. (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	27,104	23,313	82,486	34,881	46,699	49,532	34,063	30,904	30,904	28,904	28,904	26,404	444,098
LESS:													
BASE RATE RECOVERY	0	0	0	0	0	0	0	0	0	0	0	0	0
NET RECOVERABLE	27,104	23,313	82,486	34,881	46,699	49,532	34,063	30,904	30,904	28,904	28,904	26,404	444,098

ENERGY CONSERVATION COST RECOVERY ADJUSTMENT
FOR PERIOD: JANUARY 2001 THROUGH DECEMBER 2001
SEVEN MONTHS ACTUAL AND FIVE MONTHS ESTIMATED

CONSERVATION REVS	MONTH JAN	MONTH FEB	MONTH MAR	MONTH APR	MONTH MAY	MONTH JUN	MONTH JUL	MONTH AUG	MONTH SEP	MONTH OCT	MONTH NOV	MONTH DEC	TOTAL
1. RCS AUDIT FEE	0	0	0	0	0	0	0	0	0	0	0	0	0
2. OTHER PROG. REVS.	0	0	0	0	0	0	0	0	0	0	0	0	0
3. CONSERV. ADJ REVS.	(26,885)	(23,761)	(33,475)	(29,081)	(29,878)	(24,035)	(22,146)	(30,000)	(35,000)	(45,000)	(50,000)	(55,000)	(404,261)
4. TOTAL REVENUES	(26,885)	(23,761)	(33,475)	(29,081)	(29,878)	(24,035)	(22,146)	(30,000)	(35,000)	(45,000)	(50,000)	(55,000)	(404,261)
5. PRIOR PERIOD TRUE- UP NOT APPLICABLE TO THIS PERIOD	2,888	2,889	2,888	2,888	2,888	2,888	2,888	2,888	2,888	2,888	2,888	2,888	34,662
6. CONSERV. REVS. APPLICABLE TO THE PERIOD	(23,997)	(20,872)	(30,586)	(26,193)	(26,989)	(21,147)	(19,257)	(27,112)	(32,112)	(42,112)	(47,112)	(52,112)	(369,599)
7. CONSERV. EXPS.	27,104	23,313	82,486	34,881	46,699	49,532	34,063	30,904	30,904	28,904	28,904	26,404	444,098
8. TRUE-UP THIS PERIOD	3,107	2,441	51,899	8,688	19,710	28,386	14,806	3,792	(1,208)	(13,208)	(18,208)	(25,708)	74,498
9. INTER. PROVISION THIS PERIOD	191	193	292	368	385	416	449	457	562	633	549	436	4,932
10. TRUE-UP AND INTEREST PROV. BEG. OF MONTH	34,661	35,070	34,816	84,118	90,286	107,493	133,406	145,773	147,134	143,600	128,137	107,590	34,661
11. PRIOR TRUE-UP COLLECTED OR (REFUNDED)	(2,888)	(2,888)	(2,888)	(2,888)	(2,888)	(2,888)	(2,888)	(2,888)	(2,888)	(2,888)	(2,888)	(2,888)	(34,661)
12. TOTAL NET TRUE-UP	35,070	34,816	84,118	90,286	107,493	133,406	145,773	147,134	143,600	128,137	107,590	79,429	79,429

CALCULATION OF TRUE-UP AND INTEREST PROVISION
FOR PERIOD: JANUARY 2001 THROUGH DECEMBER 2001
SEVEN MONTHS ACTUAL AND FIVE MONTHS PROJECTED

INTEREST PROVISION	MONTH JAN	MONTH FEB	MONTH MAR	MONTH APR	MONTH MAY	MONTH JUN	MONTH JUL	MONTH AUG	MONTH SEP	MONTH OCT	MONTH NOV	MONTH DEC	TOTAL
1. BEGINNING TRUE-UP	34,661	35,070	34,816	84,118	90,286	107,493	133,406	145,773	147,134	143,600	128,137	107,590	
2. ENDING TRUE-UP BEFORE INTEREST	<u>34,880</u>	<u>34,623</u>	<u>83,827</u>	<u>89,918</u>	<u>107,107</u>	<u>132,990</u>	<u>145,324</u>	<u>146,677</u>	<u>143,038</u>	<u>127,504</u>	<u>107,041</u>	<u>78,994</u>	
3. TOTAL BEGINNING & ENDING TRUE-UP	69,541	69,694	118,643	174,036	197,393	240,483	278,730	292,450	290,172	271,104	235,178	186,584	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	<u>34,770</u>	<u>34,847</u>	<u>59,321</u>	<u>87,018</u>	<u>98,697</u>	<u>120,241</u>	<u>139,365</u>	<u>146,225</u>	<u>145,086</u>	<u>135,552</u>	<u>117,589</u>	<u>93,292</u>	
5. INTEREST RATE FIRST DAY OF REPORTING MONTH	6.50%	6.65%	6.65%	5.15%	5.00%	4.37%	3.94%	3.80%	3.70%	5.60%	5.60%	5.60%	
6. INTER. RATE - FIRST DAY SUBSEQUENT MONTH	<u>6.65%</u>	<u>6.65%</u>	<u>5.15%</u>	<u>5.00%</u>	<u>4.37%</u>	<u>3.94%</u>	<u>3.80%</u>	<u>3.70%</u>	<u>5.60%</u>	<u>5.60%</u>	<u>5.60%</u>	<u>5.60%</u>	
7. TOTAL (SUM LINES 5 & 6)	<u>13.15%</u>	<u>13.30%</u>	<u>11.80%</u>	<u>10.15%</u>	<u>9.37%</u>	<u>8.31%</u>	<u>7.74%</u>	<u>7.50%</u>	<u>9.30%</u>	<u>11.21%</u>	<u>11.21%</u>	<u>11.21%</u>	
8. AVG. INTEREST RATE (LINE 7 TIMES 50%)	6.58%	6.65%	5.90%	5.08%	4.69%	4.16%	3.87%	3.75%	4.65%	5.60%	5.60%	5.60%	
9. MONTHLY AVG INTEREST RATE	0.55%	0.55%	0.49%	0.42%	0.39%	0.35%	0.32%	0.31%	0.39%	0.47%	0.47%	0.47%	
10. INTEREST PROVISION	<u>191</u>	<u>193</u>	<u>292</u>	<u>368</u>	<u>385</u>	<u>416</u>	<u>449</u>	<u>457</u>	<u>562</u>	<u>633</u>	<u>549</u>	<u>436</u>	<u>4,932</u>

Schedule C-4
Page 1 of 7

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:

Residential Home Builder Program

Program Description:

This program is designed to increase the overall energy efficiency in the residential new construction market by promoting energy efficient natural gas appliances in residences that would qualify for the Company's residential rates. Incentives are offered in the form of gas piping and venting allowances to assist builders with gas appliance installation.

Allowances:

Conservation allowances are currently:

- \$275 Energy efficient natural gas water heater installation.
- \$275 Natural Gas home heating.
- \$75 Energy efficient natural gas range or dryer stub outlet.

Program Activity and Projections:

During the seven month period January, 2001 through July, 2001, 243 residences qualified under our home builder program. We estimate 174 new homes will qualify during the period August, 2001 through December, 2001.

Program Fiscal Expenditures:

For the seven month period January, 2001 through July, 2001 CUC incurred costs of \$214,178 for the Home Builder Program. For August, 2001 through December, 2001, costs are estimated to be \$100,001.

Schedule C-4
Page 2 of 7

CHESAPEAKE UTILITIES CORPORATION
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 in the form of allowances to assist in defraying the additional costs associated with the piping and venting of natural gas equipment.

Allowance:
Conservation allowance is currently:
 \$330.00 Energy Efficient Water Heater Installation
 \$330.00 Natural Gas Home Heating System
 \$ 50.00 Energy-efficient gas range
 \$ 50.00 Natural Gas Clothes Dryer

Program Activity and Projections:
During the seven month period January, 2001 through July, 2001, 34 residences qualified under our appliance replacement program. We estimate an additional 24 residences will qualify for incentives during the period August, 2001 through December, 2001.

Program Fiscal Expenditures:
For the seven month period January, 2001 through July, 2001, CUC incurred costs of \$56,574 for the Residential Appliance Replacement Program. During August, 2001 through December, 2001 costs are estimated to be \$26,500.

Schedule C-4

Page 3 of 7

CHESAPEAKE UTILITIES CORPORATION

Program Description and Progress

Program Title:

Residential Propane Distribution Program

Program Description:

The program is designed to promote the use of "gas" within developments that are built beyond the economic extension of the Company's existing natural gas infrastructure. The concept of installing an underground propane system, which includes distribution mains, service laterals and meter sets that are capable of supplying either propane or natural gas, is a viable method of encouraging installation of "gas" appliances in the residential subdivision at the time of construction. This program is designed to provide Builders and Developers a cash incentive to encourage the installation of "gas" appliances in the newly constructed house.

Allowances:

Conservation allowances are currently:

- \$275 Energy efficient natural gas water heater installation.
- \$275 Natural Gas home heating.
- \$75 Energy efficient natural gas range or dryer stub outlet.

Program Activity and Projections:

There has been no activity in this program to date. No activity is projected for the remainder of 2001.

Program Fiscal Expenditures:

There has been no activity in this program to date.

Schedule C-4
Page 4 of 7

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:
Conservation Education Program

Program Description:
The objective of this program is to teach adults and young people conservation measures designed to reduce energy consumption and consequently reduce their family's utility bill.

Program Activity and Projections:
Over the next several months we intend to supply conservation education materials to schools in our service area.

Program Fiscal Expenditures:
During the seven month period January, 2001 through July, 2001, CUC incurred program costs of \$8,334 for this program. For August, 2001 through December, 2001, expenditures are estimated to be \$5,953 for this program.

Schedule C-4

Page 5 of 7

CHESAPEAKE UTILITIES CORPORATION

Program Description and Progress

Program Title:

Natural Gas Space Conditioning for Residential Homes Program

Program Description:

The program is intended to encourage the use of energy efficient natural gas air conditioning products in residential homes. The program is designed to offer a \$1200 per unit allowance to qualifying participants to compensate for the higher initial costs of natural gas space conditioning equipment and its installation.

Program Activity and Projections:

For the seven month period January, 2001 through July, 2001, CUC paid no allowances on this program. No activity is projected in this program for the remainder of 2001.

Program Fiscal Expenditures:

For the seven month period January, 2001 through July, 2001, CUC incurred no cost for the Natural Gas Space Conditioning Program.

Schedule C-4
Page 6 of 7

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:
Gas Space Conditioning Program

Program Description:
The program is intended to encourage the use of energy efficient natural gas air conditioning products to non-residential customers. The program provides an allowance of \$50 per ton of natural gas space conditioning up to a maximum of 500 tons per system, to qualifying participants to compensate for the higher initial costs of natural gas space conditioning equipment and installation.

Program Activity and Projections:
For the seven month period January, 2001 through July, 2001, CUC paid no allowances on this program. No activity is projected for the remainder of 2001.

Program Fiscal Expenditures:
For the seven month period January, 2001 through July, 2001, CUC incurred no costs for the Natural Gas Space Conditioning Program.

Schedule C-4
Page 7 of 7

CHESAPEAKE UTILITIES CORPORATION
Program Description and Progress

Program Title:
Residential Water Heater Retention Program

Program Description:

This program is offered to existing customers and dealers to encourage the continued use of natural gas in the home and avoid costly abandonment activities by the Company. The water heater is not only the primary natural gas cost savings appliance within the homes, but it is also the anchor natural gas load within the home. As an incentive to continue to provide substantial benefits to the customer and utilize our resources effectively, this program offers a cash payment to the customer and dealer.

Allowances:

Conservation allowances are currently:

\$100 Energy efficient natural gas water heater installation.
\$ 50 Dealer

Program Activity and Projections:

For the seven month period January, 2001 through July, 2001, CUC paid allowances on 70 water heaters. We estimate we will pay allowances on 50 additional water heaters during the period of August, 2001 through December, 2001.

Program Fiscal Expenditures:

For the seven month period January, 2001 through July, 2001, CUC incurred program costs of \$18,992 for this program. For August, 2001 through December, 2001, expenditures totaling \$13,566 are anticipated.

Exhibit _____ (TAG-1)

THE FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION
PROPOSED STATEWIDE ADVERTISING CAMPAIGN: GETGASFL

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 010004-GU EXHIBIT NO. 5
COMPANY/ Seafroy
WITNESS: Seafroy
DATE: 11-20-21-01

Objectives

- Increase awareness of conservation programs
- Increase customers and throughput
- Increase gas demand in new home construction
- Position gas as the preferred energy choice when available
- Reduce attrition

Billboards

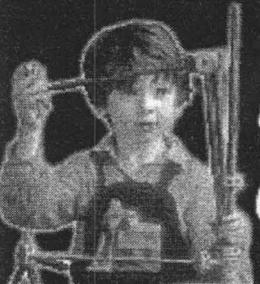
- Major highways: I-95 / I-4 / I-75 / I-10 / Turnpike
- Boards face both directions
- Tied to radio and television
- Promote web-site as focal point for customers to learn about energy conservation programs



*You Can Heat Your Home
or Just Burn Your Money*

More Info? getgasFL.com

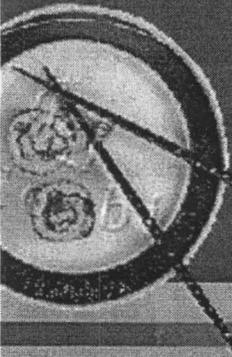
10'6" x 36' 14" Scale



*Build it with Natural Gas.
Conserve Energy. Save Money.*

More Info? getgasFL.com

10'6" x 36' 14" Scale



**99% of Chefs PREFER GAS.
THE OTHER GUY MAKES SUSHI.**

More Info? getgasFL.com

10'6" x 36' 14" Scale



**Getting The Cold Shoulder?
Switch Water Heaters!**

More Info? getgasFL.com

10'6" x 36' 14" Scale

Radio

- **Based on basic concept of the billboards**
- **Two weeks on, two weeks off during course of the year**
- **Target market 35-64**
- **Adult listening, Country, and talk radio**
- **Meet requirements of energy conservation program recovery rule**
- **Direct listeners to website for additional information**

Television

- **Based on radio and billboards**
- **Utilize main cable systems**
- **Two weeks per month**
- **Target market 35-64**
- **Meet requirements of energy conservation program recovery rule**
- **Direct viewers to website for additional information**

Website

- **www.GetGasFL.com**
- **Energy conservation benefits of gas**
- **Availability of conservation programs**
- **Contact information and links to company website**
- **Tracking**

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

SCHEDULE CT-1

CONSERVATION ADJUSTMENT TRUE-UP

PAGE 1 OF 1

FOR MONTHS September-00 THROUGH December-00

1.	ADJUSTED END OF PERIOD TOTAL NET TRUE-UP		
2.	FOR MONTHS September-00 THROUGH December-00		
3.	END OF PERIOD NET TRUE-UP		
4.	PRINCIPAL	<u>107,675</u>	
5.	INTEREST	<u>(616)</u>	<u>107,059</u>
6.	LESS PROJECTED TRUE-UP		
7.	November-00 (DATE) HEARINGS		
8.	PRINCIPAL	<u>0</u>	
9.	INTEREST	<u>0</u>	<u>0</u>
10.	ADJUSTED END OF PERIOD TOTAL TRUE-UP		<u><u>107,059</u></u>

EXHIBIT NO. _____
DOCKET NO. 010004-GU
FLORIDA PUBLIC UTILITIES COMPANY
(RLS-1)
PAGE 1 OF 18

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET

NO. 010004-04 EXHIBIT NO. 6

COMPANY/

WITNESS. Smith

DATE: 11-20-01

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VS PROJECTED

FOR MONTHS September-00 THROUGH December-00

	<u>ACTUAL</u>	<u>PROJECTED</u>	<u>DIFFERENCE</u>
1. Capital Investment	0	0	0
2. Payroll & Benefits	28,091	45,582	(17,491)
3. Materials & Supplies	2,060	16,364	(14,304)
4. Advertisement	119,927	82,368	37,559
5. Incentives	85,063	150,564	(65,501)
6. Outside Services	29,682	1,200	28,482
7. Vehicle & Travel	2,390	13,678	(11,288)
8.	0	0	0
9.	0	0	0
10. OTHER	187,240	8,152	179,088
11. SUB-TOTAL	454,453	317,908	136,545
12. PROGRAM REVENUES			
13. TOTAL PROGRAM COSTS	454,453	317,908	136,545
14. LESS: PRIOR PERIOD TRUE-UP	0	0	0
15. AMOUNTS INCLUDED IN RATE BASE			
16. CONSERVATION ADJ REVENUE	346,778	317,908	28,870
17. ROUNDING ADJUSTMENT			
18. TRUE-UP BEFORE INTEREST	107,675	0	107,675
19. ADD INTEREST PROVISION	(616)	0	(616)
20. END OF PERIOD TRUE-UP	107,059	0	107,059

() REFLECTS OVERRECOVERY

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

SCHEDULE CT-2
PAGE 2 OF 3

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM

FOR MONTHS September-00 THROUGH December-00

PROGRAM NAME	Capital Invst.	P/R & Benefit	Mat & supply	Advertise	Incentives	Outside Serv.	Vehicle		OTHER	SUB TOTAL	PROGRAM REVENUES	TOTAL
1. Full House Res. New Construction	0	0	0	10,238	0	13,275	1,474	0	0	184,073	209,060	209,060
2. Residential Appliance Replacement	0	0	0	4,587	7,680	2,173	0	0	0	14,440	14,440	14,440
3. Conservation Education	0	0	0	0	0	3,621	0	0	0	1,785	5,406	5,406
4. Space Conditioning	0	0	0	5,304	97	0	0	0	0	0	5,401	5,401
5. Residential Conservation Service	0	9,374	485	1,794	0	3,187	0	0	0	14,840	14,840	14,840
6. Residential Appliance Retention	0	0	378	3,569	77,286	2,173	0	0	0	83,406	83,406	83,406
7. Commercial Conservation Service	0	3,125	0	1,794	0	0	0	0	0	4,919	4,919	4,919
8. Residential Service Reactivation	0	0	0	0	0	0	0	0	0	0	0	0
9. Common	0	15,592	1,197	92,641	0	5,253	916	0	1,382	116,981	116,981	116,981
10.	0	0	0	0	0	0	0	0	0	0	0	0
11.												
12.												
13.												
14.												
15.												
16.												
17.												
18.												
19.												
20.												
TOTAL ALL PROGRAMS	0	28,091	2,060	119,927	85,063	29,682	2,390	0	0	187,240	454,453	454,453

EXHIBIT NO. _____
DOCKET NO. 010004-GU
FLORIDA PUBLIC UTILITIES COMPANY
(RLS-1)
PAGE 3 OF 18

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

SCHEDULE CT-2
PAGE 3 OF 3

CONSERVATION COSTS PER PROGRAM--VARIANCE ACTUAL VS PROJECTED
VARIANCE ACTUAL VS PROJECTED

FOR MONTHS September-00 THROUGH December-00

PROGRAM NAME	Capital Invst.	P/R & Benefit	Mat & supply	Advertise	Incentives	Outside Serv.	Vehicle			OTHER	SUB TOTAL	PROGRAM REVENUES	TOTAL
1. Full House Res. New Construction	0	0	0	10,238	(108,992)	13,275	1,474	0	0	184,073	100,068	0	100,068
2. Residential Appliance Replacement	0	0	0	4,587	(9,000)	2,173	0	0	0	0	(2,240)	0	(2,240)
3. Conservation Education	0	0	(5,132)	0	0	3,621	0	0	0	1,785	274	0	274
4. Space Conditioning	0	0	0	5,304	(7,603)	0	0	0	0	0	(2,299)	0	(2,299)
5. Residential Conservation Service	0	9,374	(2,851)	1,794	0	3,187	0	0	0	(1,796)	9,708	0	9,708
6. Residential Appliance Retention	0	0	378	3,569	67,794	2,173	0	0	0	0	73,914	0	73,914
7. Commercial Conservation Service	0	3,125	(3,336)	1,794	0	0	0	0	0	(1,796)	(213)	0	(213)
8. Residential Service Reactivation	0	0	0	0	(7,700)	0	0	0	0	0	(7,700)	0	(7,700)
9. Common	0	(29,990)	(3,363)	10,273	0	4,053	(12,762)	0	0	(3,178)	(34,967)	0	(34,967)
10.	0	0	0	0	0	0	0	0	0	0	0	0	0
11.													
12.													
13.													
14.													
15.													
16.													
17.													
18.													
19.													
20.													
TOTAL ALL PROGRAMS	0	(17,491)	(14,304)	37,559	(65,501)	28,482	(11,288)	0	0	179,088	136,545	0	136,545

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FLORIDA PUBLIC UTILITIES COMPANY
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ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
SUMMARY OF EXPENSES BY PROGRAM BY MONTH

FOR MONTHS September-00 THROUGH December-00

A. CONSERVATION EXPENSE BY PROGRAM		JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1.	Full House Res. New Construction	0	0	0	0	0	0	0	0	21,054	6,116	3,362	178,528	209,060
2.	Residential Appliance Replacement	0	0	0	0	0	0	0	0	0	2,100	4,803	7,537	14,440
3.	Conservation Education	0	0	0	0	0	0	0	0	1,785	0	3,521	100	5,406
4.	Space Conditioning	0	0	0	0	0	0	0	0	0	0	0	5,401	5,401
5.	Residential Conservation Service	0	0	0	0	0	0	0	0	290	485	12,191	1,874	14,840
6.	Residential Appliance Retention	0	0	0	0	0	0	0	0	4,228	13,280	28,012	37,886	83,406
7.	Commercial Conservation Service	0	0	0	0	0	0	0	0	0	0	3,125	1,794	4,919
8.	Residential Service Reactivation	0	0	0	0	0	0	0	0	0	0	0	0	0
9.	Common	0	0	0	0	0	0	0	0	17,386	3,397	19,705	76,493	116,981
10.														
11.														
12.														
13.														
14.														
15.														
16.														
17.														
18.														
19.														
20.														
21.	TOTAL ALL PROGRAMS	0	0	0	0	0	0	0	0	44,743	25,378	74,719	309,613	454,453
22.	LESS AMOUNT INCLUDED IN RATE BASE													
23.	RECOVERABLE CONSERVATION EXPENSES	0	0	0	0	0	0	0	0	44,743	25,378	74,719	309,613	454,453

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

SCHEDULE CT-3
PAGE 2 OF 3

CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS September-00 THROUGH December-00

B. CONSERVATION REVENUES	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. RESIDENTIAL CONSERVATION													0
2. CONSERVATION ADJ. REVENUES	0	0	0	0	0	0	0	0	56,216	83,330	90,417	116,815	346,778
3. TOTAL REVENUES	0	0	0	0	0	0	0	0	56,216	83,330	90,417	116,815	346,778
4. PRIOR PERIOD TRUE-UP ADJ. NOT APPLICABLE TO THIS PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	0
5. CONSERVATION REVENUE APPLICABLE	0	0	0	0	0	0	0	0	56,216	83,330	90,417	116,815	346,778
6. CONSERVATION EXPENSES (FROM CT-3, PAGE 1, LINE 23)	0	0	0	0	0	0	0	0	44,743	25,378	74,719	309,613	454,453
7. TRUE-UP THIS PERIOD (LINE 5 - 6)	0	0	0	0	0	0	0	0	11,473	57,952	15,698	(192,798)	(107,675)
8. INTEREST PROVISION THIS PERIOD (FROM CT-3, PAGE 3, LINE 10)	0	0	0	0	0	0	0	0	31	219	424	(58)	616
9. TRUE-UP AND INTEREST PROVISION BEGINNING OF MONTH	0	0	0	0	0	0	0	0	0	11,504	69,675	85,797	0
9A. DEFERRED TRUE-UP BEGINNING OF PERIOD													
10. PRIOR TRUE-UP COLLECTED (REFUNDED)	0	0	0	0	0	0	0	0	0	0	0	0	0
11. TOTAL NET TRUE-UP (LINES 7+8+9+9A+10)	0	0	0	0	0	0	0	0	11,504	69,675	85,797	(107,059)	(107,059)

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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

SCHEDULE CT-3
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CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS September-00 THROUGH December-00

C. INTEREST PROVISION	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. BEGINNING TRUE-UP (LINE B-9)	0	0	0	0	0	0	0	0	0	11,504	69,675	85,797	0
2. ENDING TRUE-UP BEFORE INTEREST (LINES B7+B9+B9A+B10)	0	0	0	0	0	0	0	0	11,473	69,456	85,373	(107,001)	(107,675)
3. TOTAL BEG. AND ENDING TRUE-UP	0	0	0	0	0	0	0	0	11,473	80,960	155,048	(21,204)	(107,675)
4. AVERAGE TRUE-UP (LINE C-3 X 50%)	0	0	0	0	0	0	0	0	5,737	40,480	77,524	(10,602)	(53,838)
5. INTEREST RATE - FIRST DAY OF REPORTING BUSINESS MONTH	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	6.48%	6.50%	6.49%	6.65%	
6. INTEREST RATE - FIRST DAY OF SUBSEQUENT BUSINESS MONTH	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	6.50%	6.49%	6.65%	6.50%	
7. TOTAL (LINE C-5 + C-6)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	12.98%	12.99%	13.14%	13.15%	
8. AVG. INTEREST RATE (C-7 X 50%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	6.49%	6.50%	6.57%	6.58%	
9. MONTHLY AVERAGE INTEREST RATE	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.541%	0.541%	0.548%	0.548%	
10. INTEREST PROVISION (LINE C-4 X C-9)	0	0	0	0	0	0	0	0	31	219	424	(58)	616

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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

SCHEDULE CT-4
PAGE 1 OF 1

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN

FOR MONTHS September-00 THROUGH December-00

PROGRAM NAME:	BEGINNING OF PERIOD	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. INVESTMENT														
2. DEPRECIATION BASE														
3. DEPRECIATION EXPENSE														
4. CUMULATIVE INVESTMENT														
5. LESS ACCUMULATED DEPRECIATION														
6. NET INVESTMENT														
7. AVERAGE INVESTMENT														
8. RETURN ON AVERAGE INVESTMENT														
9. RETURN REQUIREMENTS														
10. TOTAL DEPRECIATION AND RETURN														NONE

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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

SCHEDULE CT-5
PAGE 1 OF 1

RECONCILIATION AND EXPLANATION OF
DIFFERENCES BETWEEN FILING AND PSC AUDIT

FOR MONTHS September-00 THROUGH December-00

AUDIT EXCEPTION: TO OUR KNOWLEDGE, NONE EXIST

COMPANY RESPONSE:

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**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND SUMMARY**

**SCHEDULE CT-5
PAGE 1 OF 9**

1. Full House Residential New Construction Program
2. Residential Appliance Replacement Program
3. Conservation Education Program
4. Space Conditioning Program
5. Residential Conservation Service Program
6. Residential Appliance Retention Program
7. Commercial Conservation Service Program
8. Residential Service Reactivation Program

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**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE CT-5
PAGE 2 OF 9**

PROGRAM TITLE:

Full House Residential New Construction Program

PROGRAM DESCRIPTION:

This program is designed to increase the overall energy efficiency in the residential single- and multi-family new construction market by promoting energy-efficient natural gas appliances. The program offers builders and developers incentives in the form of cash allowances to defray the additional costs associated with the installation of natural gas supply lines, house piping, venting and natural gas appliances.

PROGRAM ALLOWANCES:

Furnace or Hydro heater	\$300
Water Heater	\$300
Range	\$ 85
Dryer	\$ 85

PROGRAM PROJECTIONS:

For the four-month period of September to December 2000, FPUC did not provide any projections on the number of homes that would be connected to its system.

PROGRAM FISCAL EXPENDITURES:

During the four-month period of September to December 2000, FPUC had expenses of \$209,060.

PROGRAM PROGRESS SUMMARY:

FPSC approval of this program occurred on August 29, 2000. This program was implemented on September 1, 2000. As a result of this program, 524 residential new construction single- and multi-family units were connected to FPUC's system. These homes have an estimated annual usage of 192,104 therms.

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**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 3 OF 9**

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. The program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the installation of efficient natural gas appliances.

PROGRAM ALLOWANCES:

Furnace or Hydro heater	\$330
Water Heater	\$330
Range	\$ 50
Dryer	\$ 50

PROGRAM PROJECTIONS:

For the four-month period of September to December 2000, FPUC did not provide any projections for this program.

PROGRAM EXPENDITURES:

During the four-month period of September to December 2000, FPUC had expenses of \$14,440.

PROGRAM PROGRESS SUMMARY:

FPSC approval of this program occurred on August 29, 2000. This program was implemented on September 1, 2000. Through this program, 90 inefficient non-natural gas residential appliances were replaced with energy-efficient natural gas appliances. These appliances have a cumulative annual usage of 14,556 therms.

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**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE CT-5
PAGE 4 OF 9**

PROGRAM TITLE:

Conservation Education Program

PROGRAM DESCRIPTION:

The purpose of this program is to teach adult and young people about conservation measures designed to reduce energy consumption and consequently reduce their utility bills.

PROGRAM ALLOWANCES:

Not applicable.

PROGRAM PROJECTIONS:

For the four-month period of September to December 2000, FPUC did not provide any projections for this program.

PROGRAM FISCAL EXPENDITURES:

During this four-month period of September to December 2000, FPUC had expenses of \$5,406.

PROGRAM PROGRESS SUMMARY:

FPSC approval of this program occurred on August 29, 2000. This program was implemented on September 1, 2000. Efforts are underway to structure presentations, provide materials and schedule events to participate in. Education materials for various age groups are being developed at this time.

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PROGRAM TITLE:

Space Conditioning Program

PROGRAM DESCRIPTION:

This program is designed to convert on-main customers from electric space conditioning equipment to energy-efficient natural gas space conditioning equipment. The program provides an allowance to qualifying participants to compensate for higher initial costs of natural gas space conditioning equipment and the associated installation costs. This program also reduces summer as well as winter peak demand and contributes to the conservation of kwh/kwd consumption.

PROGRAM ALLOWANCES:

Residential	\$1200 (For Robur model or equivalent unit)
Non-Residential	\$ 50 per ton

PROGRAM PROJECTIONS:

For the four-month period of September to December 2000, FPUC did not provide any projections for this program.

PROGRAM FISCAL EXPENDITURES:

During the four-month period of September to December 2000, FPUC had expenses of \$5,401.

PROGRAM PROGRESS SUMMARY:

FPSC approval of this program occurred on August 29, 2000. This program was implemented on September 1, 2000. During this four-month period of September to December 2000, FPUC was involved in the connection of two space conditioning projects resulting in an estimated 180,000 therms annually.

**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND SUMMARY**

**SCHEDULE CT-5
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PROGRAM TITLE:

Residential Conservation Service Program

PROGRAM DESCRIPTION:

This program is designed to assist residential customers in conserving all forms of energy consumption. Certified company representatives or private contractors will conduct energy surveys. This service will be provided based on customer requests and scheduling availability.

PROGRAM ALLOWANCES:

Not applicable.

PROGRAM PROJECTIONS:

For the four-month period of September to December 2000, FPUC did not provide any projections for this program.

PROGRAM FISCAL EXPENDITURES:

During the four-month period of September to December 2000, FPUC had expenses of \$14,840.

PROGRAM PROGRESS SUMMARY:

FPSC approval of this program occurred on August 29, 2000. This program was implemented on September 1, 2000. Emphasis has been placed on providing training and materials on basic residential construction science, energy analysis, Manual J and Manual D calculations and energy conservation measures to FPUC employees.

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**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE CT-5
PAGE 7 OF 9**

PROGRAM TITLE:

Residential Appliance Retention Program

PROGRAM DESCRIPTION:

This program is designed to promote the retention of energy-efficient appliances for current natural gas customers. The program offers allowances to customers to assist in defraying the cost of purchasing and installing more expensive energy-efficient appliances.

PROGRAM ALLOWANCES:

Water Heater \$350

PROGRAM PROJECTIONS:

For the four-month period of September to December 2000, FPUC did not provide any projections for this program.

PROGRAM FISCAL EXPENDITURES:

During the four-month period of September to December 2000, FPUC had expenses of \$83,406.

PROGRAM PROGRESS SUMMARY:

FPSC approval of this program occurred on August 29, 2000. This program was implemented on September 1, 2000. This program has resulted in FPUC's customer the ability to replace 165 natural gas water heaters with more efficient units. As a result, FPUC was able to retain an estimated 27,470 annual therms connected to its system.

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**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE CT-5
PAGE 8 OF 9**

PROGRAM TITLE:

Commercial Conservation Service Program

PROGRAM DESCRIPTION:

This program is designed to assist commercial customers in conserving all forms of energy consumption. Certified company representatives or private contractors will conduct energy surveys. This service will be provided based on customer requests and scheduling availability.

PROGRAM ALLOWANCES:

Not applicable.

PROGRAM PROJECTIONS:

For the four-month period of September to December 2000, FPUC did not provide any projections for this program.

PROGRAM FISCAL EXPENDITURES:

During the four-month period of September to December 2000, FPUC had expenses of \$4,919.

PROGRAM PROGRESS SUMMARY:

FPSC approval of this program occurred on August 29, 2000. This program was implemented on September 2000. Emphasis has been placed on providing training and materials on basic commercial construction science, energy analysis, Manual J and Manual D calculations and energy conservation measures to FPUC employees.

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**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE CT-5
PAGE 9 OF 9**

PROGRAM TITLE:

Residential Service Reactivation Program

PROGRAM DESCRIPTION:

This program is designed to encourage the reactivation of existing residential service lines that are scheduled to be cut-off and capped. The program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the purchase and the installation of energy-efficient natural gas appliances.

PROGRAM ALLOWANCES:

Service Reactivation (the installation of a water heater is required) \$350

PROGRAM PROJECTIONS:

For the four-month period of September to December 2000, FPUC did not provide any projections for this program.

PROGRAM FISCAL EXPENDITURES:

During the four-month period of September to December 2000, FPUC did not have any expenses associated directly to this program.

PROGRAM PROGRESS SUMMARY:

FPSC approval of this program occurred on August 29, 2000. This program was implemented on September 1, 2000. To ensure the success of this program, FPUC feels confident that through direct mail, coupons, telemarketing, realtors and homeowner association presentations, customer participation will increase.

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FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
JANUARY 2002 THROUGH DECEMBER 2002

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	1,860,000
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	190,818
3. TOTAL (LINE 1 AND LINE 2)	2,050,818

RATE SCHEDULE	BILLS	THERMS	CUSTOMER CHARGE	NON-GAS ENERGY CHARGE	TOTAL CUST. & ENGY CHG REVENUE	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS THERMS	TAX FACTOR	CONSERV FACTOR
RESIDENTIAL	451,672	10,518,990	3,613,376	3,525,124	7,138,500	963,722	13.50035%	0.09162	1.00503	0.09208
COMMERCIAL SMALL (General Service & GS Transportation)	36,690	12,283,510	550,350	2,642,552	3,192,902	431,053	13.50035%	0.03509	1.00503	0.03527
COMM. LRG VOLUME (Large Vol & LV Transportation < 50,000 units)	11,902	27,942,720	535,590	4,323,856	4,859,446	656,042	13.50035%	0.02348	1.00503	0.02360
LARGE VOL TRANSPORT. (LG VOL TRANS. > 50,000 units)	0	0	0	0	0	0	13.50035%	0.02348	1.00503	0.02360
TOTAL	500,264	50,745,220	4,699,316	10,491,532	15,190,848	2,050,818				

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
ESTIMATED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
JANUARY 2002 THROUGH DECEMBER 2002

PROGRAM	JAN 2002	FEB 2002	MAR 2002	APR 2002	MAY 2002	JUN 2002	JUL 2002	AUG 2002	SEP 2002	OCT 2002	NOV 2002	DEC 2002	TOTAL
1 Full House Res. New Construction	64,400	64,400	64,400	64,400	64,400	64,400	64,400	64,400	64,400	64,400	64,400	64,400	772,800
2 Resid. Appliance Replacement	10,200	10,200	10,200	10,200	10,200	10,200	10,200	10,200	10,200	10,200	10,200	10,200	122,400
3 Conservation Education	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	3,375	40,500
4 Space Conditioning	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	27,800
5 Residential Conservation Service	2,650	2,650	2,650	2,650	2,650	2,650	2,650	2,650	2,650	2,650	2,650	2,650	31,800
6 Residential Appliance Retention	36,150	36,150	36,150	36,150	36,150	36,150	36,150	36,150	36,150	36,150	36,150	36,150	433,800
10 Commercial Conservation	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	32,400
13 Res. Service Reactivation	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	25,200
14 Common	31,125	31,125	31,125	31,125	31,125	31,125	31,125	31,125	31,125	31,125	31,125	31,125	373,500
TOTAL ALL PROGRAMS	155,000	1,860,000											

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FLORIDA PUBLIC UTILITIES COMPANY
 CONSOLIDATED NATURAL GAS DIVISION
 ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
 JANUARY 2002 THROUGH DECEMBER 2002

PROGRAM	CAPITAL INVEST	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISE	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 Full House Res. New Construction	0	42,000	26,400	60,000	625,200	9,600	6,000	3,600	772,800
2 Resid. Appliance Replacement	0	39,800	7,200	13,800	54,000	1,800	3,800	2,400	122,400
3 Conservation Education	0	9,800	15,000	9,600	0	2,400	1,500	2,400	40,500
4 Space Conditioning	0	8,400	2,400	2,400	6,000	4,800	2,400	1,200	27,600
5 Residential Conservation Service	0	6,000	6,000	10,800	0	3,600	3,600	1,800	31,800
6 Residential Appliance Retention	0	9,600	6,600	13,200	396,000	3,600	2,400	2,400	433,800
10 Commercial Conservation	0	8,400	3,600	9,600	0	6,000	3,600	1,200	32,400
13 Res. Service Reactivation	0	0	2,400	6,000	16,800	0	0	0	25,200
14 Common	0	48,000	18,000	261,300	0	13,800	18,000	14,400	373,500
PROGRAM COSTS	0	171,600	87,600	386,700	1,098,000	45,600	41,100	29,400	1,860,000

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ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
SEPTEMBER 2001 THROUGH DECEMBER 2001

PROGRAM	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 Full House Res. New Construction									
A. ACTUAL	0	561	13,864	9,260	398,676	3,395	841	1,771	428,368
B. ESTIMATED	0	0	0	0	142,340	0	0	0	142,340
C. TOTAL	0	561	13,864	9,260	541,016	3,395	841	1,771	570,708
2 Resid. Appliance Replacement									
A. ACTUAL	0	3,004	4,154	0	36,185	394	0	1,595	45,332
B. ESTIMATED	0	0	0	0	25,340	0	0	0	25,340
C. TOTAL	0	3,004	4,154	0	61,525	394	0	1,595	70,672
3 Conservation Education									
A. ACTUAL	0	2,910	4,075	0	0	1,450	0	1,500	9,935
B. ESTIMATED	0	0	5,200	0	0	0	0	0	5,200
C. TOTAL	0	2,910	9,275	0	0	1,450	0	1,500	15,135
4 Space Conditioning									
A. ACTUAL	0	2,403	668	149	3,915	3,362	0	0	10,497
B. ESTIMATED	0	0	0	0	8,000	0	0	0	8,000
C. TOTAL	0	2,403	668	149	11,915	3,362	0	0	18,497
5 Residential Conservation Service									
A. ACTUAL	0	2,360	1,881	0	619	376	0	0	5,236
B. ESTIMATED	0	0	3,400	0	0	0	0	1,800	5,200
C. TOTAL	0	2,360	5,281	0	619	376	0	1,800	10,436
6 Residential Appliance Retention									
A. ACTUAL	0	0	4,074	3,546	267,866	840	0	1,500	277,826
B. ESTIMATED	0	0	0	0	34,600	0	0	0	34,600
C. TOTAL	0	0	4,074	3,546	302,466	840	0	1,500	312,426
SUB-TOTAL	0	11,238	37,316	12,955	917,541	9,817	841	8,166	997,874

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
SEPTEMBER 2001 THROUGH DECEMBER 2001

PROGRAM NAME	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	0	11,238	37,316	12,955	917,541	9,817	841	8,166	997,874
10 Commercial Conservation									
A. ACTUAL	0	0	950	4,006	0	0	0	0	4,956
B. ESTIMATED	0	0	3,400	0	0	0	0	1,800	5,200
C. TOTAL	0	0	4,350	4,006	0	0	0	1,800	10,156
13 Res. Service Reactivation									
A. ACTUAL	0	0	495	1,900	370	0	0	0	2,765
B. ESTIMATED	0	0	0	0	8,000	0	0	0	8,000
C. TOTAL	0	0	495	1,900	8,370	0	0	0	10,765
14 Common									
A. ACTUAL	0	28,847	3,283	25,962	0	9,980	6,194	9,423	83,689
B. ESTIMATED	0	45,500	4,533	82,367	0	1,200	13,700	4,700	152,000
C. TOTAL	0	74,347	7,816	108,329	0	11,180	19,894	14,123	235,689
TOTAL	0	85,585	49,977	127,190	925,911	20,997	20,735	24,089	1,254,484

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DOCKET NO. 010004-GU
FLORIDA PUBLIC UTILITIES COMPANY
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CONSERVATION PROGRAM COSTS BY PROGRAM
ACTUAL/ESTIMATED
JANUARY 2001 THROUGH DECEMBER 2001

PROGRAM NAME	ACTUAL								PROJECTION				TOTAL
	JAN 2001	FEB 2001	MAR 2001	APR 2001	MAY 2001	JUN 2001	JUL 2001	AUG 2001	SEP 2001	OCT 2001	NOV 2001	DEC 2001	
Full House Res. New Construction	58,895	12,817	11,264	149,112	25,884	41,725	102,862	26,008	35,585	35,585	35,585	35,585	570,707
Resid. Appliance Replacement	5,008	7,058	4,719	7,270	6,808	6,561	3,930	4,179	6,335	6,335	6,335	6,335	70,873
Conservation Education	147	1,568	3,050	1,175	3,535	50	0	410	1,300	1,300	1,300	1,300	15,135
Space Conditioning	3,135	(99)	500	3,749	350	1,200	1,662	0	2,000	2,000	2,000	2,000	18,497
Residential Conservation Service	2,644	328	463	0	1,728	77	0	0	1,300	1,300	1,300	1,300	10,436
Residential Appliance Retention	30,179	38,532	33,979	38,192	35,991	30,639	35,349	34,765	8,650	8,650	8,650	8,650	312,426
Commercial Conservation	0	4,006	500	0	68	382	0	0	1,300	1,300	1,300	1,300	10,156
Res. Service Reactivation	20	900	1,845	0	0	0	0	0	2,000	2,000	2,000	2,000	10,765
Common	3,087	9,670	11,621	6,848	9,036	15,297	15,416	12,914	38,000	38,000	38,000	38,000	235,689
TOTAL ALL PROGRAMS	103,115	74,778	67,941	208,148	82,998	98,131	159,219	78,278	96,470	96,470	96,470	96,470	1,254,484

ENERGY CONSERVATION ADJUSTMENT
JANUARY 2001 THROUGH DECEMBER 2001

	ACTUAL								PROJECTION				TOTAL
	JAN 2001	FEB 2001	MAR 2001	APR 2001	MAY 2001	JUN 2001	JUL 2001	AUG 2001	SEP 2001	OCT 2001	NOV 2001	DEC 2001	
CONSERVATION REVS.													
RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
a. OTHER PROG. REV.	0	0	0	0	0	0	0	0	0	0	0	0	0
b.	0	0	0	0	0	0	0	0	0	0	0	0	0
c.	0	0	0	0	0	0	0	0	0	0	0	0	0
CONSERV. ADJ REV. (NET OF REV. TAXES)	165,149	130,417	109,466	98,195	87,604	71,731	64,983	62,780	96,470	96,470	96,470	96,470	1,176,205
TOTAL REVENUES	165,149	130,417	109,466	98,195	87,604	71,731	64,983	62,780	96,470	96,470	96,470	96,470	1,176,205
PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	0	0	0	0	0	0	0	0	0	0	0	0	(107,059)
CONSERVATION REVS. APPLIC. TO PERIOD	165,149	130,417	109,466	98,195	87,604	71,731	64,983	62,780	96,470	96,470	96,470	96,470	1,176,205
CONSERVATION EXPS. (FORM C-3, PAGE 3)	103,115	74,778	67,941	206,146	82,998	96,131	159,219	78,276	96,470	96,470	96,470	96,470	1,254,484
TRUE-UP THIS PERIOD	62,034	55,639	41,525	(107,951)	4,806	(24,400)	(94,236)	(15,496)	0	0	0	0	(78,279)
INTEREST THIS PERIOD (C-3,PAGE 5)	(382)	(78)	131	(8)	(186)	(206)	(364)	(532)	(775)	(1,014)	(1,019)	(1,025)	(5,480)
TRUE-UP & INT. BEG. OF MONTH	(107,059)	(45,407)	10,154	51,810	(56,150)	(51,730)	(76,337)	(170,957)	(186,985)	(187,760)	(188,774)	(189,793)	(107,059)
PRIOR TRUE-UP COLLECT./(REFUND.)	0	0	0	0	0	0	0	0	0	0	0	0	0
END OF PERIOD TOTAL NET TRUE-UP	(45,407)	10,154	51,810	(58,150)	(51,730)	(76,337)	(170,957)	(186,985)	(187,780)	(188,774)	(189,793)	(190,818)	(190,818)

CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2001 THROUGH DECEMBER 2001

	ACTUAL								PROJECTION				TOTAL
	JAN 2001	FEB 2001	MAR 2001	APR 2001	MAY 2001	JUN 2001	JUL 2001	AUG 2001	SEP 2001	OCT 2001	NOV 2001	DEC 2001	
INTEREST PROVISION													
BEGINNING TRUE-UP	(107,059)	(45,407)	10,154	51,810	(58,150)	(51,730)	(78,337)	(170,957)	(186,985)	(187,760)	(188,774)	(189,793)	
END. T-UP BEFORE INT.	(45,025)	10,232	51,879	(58,141)	(51,544)	(78,130)	(170,573)	(186,453)	(186,985)	(187,760)	(188,774)	(189,793)	
TOT. BEG. & END. T-UP	(152,084)	(35,175)	81,833	(4,332)	(107,684)	(127,861)	(248,909)	(357,409)	(373,969)	(375,519)	(377,547)	(379,585)	
AVERAGE TRUE-UP	(76,042)	(17,587)	30,916	(2,166)	(53,847)	(83,930)	(123,455)	(178,705)	(186,985)	(187,760)	(188,774)	(189,793)	
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	6.50%	5.55%	5.15%	5.00%	4.37%	3.94%	3.80%	3.67%	3.47%	6.48%	6.48%	6.48%	
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MTH	5.55%	5.15%	5.00%	4.37%	3.94%	3.80%	3.67%	3.47%	6.48%	6.48%	8.48%	6.48%	
TOTAL	12.05%	10.70%	10.15%	9.37%	8.31%	7.74%	7.47%	7.14%	9.95%	12.96%	12.96%	12.96%	
AVG INTEREST RATE	6.03%	5.35%	5.08%	4.89%	4.16%	3.87%	3.74%	3.57%	4.98%	6.48%	8.48%	6.48%	
MONTHLY AVG. RATE	0.50%	0.45%	0.42%	0.39%	0.35%	0.32%	0.31%	0.30%	0.41%	0.54%	0.54%	0.54%	
INTEREST PROVISION	(\$382)	(\$78)	\$131	(\$8)	(\$186)	(\$206)	(\$384)	(\$532)	(\$775)	(\$1,014)	(\$1,019)	(\$1,025)	(\$5,480)

**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND SUMMARY**

**SCHEDULE C-5
PAGE 1 OF 9**

1. Full House Residential New Construction Program
2. Residential Appliance Replacement Program
3. Residential Appliance Retention Program
4. Residential Service Reactivation Program
5. Residential Conservation Service Program
6. Commercial Conservation Service Program
7. Conservation Education Program
8. Space Conditioning Program

**EXHIBIT NO. _____
DOCKET NO. 010004-GU
FLORIDA PUBLIC UTILITIES CO.
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**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 2 OF 9**

PROGRAM TITLE:

Full House Residential New Construction Program

PROGRAM DESCRIPTION:

This program is designed to increase the overall energy efficiency in the residential single- and multi-family new construction market by promoting energy-efficient natural gas appliances. The program offers builders and developers incentives in the form of cash allowances to defray the additional costs associated with the installation of natural gas supply lines, house piping, venting and natural gas appliances.

PROGRAM ALLOWANCES:

Furnace or Hydro heater	\$300
Water Heater	\$300
Range	\$ 85
Dryer	\$ 85

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2002, FPUC estimates that 900 single- and multi-family homes will be connected to its natural gas system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2002, FPUC estimates expenses of \$772,800.

PROGRAM PROGRESS SUMMARY:

FPSC approval of this program occurred on August 29, 2000. From the inception of this program on September 1, 2000 through August 31, 2001, FPUC has connected 1,228 single- and multi-family homes to its natural gas system.

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DOCKET NO. 010004-GU
FLORIDA PUBLIC UTILITIES CO.
(RLS-2)
PAGE 10 OF 17**

**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 3 OF 9**

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. The program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the installation of efficient natural gas appliances.

PROGRAM ALLOWANCES:

Furnace or Hydro heater	\$330
Water Heater	\$330
Range	\$ 50
Dryer	\$ 50

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2002, FPUC estimates that 250 natural gas appliances will be connected (limited to furnaces or hydro heaters, water heaters, ranges and dryers) to its natural gas system.

PROGRAM EXPENDITURES:

During the twelve-month period of January to December 2002, FPUC estimates expenses of \$122,400.

PROGRAM PROGRESS SUMMARY:

FPSC approval of this program occurred on August 29, 2000. This program was implemented on September 1, 2000. From the inception of the program through August 2001, FPUC has connected 243 appliances (only furnaces and hydro heaters, water heaters, ranges and dryers) to its natural gas system.

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DOCKET NO. 010004-GU
FLORIDA PUBLIC UTILITIES CO.
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**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 4 OF 9**

PROGRAM TITLE:

Residential Appliance Retention Program

PROGRAM DESCRIPTION:

This program is designed to promote the retention of energy-efficient appliances for current natural gas customers. The program offers allowances to customers to assist in defraying the cost of purchasing and installing more expensive energy-efficient appliances.

PROGRAM ALLOWANCES:

Water Heater \$350

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2002, FPUC estimates that 960 water heaters will be connected to its system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2002, FPUC estimates expenses of \$433,800.

PROGRAM PROGRESS SUMMARY:

FPSC approval of this program occurred on August 29, 2000. This program was implemented on September 1, 2000. From the inception of this program through August 31, 2001, FPUC has retained 872 natural gas water heaters connected to its distributions system.

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DOCKET NO. 010004-GU
FLORIDA PUBLIC UTILITIES CO.
(RLS-2)
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**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 5 OF 9**

PROGRAM TITLE:

Residential Service Reactivation Program

PROGRAM DESCRIPTION:

This program is designed to encourage the reactivation of existing residential service lines that are scheduled to be cut-off and capped. The program offers incentives in the form of cash allowances to residential consumers to assist in defraying the additional costs associated with the purchase and the installation of energy-efficient natural gas appliances.

PROGRAM ALLOWANCES:

Service Reactivation (the installation of a water heater is required) \$350

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2002, FPUC estimates that 48 services will be reactivated with water heaters on its natural gas system.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2002, FPUC estimates expenses of \$25,200.

PROGRAM PROGRESS SUMMARY:

FPSC approval of this program occurred on August 29, 2000. This program was implemented on September 1, 2000. From the inception of this program through August 31, 2001, FPUC has not reactivated any services with water heaters as a result of this program.

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**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND SUMMARY**

**SCHEDULE C-5
PAGE 6 OF 9**

PROGRAM TITLE:

Residential Conservation Service Program

PROGRAM DESCRIPTION:

This program is designed to assist residential customers in conserving all forms of energy consumption. Certified company representatives or private contractors will conduct energy surveys. This service will be provided based on customer requests and scheduling availability.

PROGRAM ALLOWANCES:

Not applicable.

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2002, FPUC estimates that 20 residential customers will participate in this program.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2002, FPUC estimates expenses of \$31,800.

PROGRAM PROGRESS SUMMARY:

FPSC approval of this program occurred on August 29, 2000. This program was implemented on September 1, 2000. Since the inception of this program through August 31, 2001, only 6 residential customers have participated. Changes in FPUC's Marketing Department staff and the training of personnel have also affected the active marketing of this program to its customers.

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**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 7 OF 9**

PROGRAM TITLE:

Commercial Conservation Service Program

PROGRAM DESCRIPTION:

This program is designed to assist commercial customers in conserving all forms of energy consumption. Certified company representatives or private contractors will conduct energy surveys. This service will be provided based on customer requests and scheduling availability.

PROGRAM ALLOWANCES:

Not applicable.

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2002, FPUC estimates that 50 commercial customers will participate in this program.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2002, FPUC estimates expenses of \$32,400.

PROGRAM PROGRESS SUMMARY:

FPSC approval of this program occurred on August 29, 2000. This program was implemented on September 1, 2000. From the inception of this program through August 31, 2001, 70 commercial customers have participated.

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FLORIDA PUBLIC UTILITIES CO.
(RLS-2)
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**FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED NATURAL GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS**

**SCHEDULE C-5
PAGE 8 OF 9**

PROGRAM TITLE:

Conservation Education Program

PROGRAM DESCRIPTION:

The purpose of this program is to teach adult and young people about conservation measures designed to reduce energy consumption and consequently reduce their utility bills.

PROGRAM ALLOWANCES:

Not applicable.

PROGRAM PROJECTONS:

For the twelve-month period of January to December 2002, FPUC estimates that 25 adult and youth presentations with 750 participants will result from this program.

PROGRAM FISCAL EXPENDITURES:

During this twelve-month period of January to December 2002, FPUC estimates expenses of \$40,500.

PROGRAM PROGRESS SUMMARY:

FPSC approval of this program occurred on August 29, 2000. This program was implemented on September 1, 2000. From the inception of this program through August 31, 2001, FPUC has given 35 adult and youth presentations.

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FLORIDA PUBLIC UTILITIES CO.
(RLS-2)**

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED GAS DIVISION
PROGRAM DESCRIPTION AND PROGRESS

PROGRAM TITLE:

Space Conditioning Program

PROGRAM DESCRIPTION:

This program is designed to convert on-main customers from electric space conditioning equipment to energy-efficient natural gas space conditioning equipment. The program provides an allowance to qualifying participants to compensate for higher initial costs of natural gas space conditioning equipment and the associated installation costs. This program also reduces summer as well as winter peak demand and contributes to the conservation of kwh/kwd consumption.

PROGRAM ALLOWANCES:

Residential	\$1200 (For Robur model or equivalent unit)
Non-Residential	\$ 50 per ton

PROGRAM PROJECTIONS:

For the twelve-month period of January to December 2002, FPUC estimates that 5 customer projects will utilize this program.

PROGRAM FISCAL EXPENDITURES:

During the twelve-month period of January to December 2002, FPUC estimates expenses of \$27,600.

PROGRAM PROGRESS SUMMARY:

FPSC approval of this program occurred on August 29, 2000. This program was implemented on September 1, 2000. From the inception of this program through August 31, 2001, FPUC has connected 5 space conditioning projects to its natural gas system.

Objectives

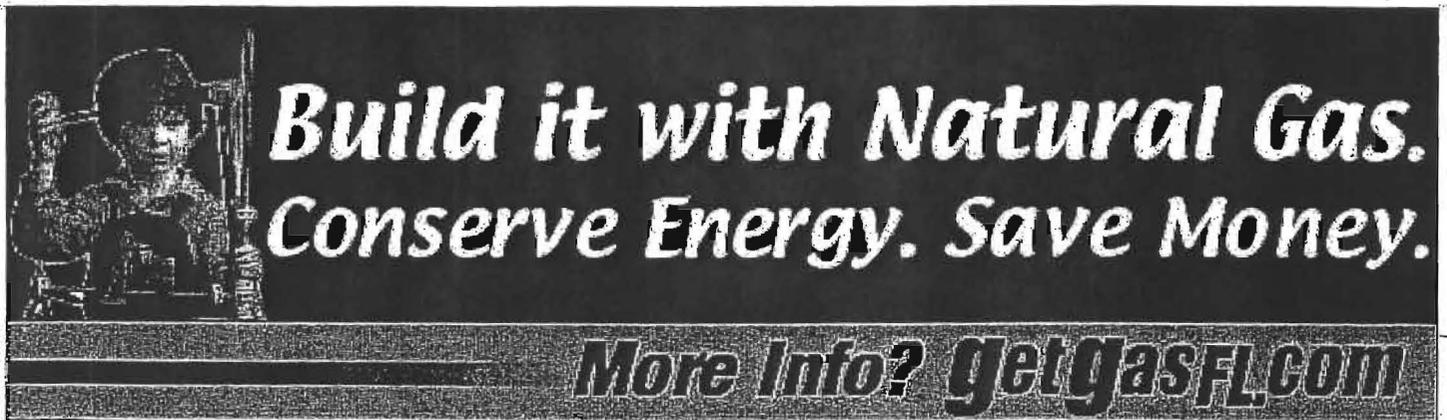
- Increase awareness of conservation programs
- Increase customers and throughput
- Increase gas demand in new home construction
- Position gas as the preferred energy choice when available
- Reduce attrition

Billboards

- Major highways: I-95 / I-4 / I-75 / I-10 / Turnpike
- Boards face both directions
- Tied to radio and television
- Promote web-site as focal point for customers to learn about ECP



10'6" x 36' 14" Scale



10'6" x 36' 14" Scale



**99% of Chefs PREFER GAS.
THE OTHER GUY MAKES SUSHI.**

More Info? getgasFL.com

10'6" x 36' 14" Scale



**Getting The Cold Shoulder?
Switch Water Heaters!**

More Info? getgasFL.com

10'6" x 36' 14" Scale

Radio

- Based on basic concept of the billboards
- Two weeks on, two weeks off during course of the year
- Target market 35-64
- Adult listening, Country, and talk radio
- Meet requirements of ECP recovery rule
- Direct listeners to website for additional information

Television

- Based on radio and billboards
- Utilize main cable systems
- Two weeks per month
- Target market 35-64
- Meet requirements of ECP recovery rule
- Direct viewers to website for additional information

Website

- www.GetGasFL.com
- Energy conservation benefits of gas
- Availability of conservation programs
- Contact information and links to company website
- Tracking

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<u>EXHIBIT</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
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KMF-5	Summary: GetGasFL Advertising Campaign	74

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET
NO. 010004-GU EXHIBIT NO. 7
COMPANY/
WITNESS: Flord
DATE: 11-20-01

SCHEDULE CT-1

COMPANY: PEOPLES GAS SYSTEM, INC.

Except West Florida Region

Exhibit No. _____

Docket No. 010004-GU

KMF-1R

ADJUSTED NET TRUE-UP
JANUARY 2000 THROUGH DECEMBER 2000

END OF PERIOD NET TRUE-UP

PRINCIPAL	-362,163	
INTEREST	<u>-81,569</u>	-443,731

LESS PROJECTED TRUE-UP

PRINCIPAL	-1,117,645	
INTEREST	<u>-83,235</u>	<u>-1,200,880</u>

ADJUSTED NET TRUE-UP		<u>757,149</u>
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() REFLECTS OVER-RECOVERY

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VERSUS ESTIMATED
JANUARY 2000 THROUGH DECEMBER 2000

	<u>ACTUAL</u>	<u>PROJECTED*</u>	<u>DIFFERENCE</u>
CAPITAL INVESTMENT	0	0	0
PAYROLL & BENEFITS	645,860	712,566	-66,706
MATERIALS & SUPPLIES	4,496	12,000	-7,504
ADVERTISING	1,029,414	1,300,000	-270,586
INCENTIVES	6,743,775	7,177,126	-433,351
OUTSIDE SERVICES	69,599	100,000	-30,401
VEHICLES	3,764	15,000	-11,236
OTHER	<u>1,563,570</u>	<u>75,000</u>	<u>1,488,570</u>
SUB-TOTAL	10,060,478	9,391,692	668,786
PROGRAM REVENUES	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL PROGRAM COSTS	10,060,478	9,391,692	668,786
LESS:			
PAYROLL ADJUSTMENTS	0	0	0
AMOUNTS INCLUDED IN RATE BASE	0	0	0
CONSERVATION REVENUES APPLICABLE TO THE PERIOD	-10,422,641	-10,509,340	86,699
ROUNDING ADJUSTMENT	<u>0</u>	<u>0</u>	<u>0</u>
TRUE-UP BEFORE INTEREST	-362,163	-1,117,648	755,485
INTEREST PROVISION	<u>-81,569</u>	<u>-83,235</u>	<u>1,666</u>
END OF PERIOD TRUE-UP	<u>-443,731</u>	<u>-1,200,883</u>	<u>757,152</u>

() REFLECTS OVER-RECOVERY

* 2 MONTHS ACTUAL AND 10 MONTHS PROJECTED

COMPANY: PEOPLES GAS SYSTEM, INC.
 Except West Florida Region
 Exhibit No. _____
 Docket No. 010004-GU
 KMF-1R

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM
 JANUARY 2000 THROUGH DECEMBER 2000

PROGRAM NAME	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTIS.	INCENTIV.	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: RESIDENTIAL HM BUILDER	0	0	0	5,925,671	0	0	0	5,925,671
PROGRAM 2: ENERGY AUDITS	0	0	0	0	0	0	0	0
PROGRAM 3: WATER HEATER LOAD RET	0	0	0	221,100	0	0	0	221,100
PROGRAM 4: OIL HEATER REPLACEMENT	0	0	0	6,930	0	0	0	6,930
PROGRAM 5: SM PKG COGENERATION	0	0	0	0	0	0	0	0
PROGRAM 6: COMM ELECTRIC REPLACEMENT	0	0	0	125,046	0	0	0	125,046
PROGRAM 7: RES ELECTRIC REPLACEMENT	0	0	0	370,028	0	0	0	370,028
PROGRAM 8: COMMON COSTS	645,860	4,496	1,029,414	0	69,599	3,764	1,563,570	3,316,703
PROGRAM 9: GAS SPACE COND.	0	0	0	15,000	0	0	0	15,000
PROGRAM 10: MONITORING & RESEARCH	0	0	0	80,000	0	0	0	80,000
PROGRAM 11: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 12: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 13: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 14: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 15: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 16: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 17: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 18: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 19: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 20: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
TOTAL	645,860	4,496	1,029,414	6,743,775	69,599	3,764	1,563,570	10,060,478

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CONSERVATION COSTS PER PROGRAM - VARIANCE ACTUAL VERSUS PROJECTED
JANUARY 2000 THROUGH DECEMBER 2000

PROGRAM NAME	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTIS.	INCENTIV.	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL	
PROGRAM 1: RESIDENTIAL HM BUILDER	0	0	0	-6,834	0	0	0	-6,834	
PROGRAM 2: ENERGY AUDITS	0	0	0	0	0	0	0	0	
PROGRAM 3: WATER HEATER LOAD RET	0	0	0	-575	0	0	0	-575	
PROGRAM 4: OIL HEATER REPLACEMENT	0	0	0	-14,565	0	0	0	-14,565	
PROGRAM 5: SM PKG COGENERATION	0	0	0	0	0	0	0	0	
PROGRAM 6: COMM ELECTRIC REPLACEMENT	0	0	0	33,606	0	0	0	33,606	
PROGRAM 7: RES ELECTRIC REPLACEMENT	0	0	0	-485,608	0	0	0	-485,608	
PROGRAM 8: COMMON COSTS	-66,706	-7,504	-270,586	0	-30,401	-11,236	1,488,570	1,102,137	
PROGRAM 9: GAS SPACE COND.	0	0	0	-39,375	0	0	0	-39,375	
PROGRAM 10: MONITORING & RESEARCH	0	0	0	80,000	0	0	0	80,000	
PROGRAM 11: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	
PROGRAM 12: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	
PROGRAM 13: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	
PROGRAM 14: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	
PROGRAM 15: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	
PROGRAM 16: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	
PROGRAM 17: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	
PROGRAM 18: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	
PROGRAM 19: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	
PROGRAM 20: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	
TOTAL	TOTAL OF ALL PROGRAMS	-66,706	-7,504	-270,586	-433,351	-30,401	-11,236	1,488,570	668,786

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() REFLECTS PROJECTED OVER ACTUAL EXPENSE ESTIMATES

COMPANY:

PEOPLES GAS SYSTEM, INC.
 Except West Florida Region
 Exhibit No. _____
 Docket No. 010004-GU
 KMF-1R

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
 SUMMARY OF EXPENSES BY PROGRAM BY MONTH
 JANUARY 2000 THROUGH DECEMBER 2000

EXPENSES:	JAN 2000	FEB 2000	MAR 2000	APR 2000	MAY 2000	JUN 2000	JUL 2000	AUG 2000	SEPT 2000	OCT 2000	NOV 2000	DEC 2000	TOTAL
PROGRAM 1:	343,115	367,625	368,520	891,675	482,505	615,200	363,865	502,871	614,100	377,815	530,840	467,540	5,925,671
PROGRAM 2:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 3:	23,200	19,600	23,100	13,600	15,000	16,200	19,100	18,900	14,700	23,700	17,600	16,400	221,100
PROGRAM 4:	660	330	2,640	330	0	330	330	660	0	330	1,320	0	6,930
PROGRAM 5:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 6:	0	840	2,880	3,600	1,080	21,840	1,200	13,280	21,162	12,880	40,580	5,704	125,046
PROGRAM 7:	36,027	33,757	43,520	25,925	23,175	31,695	36,535	36,472	26,250	28,702	23,365	24,605	370,028
PROGRAM 8:	86,834	176,658	180,267	218,310	231,994	121,328	135,355	148,305	157,692	135,579	616,803	1,107,579	3,316,703
PROGRAM 9:	0	0	0	0	0	15,000	0	0	0	0	0	0	15,000
PROGRAM 10:	0	0	0	0	0	0	0	0	0	0	80,000	0	80,000
PROGRAM 11:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 12:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 13:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 14:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 15:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 16:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 17:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 18:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 19:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 20:	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	489,836	598,810	620,927	1,153,440	753,754	821,593	556,385	720,488	833,904	579,006	1,310,508	1,621,828	10,060,478
LESS AMOUNT INCLUDED IN RATE BASE	0	0	0	0	0	0	0	0	0	0	0	0	0
RECOVERABLE CONSERVATION EXPENSES	489,836	598,810	620,927	1,153,440	753,754	821,593	556,385	720,488	833,904	579,006	1,310,508	1,621,828	10,060,478

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ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2000 THROUGH DECEMBER 2000

CONSERVATION REVENUES	JAN 2000	FEB 2000	MAR 2000	APR 2000	MAY 2000	JUN 2000	JUL 2000	AUG 2000	SEP 2000	OCT 2000	NOV 2000	DEC 2000	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	-1,183,118	-1,236,337	-1,042,424	-854,184	-822,300	-705,131	-667,491	-616,113	-668,869	-683,401	-778,549	-1,138,722	0
4. TOTAL REVENUES	-1,183,118	-1,236,337	-1,042,424	-854,184	-822,300	-705,131	-667,491	-616,113	-668,869	-683,401	-778,549	-1,138,722	0
5. PRIOR PERIOD TRUE-UP NOT APPLICABLE TO THIS PERIOD	-2,334	-2,334	-2,334	-2,334	-2,334	-2,334	-2,334	-2,334	-2,334	-2,334	-2,334	-2,334	-28,004
6. CONSERVATION REVS APPLICABLE TO THE PERIOD	-1,185,450	-1,238,671	-1,044,758	-856,518	-824,634	-707,465	-669,825	-618,447	-671,203	-685,735	-778,883	-1,141,056	-28,004
7. CONSERVATION EXPS (FROM CT-3, PAGE 1)	469,838	598,810	620,927	1,153,440	753,754	821,593	556,385	720,488	833,904	579,006	1,310,508	1,621,828	10,060,478
8. TRUE-UP THIS PERIOD	-695,614	-639,861	-423,831	296,922	-70,880	114,129	-113,440	102,041	162,701	-106,729	531,625	480,772	-362,163
9. INTER. PROV. THIS PERIOD (FROM CT-3, PAGE 3)	-1,780	-5,035	-7,796	-8,398	-8,172	-8,342	-8,329	-8,328	-7,645	-7,528	-8,480	-3,734	-81,569
10. TRUE-UP & INTER. PROV. BEGINNING OF MONTH	-28,004	-723,064	-1,365,626	-1,794,920	-1,504,062	-1,580,780	-1,472,660	-1,592,095	-1,496,048	-1,338,658	-1,450,581	-923,103	
11. PRIOR TRUE-UP COLLECTED/(REFUNDED)	2,334	2,334	2,334	2,334	2,334	2,334	2,334	2,334	2,334	2,334	2,334	2,334	
12. TOTAL NET TRUE-UP (SUM LINES 8+9+10+11)	-723,064	-1,365,626	-1,794,920	-1,504,062	-1,580,780	-1,472,660	-1,592,095	-1,496,048	-1,338,658	-1,450,581	-923,103	-443,731	-443,731

CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2000 THROUGH DECEMBER 2000

	JAN 2000	FEB 2000	MAR 2000	APR 2000	MAY 2000	JUN 2000	JUL 2000	AUG 2000	SEPT 2000	OCT 2000	NOV 2000	DEC 2000	TOTAL
1. BEGINNING TRUE-UP	-28,004	-723,064	-1,365,626	-1,794,920	-1,504,062	-1,580,780	-1,472,660	-1,592,095	-1,496,048	-1,338,658	-1,450,581	-823,103	
2. ENDING TRUE-UP BEFORE INTEREST	-721,284	-1,360,591	-1,787,123	-1,495,664	-1,572,808	-1,464,318	-1,583,766	-1,487,720	-1,331,013	-1,443,053	-916,622	-439,997	
3. TOTAL BEGINNING & ENDING TRUE-UP	-749,288	-2,083,654	-3,152,749	-3,290,583	-3,076,669	-3,045,098	-3,056,426	-3,079,815	-2,827,062	-2,781,711	-2,367,203	-1,363,100	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	-374,644	-1,041,827	-1,576,375	-1,645,292	-1,538,335	-1,522,549	-1,528,213	-1,539,907	-1,413,531	-1,390,856	-1,183,602	-681,550	
5. INTER. RATE - 1ST DAY OF REPORTING MONTH	5.600%	5.800%	5.800%	6.070%	6.180%	6.570%	6.580%	6.500%	6.480%	6.500%	6.490%	6.650%	
6. INTER. RATE - 1ST DAY OF SUBSEQUENT MONTH	5.800%	5.800%	6.070%	6.180%	6.570%	6.580%	6.500%	6.480%	6.500%	6.490%	6.650%	6.500%	
7. TOTAL (SUM LINES 5 & 6)	11.400%	11.600%	11.870%	12.250%	12.750%	13.150%	13.080%	12.980%	12.980%	12.990%	13.140%	13.150%	
8. AVG INTEREST RATE (LINE 7 TIMES 50%)	5.700%	5.800%	5.935%	6.125%	6.375%	6.575%	6.540%	6.490%	6.490%	6.495%	6.570%	6.575%	
9. MONTHLY AVG INTEREST RATE	0.475%	0.483%	0.495%	0.510%	0.531%	0.548%	0.545%	0.541%	0.541%	0.541%	0.548%	0.548%	
10. INTEREST PROVISION (LINE 4 TIMES LINE 9)	-1,780	-5,035	-7,796	-8,398	-8,172	-8,342	-8,329	-8,328	-7,645	-7,528	-6,480	-3,734	-81,569

Program Progress Report

Reporting Period: **JANUARY 2000 THROUGH DECEMBER 2000**

Name: **Residential Home Builder Program**

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 in the form of gas appliance piping and venting allowances to assist builders in defraying the additional cost associated with the installation of gas appliances.

Program Allowances:	Gas Water Heater.....	\$250
	Gas Furnace.....	\$250
	Gas Range.....	\$85
	Gas Dryer.....	\$85

Program Summary

New Home Goal:	6,066
New Homes Connected:	<u>9,290</u>
Variance:	-3,224
Percent of Goal:	153.1%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$5,932,505
Actual Cost:	\$5,925,671
Variance:	\$6,834

COMPANY: PEOPLES GAS SYSTEM
Except West Florida Region
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Program Progress Report

Reporting Period: JANUARY 2000 THROUGH DECEMBER 2000

Name: Residential Conservation Service Program

Description: This program is designed to assist our residential customers in conserving all forms of energy consumption. Peoples has had contractual arrangements with private contractors to perform Class "A", Walk-Through and Mini-Walk Through Audits.

Customer Audit Charges:	Class "A" Audit.....	\$15
	Walk-Through Audit.....	No Charge
	Mini-Walk Through A	No Charge

Program Summary

Program Goal:	0
Program Accomplishments:	0
Variance:	<u>0</u>
Percent of Goal:	0.0%

The Company has not had a request for an energy audit during this period.

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$0
Actual Cost:	\$0
Variance:	\$0

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COMPANY: PEOPLES GAS SYSTEM
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Program Progress Report

Reporting Period: **JANUARY 2000 THROUGH DECEMBER 2000**

Name: **Water Heater Load Retention Program**

Description: This program is designed to discourage current natural gas customers from changing to electricity. The program offers allowances to customers to assist in defraying the cost of more expensive energy efficient appliances.

Program Allowances:	Energy Efficient Gas Water Heater.....	\$100
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Program Summary

Goals:	1,644
Actual:	<u>2,242</u>
Variance:	-598
Percent of Goal:	136.4%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$221,675
Actual Cost:	\$221,100
Variance:	\$575

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COMPANY: PEOPLES GAS SYSTEM
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Program Progress Report

Reporting Period: **JANUARY 2000 THROUGH DECEMBER 2000**

Name: **Replacement of Oil Heating Program**

Description: This program is designed to encourage customers to convert their existing Oil Burning Heating system to energy efficient natural gas heating so as to discourage those customers from switching to less costly resistance strip heating. The program offers allowances to defray the additional cost of installing gas appliances.

Program Allowances: Energy Efficient Gas Furnaces..... \$330

Program Summary

Goals:	72
Actual:	<u>21</u>
Variance:	51
Percent of Goal:	29.2%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$21,495
Actual Cost:	\$6,930
Variance:	\$14,565

CT

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 Except West Florida Region
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Program Progress Report

Reporting Period: JANUARY 2000 THROUGH DECEMBER 2000

Name: Small Package Cogeneration Program

Description: This program is 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. A cogeneration feasibility audit will be made available to commercial and industrial customers interested in workshops. Direct mail and personal contacts will be used to promote the cogeneration computer audit program and to assist Peoples customers in completing forms for the computer audit.

Program Summary

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

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$0
Actual Cost:	\$0
Variance:	\$0

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Program Progress Report

Reporting Period: **JANUARY 2000 THROUGH DECEMBER 2000**

Name: **Commercial Electric Replacement Program**

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 every KW Displaced (KWD) \$40

Each customer will be allowed a maximum of 100 KWD defer **\$4,000**

Program Summary

Program Goal:	Projected KWD displaced this period	2,224
	Actual KWD displaced this period	1,038
Variance:		<u>1,186</u>
Percent of Goal:		46.7%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$91,440
Actual Cost:	\$125,046
Variance:	-\$33,606

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Program Progress Report

Reporting Period: **JANUARY 2000 THROUGH DECEMBER 2000**

Name: **Residential Electric Replacement Program**

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

Program Allowances:	Natural Gas Water He	\$440
	Natural Gas Furnace..	\$440
	Natural Gas Range.....	\$75
	Natural Gas Dryer.....	\$75
	Natural Gas Space He	\$65

Program Summary

Program Goal:	668
Program Accomplishments:	<u>645</u>
Variance:	23
Percent of Goal:	96.6%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$855,636
Actual Cost:	\$370,028
Variance:	\$485,608

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COMPANY: PEOPLES GAS SYSTEM
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KMF-1R

Program Progress Report

Reporting Period: JANUARY 2000 THROUGH DECEMBER 2000

Name: Energy Conservation Common Cost

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$2,214,566
Actual Cost:	\$3,318,703
Variance:	-\$1,102,137

COMPANY: PEOPLES GAS SYSTEM
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Program Progress Report

Reporting Period: JANUARY 2000 THROUGH DECEMBER 2000

Name: Gas Space Conditioning Program

Description: This program is designed to convert on-main customers from electric space conditioning equipment to energy efficient natural 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 Allowance: Each customer is allowed 100 tons maximum paid allowance/installation a **\$150 /ton**

Program Summary

Goals:	325
Actual:	<u>270 tons</u>
Variance:	55
Percent of Goal:	83.1%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$54,375
Actual Cost:	\$15,000
Variance:	\$39,375

Program Progress Report

Reporting Period: **JANUARY 2000 THROUGH DECEMBER 2000**

Name: **Program Monitoring, Evaluation and Reaserch Demonstration**

Program Summary: The projected costs and benefits of Peoples' energy conservation programs will be affected not only by the numbers of participating customers and the extent of their participation, but also by the assumptions used in estimating costs and savings to be derived from the programs.

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$0
Actual Cost:	\$80,000
Variance:	-\$80,000

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SCHEDULE CT-1

COMPANY: PEOPLES GAS SYSTEM, INC.
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KMF-2R

ADJUSTED NET TRUE-UP
JANUARY 2000 THROUGH DECEMBER 2000

END OF PERIOD NET TRUE-UP

PRINCIPAL	728,273	
INTEREST	<u>30,293</u>	758,566

LESS PROJECTED TRUE-UP

PRINCIPAL	275,170	
INTEREST	<u>22,862</u>	<u>298,032</u>

ADJUSTED NET TRUE-UP		<u>460,534</u>
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() REFLECTS OVER-RECOVERY

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VERSUS ESTIMATED
JANUARY 2000 THROUGH DECEMBER 2000

	ACTUAL	PROJECTED*	DIFFERENCE
CAPITAL INVESTMENT	0	0	0
PAYROLL & BENEFITS	127,493	100,000	27,493
MATERIALS & SUPPLIES	804	1,000	(196)
ADVERTISING	100,858	125,000	(24,142)
INCENTIVES	1,432,140	1,323,990	108,150
OUTSIDE SERVICES	155,395	190,179	(34,784)
VEHICLES	0	0	0
OTHER	21,244	8,507	12,737
SUB-TOTAL	1,837,934	1,748,676	89,258
PROGRAM REVENUES	0	0	0
TOTAL PROGRAM COSTS	1,837,934	1,748,676	89,258
LESS:			
PAYROLL ADJUSTMENTS	0	0	0
AMOUNTS INCLUDED IN RATE BASE	0	0	0
CONSERVATION REVENUES APPLICABLE TO THE PERIOD	(1,109,661)	(1,473,502)	363,841
ROUNDING ADJUSTMENT	0	0	0
TRUE-UP BEFORE INTEREST	728,273	275,174	453,099
INTEREST PROVISION	30,293	22,862	7,431
END OF PERIOD TRUE-UP	758,566	298,036	460,530

() REFLECTS OVER-RECOVERY
* 2 MONTHS ACTUAL AND 10 MONTHS PROJECTED

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2000 THROUGH DECEMBER 2000

PROGRAM NAME	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTIS.	INCENTIV.	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: RESIDENTIAL HM BUILDER	0	0	0	1,284,820	0	0	0	1,284,820
PROGRAM 2: ENERGY AUDITS	0	0	0	0	0	0	0	0
PROGRAM 3: WATER HEATER LOAD RET	0	0	0	46,100	0	0	0	46,100
PROGRAM 4: OIL HEATER REPLACEMENT	0	0	0	0	0	0	0	0
PROGRAM 5: SM PKG COGENERATION	0	0	0	0	0	0	0	0
PROGRAM 6: COMM ELECTRIC REPLACEMENT	0	0	0	3,720	0	0	0	3,720
PROGRAM 7: RES ELECTRIC REPLACEMENT	0	0	0	77,500	0	0	0	77,500
PROGRAM 8: COMMON COSTS	127,493	804	100,858	0	155,395	0	21,244	405,794
PROGRAM 9: GAS SPACE COND.	0	0	0	950	0	0	0	950
PROGRAM 10: MONITORING & RESEARCH	0	0	0	0	0	0	0	0
PROGRAM 11: ENERGY SAVINGS PAYBACK PROG	0	0	0	19,050	0	0	0	19,050
PROGRAM 12: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 13: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 14: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 15: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 16: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 17: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 18: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 19: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
PROGRAM 20: (TYPE NAME HERE)	0	0	0	0	0	0	0	0
TOTAL	127,493	804	100,858	1,432,140	155,395	0	21,244	1,837,934

CONSERVATION COSTS PER PROGRAM - VARIANCE ACTUAL VERSUS PROJECTED
JANUARY 2000 THROUGH DECEMBER 2000

PROGRAM NAME	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTIS.	INCENTIV.	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL	
PROGRAM 1: RESIDENTIAL HM BUILDER	0	0	0	163,450	0	0	0	163,450	
PROGRAM 2: ENERGY AUDITS	0	0	0	0	0	0	0	0	
PROGRAM 3: WATER HEATER LOAD RET	0	0	0	3,935	0	0	0	3,935	
PROGRAM 4: OIL HEATER REPLACEMENT	0	0	0	0	0	0	0	0	
PROGRAM 5: SM PKG COGENERATION	0	0	0	0	0	0	0	0	
PROGRAM 6: COMM ELECTRIC REPLACEMENT	0	0	0	(22,360)	0	0	0	(22,360)	
PROGRAM 7: RES ELECTRIC REPLACEMENT	0	0	0	(20,975)	0	0	0	(20,975)	
PROGRAM 8: COMMON COSTS	27,493	(196)	(24,142)	0	(34,784)	0	12,737	(18,892)	
PROGRAM 9: GAS SPACE COND.	0	0	0	(12,500)	0	0	0	(12,500)	
PROGRAM 10: MONITORING & RESEARCH	0	0	0	0	0	0	0	0	
PROGRAM 11: ENERGY SAVINGS PAYBACK PROG	0	0	0	(3,400)	0	0	0	(3,400)	
PROGRAM 12: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	
PROGRAM 13: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	
PROGRAM 14: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	
PROGRAM 15: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	
PROGRAM 16: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	
PROGRAM 17: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	
PROGRAM 18: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	
PROGRAM 19: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	
PROGRAM 20: (TYPE NAME HERE)	0	0	0	0	0	0	0	0	
TOTAL	TOTAL OF ALL PROGRAMS	27,493	(196)	(24,142)	108,150	(34,784)	0	12,737	89,258

() REFELCTS PROJECTED OVER ACTUAL EXPENSE ESTIMATES

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
SUMMARY OF EXPENSES BY PROGRAM BY MONTH
JANUARY 2000 THROUGH DECEMBER 2000

EXPENSES:	JAN 2000	FEB 2000	MAR 2000	APR 2000	MAY 2000	JUN 2000	JUL 2000	AUG 2000	SEPT 2000	OCT 2000	NOV 2000	DEC 2000	TOTAL
PROGRAM 1:	90,650	240,500	93,300	67,020	122,250	61,150	71,500	71,150	103,900	142,250	82,450	138,700	1,284,820
PROGRAM 2:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 3:	1,900	4,700	5,450	5,700	2,500	3,000	2,250	5,150	5,600	1,100	3,750	5,000	46,100
PROGRAM 4:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 5:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 6:	0	0	360	0	0	0	720	0	720	0	1,920	0	3,720
PROGRAM 7:	5,700	5,650	4,550	5,900	10,050	8,650	6,100	5,200	8,100	4,650	7,050	5,900	77,500
PROGRAM 8:	23,320	62,487	38,743	44,558	51,709	18,172	22,925	30,796	59,489	18,626	6,405	28,565	405,794
PROGRAM 9:	0	950	0	0	0	0	0	0	0	0	0	0	950
PROGRAM 10:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 11:	1,550	1,000	800	1,900	2,050	1,700	3,450	900	1,750	900	1,950	1,100	19,050
PROGRAM 12:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 13:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 14:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 15:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 16:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 17:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 18:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 19:	0	0	0	0	0	0	0	0	0	0	0	0	0
PROGRAM 20:	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	123,120	315,287	143,203	125,078	188,559	92,672	106,945	113,196	179,559	167,526	103,525	179,265	1,837,934
LESS AMOUNT INCLUDED IN RATE BASE	0	0	0	0	0	0	0	0	0	0	0	0	0
RECOVERABLE CONSERVATION EXPENSES	123,120	315,287	143,203	125,078	188,559	92,672	106,945	113,196	179,559	167,526	103,525	179,265	1,837,934

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ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2000 THROUGH DECEMBER 2000

CONSERVATION REVENUES	JAN 2000	FEB 2000	MAR 2000	APR 2000	MAY 2000	JUN 2000	JUL 2000	AUG 2000	SEP 2000	OCT 2000	NOV 2000	DEC 2000	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	(203,932)	(223,327)	(129,919)	(106,380)	(79,102)	(76,716)	(70,048)	(62,458)	(63,820)	(85,139)	(90,416)	(189,097)	(1,380,354)
4. TOTAL REVENUES	(203,932)	(223,327)	(129,919)	(106,380)	(79,102)	(76,716)	(70,048)	(62,458)	(63,820)	(85,139)	(90,416)	(189,097)	(1,380,354)
5. PRIOR PERIOD TRUE-UP NOT APPLICABLE TO THIS PERIOD	22,558	22,558	22,558	22,558	22,558	22,558	22,558	22,558	22,558	22,558	22,558	22,558	270,693
6. CONSERVATION REVS APPLICABLE TO THE PERIOD	(181,374)	(200,769)	(107,361)	(83,822)	(56,544)	(54,158)	(47,490)	(39,900)	(41,262)	(62,581)	(67,858)	(166,539)	(1,109,661)
7. CONSERVATION EXPS (FROM CT-3, PAGE 1)	123,120	315,287	143,203	125,078	188,559	92,672	106,945	113,196	179,559	167,526	103,525	179,265	1,837,934
8. TRUE-UP THIS PERIOD	(58,254)	114,517	35,842	41,256	132,015	38,514	59,455	73,296	138,296	104,945	35,667	12,726	728,273
9. INTER. PROV. THIS PERIOD (FROM CT-3, PAGE 3)	1,094	1,145	1,438	1,573	1,986	2,403	2,547	2,778	3,243	3,800	4,126	4,160	30,293
10 TRUE-UP & INTER. PROV. BEGINNING OF MONTH	270,693	190,975	284,080	298,802	319,072	430,515	448,874	488,318	541,834	660,816	747,002	764,237	
11 PRIOR TRUE-UP COLLECTED/(REFUNDED)	(22,558)	(22,558)	(22,558)	(22,558)	(22,558)	(22,558)	(22,558)	(22,558)	(22,558)	(22,558)	(22,558)	(22,558)	
12 TOTAL NET TRUE-UP (SUM LINES 8+9+10+11)	190,975	284,080	298,802	319,072	430,515	448,874	488,318	541,834	660,816	747,002	764,237	758,566	758,566

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CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2000 THROUGH DECEMBER 2000

INTEREST PROVISION	JAN 2000	FEB 2000	MAR 2000	APR 2000	MAY 2000	JUN 2000	JUL 2000	AUG 2000	SEPT 2000	OCT 2000	NOV 2000	DEC 2000	TOTAL
1. BEGINNING TRUE-UP	270,693	190,975	284,080	298,802	319,072	430,515	448,874	488,318	541,834	660,816	747,002	764,237	
2. ENDING TRUE-UP BEFORE INTEREST	189,881	282,934	297,364	317,500	428,529	446,471	485,771	539,056	657,572	743,203	760,111	754,405	
3. TOTAL BEGINNING & ENDING TRUE-UP	460,574	473,909	581,443	616,301	747,602	876,986	934,645	1,027,373	1,199,406	1,404,019	1,507,114	1,518,642	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	230,287	236,955	290,722	308,151	373,801	438,493	467,322	513,687	599,703	702,009	753,557	759,321	
5. INTER. RATE - 1ST DAY OF REPORTING MONTH	5.600%	5.800%	5.800%	6.070%	6.180%	6.570%	6.580%	6.500%	6.480%	6.500%	6.490%	6.650%	
6. INTER. RATE - 1ST DAY OF SUBSEQUENT MONTH	5.800%	5.800%	6.070%	6.180%	6.570%	6.580%	6.500%	6.480%	6.500%	6.490%	6.650%	6.500%	
7. TOTAL (SUM LINES 5 & 6)	11.400%	11.600%	11.870%	12.250%	12.750%	13.150%	13.080%	12.980%	12.980%	12.990%	13.140%	13.150%	
8. AVG INTEREST RATE (LINE 7 TIMES 50%)	5.700%	5.800%	5.935%	6.125%	6.375%	6.575%	6.540%	6.490%	6.490%	6.495%	6.570%	6.575%	
9. MONTHLY AVG INTEREST RATE	0.475%	0.483%	0.495%	0.510%	0.531%	0.548%	0.545%	0.541%	0.541%	0.541%	0.548%	0.548%	
10 INTEREST PROVISION (LINE 4 TIMES LINE 9)	1,094	1,145	1,438	1,573	1,986	2,403	2,547	2,778	3,243	3,800	4,126	4,160	30,293

Program Progress Report

Reporting Period: **JANUARY 2000 THROUGH DECEMBER 2000**

Name: **Residential Home Builder Program**

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 in the form of gas appliance piping and venting allowances to assist builders in defraying the additional cost associated with the installation of gas appliances.

Program Allowances:	Gas Water Heat	\$150
	Gas Furnace.....	\$250
	Gas Range.....	\$100
	Gas Dryer.....	\$100

Program Summary

New Home Goal:	721
New Homes Connected:	2,141
Variance:	(1,420)
Percent of Goal:	296.9%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$1,121,370
Actual Cost:	\$1,284,820
Variance:	(\$163,450)

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Program Progress Report

Reporting Period: JANUARY 2000 THROUGH DECEMBER 2000

Name: Residential Conservation Service Program

Description: This program is designed to assist our residential customers in conserving all forms of energy consumption. Peoples has had contractual arrangements with private contractors to perform Class "A", Walk-Through and Mini-Walk Through Audits.

Customer Audit Charges:	Class "A" Audit	\$15
	Walk-Through A	No Charge
	Mini-Walk Thru	No Charge

Program Summary

Program Goal:	0
Program Accomplishments:	0
Variance:	0
Percent of Goal:	0.0%

The Company has not had a request for an energy audit during this period.

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$0
Actual Cost:	\$0
Variance:	\$0

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Program Progress Report

Reporting Period: **JANUARY 2000 THROUGH DECEMBER 2000**

Name: **Water Heater Load Retention Program**

Description: This program is designed to discourage current natural gas customers from changing to electricity. The program offers allowances to customers to assist in defraying the cost of more expensive energy efficient appliances.

Program Allowances: Energy Efficient Gas Water Heater..... \$100

Program Summary

Goals:	341
Actual:	461
Variance:	(120)
Percent of Goal:	135.2%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$42,165
Actual Cost:	\$46,100
Variance:	(\$3,935)

Program Progress Report

Reporting Period: **JANUARY 2000 THROUGH DECEMBER 2000**

Name: **Replacement of Oil Heating Program**

Description: This program is designed to encourage customers to convert their existing Oil Burning Heating system to energy efficient natural gas heating so as to discourage those customers from switching to less costly resistance strip heating. The program offers allowances to defray the additional cost of installing gas appliances.

Program Allowances: Energy Efficient Gas Furnaces..... **\$500**

Program Summary

Goals:	0
Actual:	0
Variance:	0
Percent of Goal:	NA

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$0
Actual Cost:	\$0
Variance:	\$0

COMPANY: PEOPLES GAS SYSTEM
West Florida Region
Exhibit No. _____
Docket No. 010004-GU
KMF-2R

Program Progress Report

Reporting Period: JANUARY 2000 THROUGH DECEMBER 2000

Name: Small Package Cogeneration Program

Description: This program is 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. A cogeneration feasibility audit will be made available to commercial and industrial customers interested in workshops. Direct mail and personal contacts will be used to promote the cogeneration computer audit program and to assist Peoples customers in completing forms for the computer audit.

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

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Program Progress Report

Reporting Period: JANUARY 2000 THROUGH DECEMBER 2000

Name: Commercial Electric Replacement Program

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 every KW Displaced (KWD) \$30

Program Summary

Program Goal:	631
Program Accomplishments:	124
Variance:	507
Percent of Goal:	19.7%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$26,080
Actual Cost:	\$3,720
Variance:	\$22,360

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Program Progress Report

Reporting Period: JANUARY 2000 THROUGH DECEMBER 2000

Name: Residential Electric Replacement Program

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

Program Allowances:	Natural Gas Wat	\$250
	Natural Gas Fur	\$500
	Natural Gas Ran	\$150
	Natural Gas Dry	\$150
	Natural Gas Spa	\$150

Program Summary

Program Goal:	253
Program Accomplishments:	64
Variance:	189
Percent of Goal:	25.3%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$98,475
Actual Cost:	\$77,500
Variance:	\$20,975

COMPANY: PEOPLES GAS SYSTEM
West Florida Region
Exhibit No. _____
Docket No. 010004-GU
KMF-2R

Program Progress Report

Reporting Period:

JANUARY 2000 THROUGH DECEMBER 2000

Name:

Energy Conservation Common Cost

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$424,686
Actual Cost:	\$405,794
Variance:	\$18,892

Program Progress Report

Reporting Period: JANUARY 2000 THROUGH DECEMBER 2000

Name: Gas Space Conditioning Program

Description: This program is designed to convert on-main customers from electric space conditioning equipment to energy efficient natural 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 Allowance: Each customer is allowed 100 tons maximum paid allowance/installa \$100 /ton

Program Summary

Goals:	100
Actual:	10
Variance:	91
Percent of Goal:	9.5%

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$13,450
Actual Cost:	\$950
Variance:	\$12,500

Program Progress Report

Reporting Period:

JANUARY 2000 THROUGH DECEMBER 2000

Name:

ENERGY SAVINGS PAYBACK (ESP) PROGRAM

Program Summary:

This program has been designed to promote replacement of standard gas appliances with energy efficient natural gas appliances and will focus on water heaters, central heaters, ranges and dryers. Installation allowances are added to the program to encourage customers to consider the extra expense of energy efficient natural gas appliances in lieu of standard gas or electric appliances.

Installation allowance is \$50.00 per Appliance

Conservation Cost Variance - Actual Vs. Projected

Projected Cost:	\$22,450
Actual Cost:	\$19,050
Variance:	\$3,400

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ENERGY CONSERVATION ADJUSTMENT
 SUMMARY OF COST RECOVERY CLAUSE CALCULATION
 MONTHS: January 2002 Through December 2002

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	9,052,611
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	51,387
3. TOTAL (LINE 1 AND LINE 2)	9,103,998

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
RESIDENTIAL	2,656,763	55,032,720	18,597,341	22,627,803	41,225,144	3,297,744	7.99935%	0.05992	1.00503	0.06022
SMALL COMMERCIAL	55,475	2,643,963	832,125	892,020	1,724,145	137,920	7.99935%	0.05216	1.00503	0.05243
COMMERCIAL	223,992	126,314,899	3,807,864	30,787,993	34,595,857	2,767,444	7.99935%	0.02191	1.00503	0.02202
COMM. LGE VOL I	25,642	139,951,684	641,050	30,593,438	31,234,488	2,498,556	7.99935%	0.01785	1.00503	0.01794
COMM. LGE VOL II	223	29,726,018	10,035	4,802,238	4,812,273	384,951	7.99935%	0.01295	1.00503	0.01302
STREET LIGHTING	1,145	1,686,583	0	159,331.00	159,331	12,745	7.99935%	0.00756	1.00503	0.00759
NGVS	240	785,235	6,000	51,983	57,983	4,638	7.99935%	0.00591	1.00503	0.00594
TOTAL	2,963,480	356,141,102	23,894,415	89,914,806	113,809,221	9,103,998				

Company: Peoples Gas System
 Except West Florida Region
 Exhibit No. _____
 Docket No. 010004-GU
 KMF-3

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
 January 2002 Through December 2002

PROGRAM	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROGRAM	0	0	0	0	6,407,061	0	0	0	6,407,061
2 WATER HEATER LOAD RET	0	0	0	0	206,182	0	0	0	206,182
3 OIL HEAT REPLACEMENT	0	0	0	0	18,000	0	0	0	18,000
4 SMALL PKG COGEN	0	0	0	0	40,000	0	0	0	40,000
5 COM ELECTRIC REPLACEMENT	0	0	0	0	150,932	0	0	0	150,932
6 RES ELECTRIC REPLACEMENT	0	0	0	0	370,436	0	0	0	370,436
7 COMMON COSTS	0	500,000	20,000	1,190,000	0	50,000	0	50,000	1,810,000
8 GAS SPACE CONDITIONING	0	0	0	0	50,000	0	0	0	50,000
9 N/A	0	0	0	0	0	0	0	0	0
10 N/A	0	0	0	0	0	0	0	0	0
PROGRAM COSTS	0	500,000	20,000	1,190,000	7,242,611	50,000	0	50,000	9,052,611

Company: Peoples Gas System
 Except West Florida Region
 Exhibit No. _____
 Docket No. 010004-GU
 KMF-3

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
 January 2001 Through December 2001
 8 Months of Actuals

PROGRAM	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROGRAM									
A. ACTUAL	0	0	0	0	4,103,282	0	0	0	4,103,282
B. ESTIMATED	0	0	0	0	2,042,516	0	0	0	2,042,516
C. TOTAL	0	0	0	0	6,145,798	0	0	0	6,145,798
2 WATER HEATER LOAD RET									
A. ACTUAL	0	0	0	0	168,100	0	0	0	168,100
B. ESTIMATED	0	0	0	0	73,332	0	0	0	73,332
C. TOTAL	0	0	0	0	241,432	0	0	0	241,432
3 OIL HEAT REPLACEMENT									
A. ACTUAL	0	0	0	0	4,290	0	0	0	4,290
B. ESTIMATED	0	0	0	0	8,332	0	0	0	8,332
C. TOTAL	0	0	0	0	12,622	0	0	0	12,622
4 SMALL PKG COGEN									
A. ACTUAL	0	0	0	0	26,620	0	0	0	26,620
B. ESTIMATED	0	0	0	0	10,000	0	0	0	10,000
C. TOTAL	0	0	0	0	36,620	0	0	0	36,620
5 COM ELECTRIC REPLACEMENT									
A. ACTUAL	0	0	0	0	81,600	0	0	0	81,600
B. ESTIMATED	0	0	0	0	33,332	0	0	0	33,332
C. TOTAL	0	0	0	0	114,932	0	0	0	114,932
6 RES ELECTRIC REPLACEMENT									
A. ACTUAL	0	0	0	0	244,291	0	0	0	244,291
B. ESTIMATED	0	0	0	0	369,000	0	0	0	369,000
C. TOTAL	0	0	0	0	613,291	0	0	0	613,291
SUB-TOTAL	0	0	0	0	7,164,695	0	0	0	7,164,695

Company: Peoples Gas System
 Except West Florida Region
 Exhibit No. _____
 Docket No. 010004-GU
 KMF-3

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
 January 2001 Through December 2001
 8 Months of Actuals

PROGRAM NAME	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	0	0	0	0	7,164,695	0	0	0	7,164,695
7. COMMON COSTS									
A. ACTUAL	0	244,246	1,254	493,784	0	3,650	414	7,515	750,864
B. ESTIMATED	0	233,333	6,667	333,333	0	33,333	0	639,999	639,999
C. TOTAL	0	477,579	7,921	827,117	0	36,983	414	40,848	1,390,863
8. GAS SPACE CONDITIONING									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	30,000	0	0	0	30,000
C. TOTAL	0	0	0	0	30,000	0	0	0	30,000
9. N/A									
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. N/A									
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
11. N/A									
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
TOTAL	0	477,579	7,921	827,117	7,194,695	36,983	414	40,848	8,585,558

CONSERVATION PROGRAM COSTS BY PROGRAM
ACTUAL/ESTIMATED
January 2001 Through December 2001
8 Months of Actuals

PROGRAM NAME	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
HOME BUILDER PROGRAM	503,745	391,055	479,405	495,125	529,650	478,814	591,325	634,163	510,629	510,629	510,629	510,629	6,145,798
WATER HEATER LOAD RET	17,800	16,200	18,600	16,800	50,500	16,700	17,400	14,100	18,333	18,333	18,333	18,333	241,432
OIL HEAT REPLACEMENT	1,650	330	1,320	330	660	0	0	0	2,083	2,083	2,083	2,083	12,622
SMALL PKG COGEN	20,000	5,000	0	0	0	0	0	1,620	2,500	2,500	2,500	2,500	36,620
COM ELECTRIC REPLACEME	12,280	14,100	18,760	7,920	7,400	14,560	900	5,680	8,333	8,333	8,333	8,333	114,932
RES ELECTRIC REPLACEMENT	28,235	28,953	39,930	39,720	19,898	43,228	23,195	21,132	92,250	92,250	92,250	92,250	613,291
COMMON COSTS	67,138	112,439	71,921	91,429	116,300	99,075	98,618	93,944	160,000	160,000	160,000	160,000	1,390,863
GAS SPACE CONDITIONING	0	0	0	0	0	0	0	0	7,500	7,500	7,500	7,500	30,000
N/A	0	-80,000	0	80,000	0	0	0	0	0	0	0	0	0
N/A	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	650,848	488,077	629,936	731,324	724,408	652,377	731,438	770,639	801,628	801,628	801,628	801,628	8,585,558

ENERGY CONSERVATION ADJUSTMENT
January 2001 Through December 2001

CONSERVATION REVS.	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
a. OTHER PROG. REV.	0	0	0	0	0	0	0	0	0	0	0	0	0
b. CONSERV. ADJ. REV.	-1,163,511	-1,058,198	-764,726	-709,635	-635,383	-554,528	-524,874	-526,684	-526,684	-526,684	-526,684	-526,684	-8,044,275
c.	0	0	0	0	0	0	0	0	0	0	0	0	0
CONSERV. ADJ REV. (NET OF REV. TAXES)	-1,163,511	-1,058,198	-764,726	-709,635	-635,383	-554,528	-524,874	-526,684	-526,684	-526,684	-526,684	-526,684	-8,044,275
TOTAL REVENUES	-1,163,511	-1,058,198	-764,726	-709,635	-635,383	-554,528	-524,874	-526,684	-526,684	-526,684	-526,684	-526,684	-8,044,275
PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	-36,978	-36,978	-36,978	-36,978	-36,978	-36,978	-36,978	-36,978	-36,978	-36,978	-36,978	-36,978	-443,731
CONSERVATION REVS. APPLIC. TO PERIOD	-1,200,489	-1,095,176	-801,704	-746,613	-672,361	-591,506	-561,852	-563,662	-563,662	-563,662	-563,662	-563,662	-8,488,006
CONSERVATION EXPS. (FORM C-3, PAGE 3)	650,848	488,077	629,936	731,324	724,408	652,377	731,438	770,639	801,628	801,628	801,628	801,628	8,585,558
TRUE-UP THIS PERIOD	-549,641	-607,099	-171,768	-15,289	52,047	60,871	169,586	206,977	237,966	237,966	237,966	237,966	97,552
INTEREST THIS PERIOD (C-3, PAGE 5)	-3,515	-5,550	-6,779	-6,506	-5,600	-4,933	-4,187	-3,358	-2,617	-1,830	-1,040	-248	-46,165
TRUE-UP & INT. BEG. OF MONTH	-443,731	-959,909	-1,535,580	-1,677,150	-1,661,966	-1,578,542	-1,485,626	-1,283,249	-1,042,652	-770,325	-497,211	-223,308	51,387
PRIOR TRUE-UP COLLECT. (REFUND.)	36,978	36,978	36,978	36,978	36,978	36,978	36,978	36,978	36,978	36,978	36,978	36,978	443,731
END OF PERIOD TOTAL NET TRUE-UP	-959,909	-1,535,580	-1,677,150	-1,661,966	-1,578,542	-1,485,626	-1,283,249	-1,042,652	-770,325	-497,211	-223,308	51,387	51,387

CALCULATION OF TRUE-UP AND INTEREST PROVISION
January 2001 Through December 2001

INTEREST PROVISION	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
BEGINNING TRUE-UP	-443,731	-959,909	-1,535,580	-1,677,150	-1,661,966	-1,578,542	-1,485,626	-1,283,249	-1,042,652	-770,325	-497,211	-223,308	51,387
END. T-UP BEFORE INT.	-956,394	-1,530,030	-1,670,370	-1,655,461	-1,572,941	-1,480,693	-1,279,062	-1,039,294	-767,708	-495,381	-222,268	51,635	592,670
TOT. BEG. & END. T-UP	-1,400,125	-2,489,939	-3,205,951	-3,332,610	-3,234,907	-3,059,234	-2,764,687	-2,322,543	-1,810,360	-1,265,707	-719,479	-171,673	644,057
AVERAGE TRUE-UP	-700,063	-1,244,969	-1,602,975	-1,666,305	-1,617,454	-1,529,617	-1,382,344	-1,161,271	-905,180	-632,853	-359,740	-85,836	322,029
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	6.5000%	5.5500%	5.1500%	5.0000%	4.3700%	3.9400%	3.8000%	3.4700%	3.4700%	3.4700%	3.4700%	3.4700%	3.4700%
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MTH	5.5500%	5.1500%	5.0000%	4.3700%	3.9400%	3.8000%	3.4700%	3.4700%	3.4700%	3.4700%	3.4700%	3.4700%	3.4700%
TOTAL	12.0500%	10.7000%	10.1500%	9.3700%	8.3100%	7.7400%	7.2700%	6.9400%	6.9400%	6.9400%	6.9400%	6.9400%	6.9400%
AVG INTEREST RATE	6.0250%	5.3500%	5.0750%	4.6850%	4.1550%	3.8700%	3.6350%	3.4700%	3.4700%	3.4700%	3.4700%	3.4700%	3.4700%
MONTHLY AVG. RATE	0.5021%	0.4458%	0.4229%	0.3904%	0.3463%	0.3225%	0.3029%	0.2892%	0.2892%	0.2892%	0.2892%	0.2892%	0.2892%
INTEREST PROVISION	-\$3,515	-\$5,550	-\$6,779	-\$6,506	-\$5,600	-\$4,933	-\$4,187	-\$3,358	-\$2,617	-\$1,830	-\$1,040	-\$248	-\$46,165

Peoples Gas System

Reporting: January 2001 Through December 2001

Name: Home Builder Program

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 in the form of gas appliance piping and venting allowances to assist builders in defraying the additional cost associated with the gas appliance installation.

Program Allowances:	Gas Water Heater	\$250.00
	Gas Furnace	\$250.00
	Gas Range	\$85.00
	Gas Dryer	\$85.00

Program Goals: Projected new home connections for this period:	11,466
Actual connections to date this period:	7,655
Percent of goal:	66.8%
8 Months of Actuals	

Program Fiscal Expenditures:	Estimated for period:	\$6,145,798
	Actual to date:	\$4,103,282

Peoples Gas System

Reporting: January 2001 Through December 2001

Name: Water Heater Load Retention Program

Description: This Program is designed to discourage current natural gas customers from changing to electricity. The program offers allowances to customers to assist in defraying the cost of more expensive energy efficient appliances.

Program Allowances: Energy Efficient Gas Water Heater \$100.00

Program Goals: Projected connections for this period: 2,414

Actual connections to date this period: 1,681

Percent of goal: 69.6%
 8 Months of Actuals

Program Fiscal Expenditures: Estimated for period: \$241,432

Actual to date: \$168,100

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Peoples Gas System

Reporting: January 2001 Through December 2001

Name: Replacement of Oil Heating Program

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 Allowance: Energy Efficient Gas Furnaces \$330.00

Program Goals: Projected new connections for this period: 38

Actual connections to date this period: 13

Percent of goal: 34.0%
 8 Months of Actuals

Program Fiscal Expenditures: Estimated for period: \$12,622

Actual to date: \$4,290

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Company: Peoples Gas System
Except West Florida Region
Exhibit No. _____
Docket No. 010004-GU
KMF-3

Peoples Gas System

Reporting: January 2001 Through December 2001

Name: Small Package Cogeneration Program

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 Goals: Audit requests, or workshops this period:

Program Fiscal Expenditures:	Estimated for period:	\$36,620
	Actual to date:	\$26,620

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Peoples Gas System

Reporting: January 2001 Through December 2001

Name: Commercial Electric Replacement Program

Description: This Program is designed to encourage the replacement of electric resistance equipment in commercial establishments by offering piping and venting allowances to defray the additional cost of installing more energy efficient equipment.

Program Allowances: For every KW Displaced \$40.00
Each customer allowed a maximum of 100 KWD deferred

Program Goals: Projected KWD displaced this period: **2,873**
Actual KWD displaced this period: **2,040**
Percent of goal: **71.0%**
8 Months of Actuals

Program Fiscal Expenditures: Estimated for period: **\$114,932**
Actual to date: **\$81,600**

Peoples Gas System

Reporting: January 2001 Through December 2001

Name: Residential Electric Replacement Program

Description: This program was designed to encourage the replacement of electric resistance appliances by offering piping and venting allowances to defray the additional cost of installing more energy efficient natural gas appliances.

Program Allowances:	Natural Gas Water Heater	\$440.00
	Natural Gas Furnace	\$440.00
	Natural Gas Range	\$75.00
	Natural Gas Dryer	\$75.00
	Natural Gas Space Heater	\$65.00

Program Goals:	Projected new connections for this period:	997
	Actual connections to date this period:	397
	Percent of goal: 8 Months of Actuals	39.8%

Program Fiscal Expenditures:	Estimated for period:	\$613,291
	Actual to date:	\$244,291

Company: Peoples Gas System
Except West Florida Region
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KMF-3

Peoples Gas System

Reporting: January 2001 Through December 2001

Name: Energy Conservation Common Costs

Program Fiscal Expenditures:

Estimated for period:	\$1,390,863
Actual to date:	\$750,864
Percent of goal:	54.0%
8 Months of Actuals	

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Company: Peoples Gas System
Except West Florida Region
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KMF-3

Peoples Gas System

Reporting: January 2001 Through December 2001

Name: Gas Space Conditioning Program

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 Allowance: Each customer allowed 100 tons maximum paid allowance / installation a \$150 per ton

Program Goals:	Projected connections this period: (tons)	200
	Actual connections this period: (tons)	0
	Percent of goal:	0.0%
	8 Months of Actuals	

Program Fiscal Expenditures:	Estimated for period:	\$30,000
	Actual to date:	\$0

Company: Peoples Gas System
 West Florida Region
 Exhibit No. _____
 Docket No. 010004-GU
 KMF-4

ENERGY CONSERVATION ADJUSTMENT
 SUMMARY OF COST RECOVERY CLAUSE CALCULATION
 MONTHS: January 2002 Through December 2002

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	1,767,216
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	945,948
3. TOTAL (LINE 1 AND LINE 2)	2,713,164

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
RESIDENTIAL	412,487	10,676,088	2,887,409	3,472,398	6,359,807	1,359,930	21.38320%	0.12738	1.00503	0.12802
COMMERCIAL	34,977	14,816,754	349,770	2,426,688	2,776,458	593,696	21.38320%	0.04007	1.00503	0.04027
COMM. LGE VOL I	156	3,414,085	7,800	472,509	480,309	102,705	21.38320%	0.03008	1.00503	0.03023
INDUSTRIAL	24	22,185,864	1,200	3,070,524	3,071,724	656,833	21.38320%	0.02961	1.00503	0.02975
TOTAL	447,644	51,092,791	3,246,179	9,442,119	12,688,298	2,713,164				

Company: Peoples Gas System
 West Florida Region
 Exhibit No. _____
 Docket No. 010004-GU
 KMF-4

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
 January 2002 Through December 2002

PROGRAM	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROGRAM	0	0	0	0	1,332,780	0	0	0	1,332,780
2 ENERGY SAVINGS PAYBACK	0	0	0	0	23,000	0	0	0	23,000
3 WATER HEATER LOAD RET	0	0	0	0	38,836	0	0	0	38,836
4 RES ELECTRIC REPLACEMENT	0	0	0	0	50,600	0	0	0	50,600
5 COM ELECTRIC REPLACEMENT	0	0	0	0	25,000	0	0	0	25,000
6 GAS SPACE CONDITIONING	0	0	0	0	15,000	0	0	0	15,000
7 COMMON COSTS	0	52,000	0	210,000	0	0	0	20,000	282,000
8 N/A	0	0	0	0	0	0	0	0	0
9 N/A	0	0	0	0	0	0	0	0	0
10 N/A	0	0	0	0	0	0	0	0	0
PROGRAM COSTS	0	52,000	0	210,000	1,485,216	0	0	20,000	1,767,216

Company: Peoples Gas System
 West Florida Region
 Exhibit No. _____
 Docket No. 010004-GU
 KMF-4

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
 January 2001 Through December 2001
 8 Months Actual

PROGRAM	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROGRAM									
A. ACTUAL	0	0	0	0	1,041,050	0	0	0	1,041,050
B. ESTIMATED	0	0	0	0	351,132	0	0	0	351,132
C. TOTAL	0	0	0	0	1,392,182	0	0	0	1,392,182
2 ENERGY SAVINGS PAYBACK									
A. ACTUAL	0	0	0	0	12,670	0	0	0	12,670
B. ESTIMATED	0	0	0	0	7,668	0	0	0	7,668
C. TOTAL	0	0	0	0	20,338	0	0	0	20,338
3 WATER HEATER LOAD RET									
A. ACTUAL	0	0	0	0	36,450	0	0	0	36,450
B. ESTIMATED	0	0	0	0	15,000	0	0	0	15,000
C. TOTAL	0	0	0	0	51,450	0	0	0	51,450
4 RES ELECTRIC REPLACEMENT									
A. ACTUAL	0	0	0	0	32,900	0	0	0	32,900
B. ESTIMATED	0	0	0	0	26,668	0	0	0	26,668
C. TOTAL	0	0	0	0	59,568	0	0	0	59,568
5 COM ELECTRIC REPLACEMENT									
A. ACTUAL	0	0	0	0	14,880	0	0	0	14,880
B. ESTIMATED	0	0	0	0	8,332	0	0	0	8,332
C. TOTAL	0	0	0	0	23,212	0	0	0	23,212
6 GAS SPACE CONDITIONING									
A. ACTUAL	0	0	0	0	600	0	0	0	600
B. ESTIMATED	0	0	0	0	5,000	0	0	0	5,000
C. TOTAL	0	0	0	0	5,600	0	0	0	5,600
SUB-TOTAL	0	0	0	0	1,552,350	0	0	0	1,552,350

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Company: Peoples Gas System
 West Florida Region
 Exhibit No. _____
 Docket No. 010004-GU
 KMF-4

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
 January 2001 Through December 2001
 8 Months Actual

PROGRAM NAME	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	0	0	0	0	1,552,350	0	0	0	1,552,350
7. COMMON COSTS									
A. ACTUAL	0	38,567	67	88,017	0	-23	0	212	126,840
B. ESTIMATED	0	16,667	0	33,333	0	41,667	0	98,334	98,334
C. TOTAL	0	55,234	67	121,350	0	41,644	0	6,879	225,174
8. N/A									
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. N/A									
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. N/A									
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
11. N/A									
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
TOTAL	0	55,234	67	121,350	1,552,350	41,644	0	6,879	1,777,524

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CONSERVATION PROGRAM COSTS BY PROGRAM
 ACTUAL/ESTIMATED
 January 2001 Through December 2001
 8 Months Actual

PROGRAM NAME	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
HOME BUILDER PROGRAM	115,750	71,450	213,100	72,100	129,600	170,300	82,600	186,150	87,783	87,783	87,783	87,783	1,392,182
ENERGY SAVINGS PAYBACK	1,950	2,600	1,500	650	1,600	750	1,250	2,370	1,917	1,917	1,917	1,917	20,338
WATER HEATER LOAD RET	2,600	6,600	4,400	3,700	7,200	3,300	3,450	5,200	3,750	3,750	3,750	3,750	51,450
RES ELECTRIC REPLACEMENT	4,750	5,400	3,800	2,400	5,150	5,000	2,900	3,500	6,667	6,667	6,667	6,667	59,568
COM ELECTRIC REPLACEMENT	0	2,160	12,000	0	0	0	0	720	2,083	2,083	2,083	2,083	23,212
GAS SPACE CONDITIONING	0	0	0	0	0	0	0	600	1,250	1,250	1,250	1,250	5,600
COMMON COSTS	14,870	17,626	10,180	22,410	22,550	14,174	11,399	13,631	24,584	24,584	24,584	24,584	225,174
N/A	0	0	0	0	0	0	0	0	0	0	0	0	0
N/A	0	0	0	0	0	0	0	0	0	0	0	0	0
N/A	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	139,920	105,836	244,980	101,260	166,100	193,524	101,599	212,171	128,034	128,034	128,034	128,034	1,777,524

ENERGY CONSERVATION ADJUSTMENT
January 2001 Through December 2001

CONSERVATION REVS.	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
a. OTHER PROG. REV.	0	0	0	0	0	0	0	0	0	0	0	0	0
b. CONSERV. ADJ. REV.	-304,131	-234,581	-161,065	-154,270	-110,081	-109,893	-84,480	-91,941	-91,941	-91,941	-91,941	-91,941	-1,618,206
c.	0	0	0	0	0	0	0	0	0	0	0	0	0
CONSERV. ADJ REV. (NET OF REV. TAXES)	-304,131	-234,581	-161,065	-154,270	-110,081	-109,893	-84,480	-91,941	-91,941	-91,941	-91,941	-91,941	-1,618,206
TOTAL REVENUES	-304,131	-234,581	-161,065	-154,270	-110,081	-109,893	-84,480	-91,941	-91,941	-91,941	-91,941	-91,941	-1,618,206
PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	63,214	63,214	63,214	63,214	63,214	63,214	63,214	63,214	63,214	63,214	63,214	63,214	758,566
CONSERVATION REVS. APPLIC. TO PERIOD	-240,917	-171,367	-97,851	-91,056	-46,867	-46,679	-21,266	-28,727	-28,727	-28,727	-28,727	-28,727	-859,640
CONSERVATION EXPS. (FORM C-3, PAGE 3)	139,920	105,836	244,980	101,260	166,100	193,524	101,599	212,171	128,034	128,034	128,034	128,034	1,777,524
TRUE-UP THIS PERIOD	-100,997	-65,531	147,129	10,204	119,233	146,845	80,333	183,444	99,306	99,306	99,306	99,306	917,884
INTEREST THIS PERIOD (C-3,PAGE 5)	3,396	2,378	2,171	2,073	1,851	1,955	2,044	2,163	2,341	2,452	2,564	2,675	28,064
TRUE-UP & INT. BEG. OF MONTH	758,566	597,751	471,384	557,470	506,533	564,403	649,989	669,153	791,546	829,980	868,524	907,180	945,948
PRIOR TRUE-UP COLLECT./(REFUND.)	-63,214	-63,214	-63,214	-63,214	-63,214	-63,214	-63,214	-63,214	-63,214	-63,214	-63,214	-63,214	-758,566
END OF PERIOD TOTAL NET TRUE-UP	597,751	471,384	557,470	506,533	564,403	649,989	669,153	791,546	829,980	868,524	907,180	945,948	945,948

CALCULATION OF TRUE-UP AND INTEREST PROVISION
January 2001 Through December 2001

INTEREST PROVISION	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
BEGINNING TRUE-UP	758,566	597,751	471,384	557,470	506,533	564,403	649,989	669,153	791,546	829,980	868,524	907,180	945,948
END. T-UP BEFORE INT.	594,355	469,006	555,299	504,460	562,552	648,034	667,108	789,383	827,639	866,072	904,617	943,273	1,105,266
TOT. BEG. & END. T-UP	1,352,921	1,066,758	1,026,684	1,061,931	1,069,086	1,212,437	1,317,098	1,458,535	1,619,185	1,696,052	1,773,141	1,850,453	2,051,215
AVERAGE TRUE-UP	676,461	533,379	513,342	530,965	534,543	606,219	658,549	729,268	809,592	848,026	886,571	925,227	1,025,607
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	6.5000%	5.5500%	5.1500%	5.0000%	4.3700%	3.9400%	3.8000%	3.6500%	3.4700%	3.4700%	3.4700%	3.4700%	3.4700%
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MTH	5.5500%	5.1500%	5.0000%	4.3700%	3.9400%	3.8000%	3.6500%	3.4700%	3.4700%	3.4700%	3.4700%	3.4700%	3.4700%
TOTAL	12.0500%	10.7000%	10.1500%	9.3700%	8.3100%	7.7400%	7.4500%	7.1200%	6.9400%	6.9400%	6.9400%	6.9400%	6.9400%
AVG INTEREST RATE	6.0250%	5.3500%	5.0750%	4.6850%	4.1550%	3.8700%	3.7250%	3.5600%	3.4700%	3.4700%	3.4700%	3.4700%	3.4700%
MONTHLY AVG. RATE	0.5021%	0.4458%	0.4229%	0.3904%	0.3463%	0.3225%	0.3104%	0.2967%	0.2892%	0.2892%	0.2892%	0.2892%	0.2892%
INTEREST PROVISION	\$3,396	\$2,378	\$2,171	\$2,073	\$1,851	\$1,955	\$2,044	\$2,163	\$2,341	\$2,452	\$2,564	\$2,675	\$28,064

Company: Peoples Gas System
West Florida Region
Exhibit No. _____
Docket No. 010004-GU
KMF-4

Peoples Gas System

Reporting: January 2001 Through December 2001

Name: Home Builder Program

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 in the form of gas appliance piping and venting allowances to assist builders in defraying the additional cost associated with the gas appliance installation.

Program Allowances:	Gas Water Heater	\$150.00
	Gas Furnace	\$250.00
	Gas Range	\$100.00
	Gas Dryer	\$100.00

Program Goals: Projected new home connections for this period: 3,040

Actual connections to date this period: 2,273

Percent of goal: 74.8%

8 Months Actual

Program Fiscal Expenditures: Estimated for period: \$1,392,182

Actual to date: \$1,041,050

67

Company: Peoples Gas System
West Florida Region
Exhibit No. _____
Docket No. 010004-GU
KMF-4

Peoples Gas System

Reporting: January 2001 Through December 2001

Name: ENERGY SAVINGS PAYBACK (ESP) PROGRAM

Description: This program has been designed to promote replacement of standard gas appliances with energy efficient natural gas appliances.

Program Allowances:	Water Heater	\$50.00
	Central Heater	\$50.00
	Range	\$50.00
	Dryer	\$50.00

Program Goals: Projected Installations for the period: 30

Program Fiscal Expenditures:	Estimated for period:	\$20,338
	Actual to date:	\$12,670

63

Company: Peoples Gas System
 West Florida Region
 Exhibit No. _____
 Docket No. 010004-GU
 KMF-4

Peoples Gas System

Reporting: January 2001 Through December 2001

Name: Water Heater Load Retention Program

Description: This Program is designed to discourage current natural gas customers from changing to electricity. The program offers allowances to customers to assist in defraying the cost of more expensive energy efficient appliances.

Program Allowances: **Energy Efficient Gas Water Heater \$100.00**

Program Goals: Projected connections for this period: **515**

Actual connections to date this period: **365**

Percent of goal: **70.8%**

8 Months Actual

Program Fiscal Expenditures: Estimated for period: **\$51,450**

Actual to date: **\$36,450**

Peoples Gas System

Reporting: January 2001 Through December 2001

Name: Residential Electric & Oil Replacement Program

Description: This program was designed to encourage the replacement of electric resistance appliances by offering piping and venting allowances to defray the additional cost of installing more energy efficient natural gas appliances.

Program Allowance:	Natural Gas Water Heat	\$250.00
	Natural Gas Furnace	\$500.00
	Natural Gas Range	\$150.00
	Natural Gas Dryer	\$150.00
	Natural Gas Space Heat	\$150.00

Program Goals:	Projected new connections for this period:	247
	Actual connections to date this period:	110
	Percent of goal:	44.4%
	8 Months Actual	

Program Fiscal Expenditures:	Estimated for period:	\$59,568
	Actual to date:	\$32,900

72

Peoples Gas System

Reporting: January 2001 Through December 2001

Name: Commercial Electric Replacement Program

Description: This Program is designed to encourage the replacement of electric resistance equipment in commercial establishments by offering piping and venting allowances to defray the additional cost of installing more energy efficient equipment.

Program Allowance: For every KW Displaces \$30.00

Program Goals: Projected KWD displaced this period: 774

Actual KWD displaced this period: 496

Percent of goal: 64.1%

8 Months Actual

Program Fiscal Expenditures: Estimated for period: \$23,212

Actual to date: \$14,880

71

Peoples Gas System**Reporting:** January 2001 Through December 2001**Name:** Gas Space Conditioning Program

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:	Each customer allowed 100 tons maximum paid allowance / installation	\$100.00 per ton
Program Goals:	Projected connections this period: (tons)	56
	Actual connections this period: (tons)	6
	Percent of goal:	10.7%
	8 Months Actual	
Program Fiscal Expenditures:	Estimated for period:	\$5,600
	Actual to date:	\$600

Company: Peoples Gas System
West Florida Region
Exhibit No. _____
Docket No. 010004-GU
KMF-4

Peoples Gas System

Reporting: January 2001 Through December 2001

Name: Energy Conservation Common Costs

Program Fiscal Expenditures:	Estimated for period:	\$225,174
	Actual to date:	\$126,840
	Percent of goal:	56.3%
	8 Months Actual	

02

Summary: GetGasFL Advertising Campaign

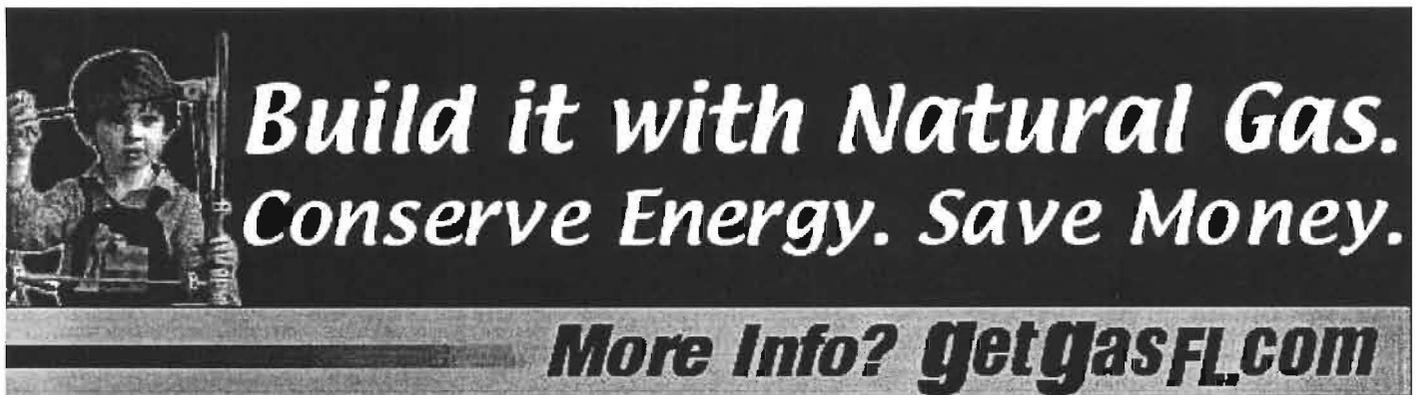
Objectives

- Increase awareness of conservation programs
- Increase customers and throughput
- Increase gas demand in new home construction
- Position gas as the preferred energy choice when available
- Reduce attrition

Billboards

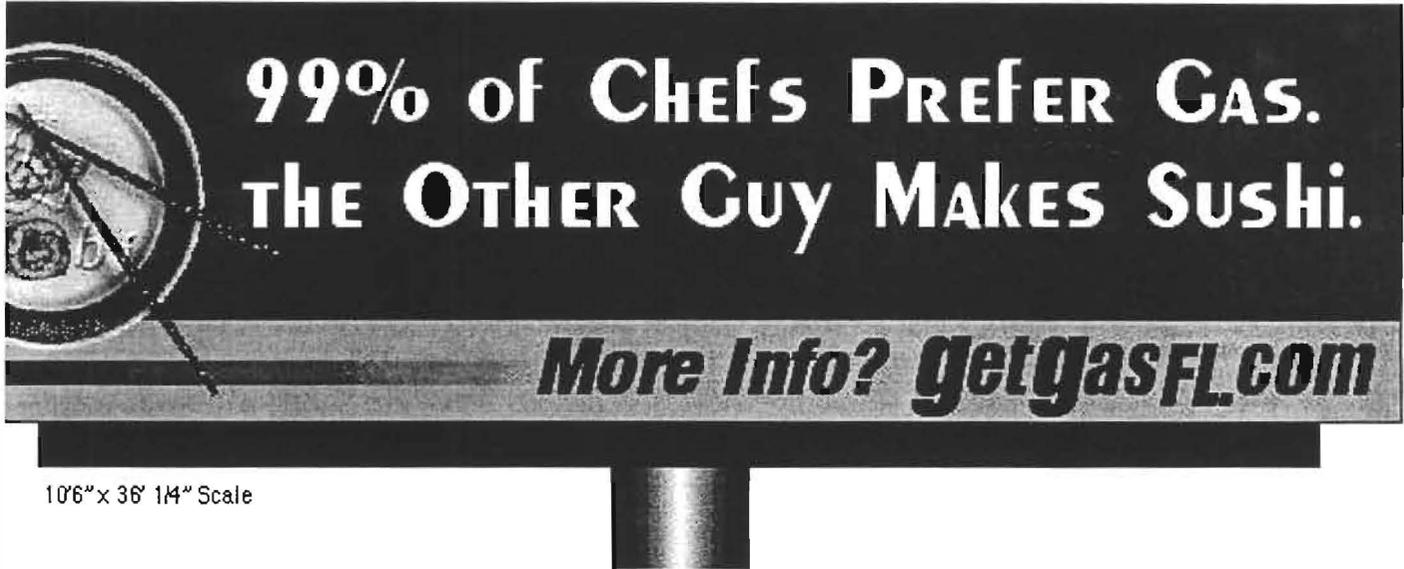


10'6" x 36' 14" Scale



10'6" x 36' 14" Scale

Summary: GetGasFL Advertising Campaign Continued



**99% of Chefs Prefer Gas.
The Other Guy Makes Sushi.**

More Info? getgasFL.com

10'6" x 36' 14" Scale



**Getting The Cold Shoulder?
Switch Water Heaters!**

More Info? getgasFL.com

10'6" x 36' 14" Scale

Summary: GetGasFL Advertising Campaign Continued

Radio

- **Based on basic concept of the billboards**
- **Two weeks on, two weeks off during course of the year**
- **Target market 35-64**
- **Adult listening, Country, and talk radio**
- **Meet requirements of ECP recovery rule**
- **Direct listeners to website for additional information**

Television

- **Based on radio and billboards**
- **Utilize main cable systems**
- **Two weeks per month**
- **Target market 35-64**
- **Meet requirements of ECP recovery rule**
- **Direct viewers to website for additional information**

Website

- **www.GetGasFL.com**
- **Energy conservation benefits of gas**
- **Availability of conservation programs**
- **Contact information and links to company website**
- **Tracking**

010004-GU

COMPANY: ST. JOE NATURAL GAS

SCHEDUL C-1
PAGE 1 OF 1

ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
MONTHS: JANUARY 2002 THROUGH DECEMBER 2002

- 1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1) 28,725
- 2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11) 7,654
- 3. TOTAL (LINE 1 AND LINE 2) 36,379

RATE SCHEDULE	BILLS	THERM SALES	CUSTOMER CHARGE REVENUES	NON-GAS ENERGY CHARGE	TOTAL CUST. & ENGY CHG REVENUE	ECCR REVENUES	ECCR AS % OF TOTAL REVENUES	DOLLARS THERM	TAX FACTOR	CONSERV FACTOR
RESIDENTIAL	37,866	1,056,361	340,794	402,326	743,120	30,883	4.15587%	0.02924	1.03093	0.03014
SMALL COMMERCIAL	2,580	104,624	23,220	39,847	63,067	2,621	4.15587%	0.02505	1.03093	0.02583
COMMERCIAL	449	247,859	17,960	51,220	69,180	2,875	4.15587%	0.01160	1.03093	0.01196
0.00	0	0	0	0	0	0	4.15587%	ERR	1.03093	ERR
0.00	0	0	0	0	0	0	4.15587%	ERR	1.03093	ERR
OTHER										
TOTAL	40,895	1,408,844	381,974	493,393	875,367	36,379.15				

APP
CAF
CMP
COM
CTR
ECR
LEG
OPC
PAI
RGO
SEC

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET

NO. 010004-GU EXHIBIT NO. 8

COMPANY/

WITNESS: *StH*

DATE: 11-20 & 21-01

ESTIMATED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
JANUARY 2002 THROUGH DECEMBER 2002

PROGRAM	JAN 2002	FEB 2002	MAR 2002	APR 2002	MAY 2002	JUN 2002	JUL 2002	AUG 2002	SEP 2002	OCT 2002	NOV 2002	DEC 2002	TOTAL
1 HOME BUILDER PROGRAM	250	1,200	3,075	675	250	0	1,100	1,125	1,000	1,000	1,000	1,000	11,675
2 WATER HEATER REPLACE	2,025	1,800	2,475	450	1,125	2,250	1,575	1,350	1,000	1,000	1,000	1,000	17,050
3 HOME HEATING REPLACE	0	0	0	0	0	0	0	0	0	0	0	0	0
4 CONSERVATION EDUC	0	0	0	0	0	0	0	0	0	0	0	0	0
5 COMMON COSTS	0	0	0	0	0	0	0	0	0	0	0	0	0
6 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
7 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
8 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
9 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
10 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
11 (INSERT NAME)	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ALL PROGRAMS	<u>2,275</u>	<u>3,000</u>	<u>5,550</u>	<u>1,125</u>	<u>1,375</u>	<u>2,250</u>	<u>2,675</u>	<u>2,475</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>28,725</u>

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2002 THROUGH DECEMBER 2002

PROGRAM	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROGRAM	0	0	0	0	11,675	0	0	0	11,675
2 WATER HEATER REPLACE	0	0	0	0	17,050	0	0	0	17,050
3 HOME HEATING REPLACE	0	0	0	0	0	0	0	0	0
4 CONSERVATION EDUC	0	0	0	0	0	0	0	0	0
5 COMMON COSTS	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	0	0	0	0	28,725	0	0	0	28,725

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2001 THROUGH DECEMBER 2001

PROGRAM	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 HOME BUILDER PROG									
A. ACTUAL	0	0	0	0	7,200	0	0	0	7,200
B. ESTIMATED	0	0	0	0	0	0	0	0	0
MULIT-FAMILY HM BUILDER	0	0	0	0	7,200	0	0	0	7,200
2 WATER HEATER REPLACE									
A. ACTUAL	0	0	0	0	8,100	0	0	0	8,100
B. ESTIMATED	0	0	0	0	0	0	0	0	0
ELECTRIC REPLACEMENT	0	0	0	0	8,100	0	0	0	8,100
3 HOME HEATING REPLACE									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
DEALER PROGRAM	0	0	0	0	0	0	0	0	0
4 CONSERVATION EDUC									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
SCHOOLS PROGRAM	0	0	0	0	0	0	0	0	0
5 COMMON COSTS									
A. ACTUAL	0	0	0	0	0	0	0	0	0
B. ESTIMATED	0	0	0	0	0	0	0	0	0
COMMON COSTS	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	0	0	0	0	0	0	0	0	0
SUB-TOTAL	0	0	0	0	15,300	0	0	0	15,300

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2001 THROUGH DECEMBER 2001

PROGRAM NAME	CAPITAL INVEST	PYROLL & BENEFITS	MATERLS. & SUPPLIES	ADVERT	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	0	0	0	0	15,300	0	0	0	15,300
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
TOTAL	0	0	0	0	15,300	0	0	0	15,300

CONSERVATION PROGRAM COSTS BY PROGRAM
ACTUAL/ESTIMATED
JANUARY 2001 THROUGH DECEMBER 2001

PROGRAM NAME	JAN 2001	FEB 2001	MAR 2001	APR 2001	MAY 2001	JUN 2001	JUL 2001	AUG 2001	SEP 2001	OCT 2001	NOV 2001	DEC 2001	TOTAL
HOME BUILDER PROG.	1,525	1,375	0	1,375	850	1,125	775	175	0	0	0	0	7,200
WATER HEAT REPLACE.	1,350	1,800	900	1,350	675	900	225	900	0	0	0	0	8,100
HOME HEAT REPLACE	0	0	0	0	0	0	0	0	0	0	0	0	0
CONS. EDUC	0	0	0	0	0	0	0	0	0	0	0	0	0
COMMON COSTS	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	2,875	3,175	900	2,725	1,525	2,025	1,000	1,075	0	0	0	0	15,300

ENERGY CONSERVATION ADJUSTMENT
JANUARY 2001 THROUGH DECEMBER 2001

	JAN 2001	FEB 2001	MAR 2001	APR 2001	MAY 2001	JUN 2001	JUL 2001	AUG 2001	SEP 2001	OCT 2001	NOV 2001	DEC 2001	TOTAL
CONSERVATION REVS.													
RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
a. OTHER PROG. REV.	0	0	0	0	0	0	0	0	0	0	0	0	0
b.	0	0	0	0	0	0	0	0	0	0	0	0	0
c.	(6,639)	(4,062)	(1,966)	(2,224)	(1,314)	(888)	(1,044)	(1,147)	0	0	0	0	(19,285)
CONSERV. ADJ REV. (NET OF REV. TAXES)	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL REVENUES	(6,639)	(4,062)	(1,966)	(2,224)	(1,314)	(888)	(1,044)	(1,147)	0	0	0	0	(19,285)
PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	944	944	944	944	944	944	944	944	944	944	944	944	11,331
CONSERVATION REVS. APPLIC. TO PERIOD	(5,695)	(3,118)	(1,022)	(1,280)	(369)	56	(100)	(203)	944	944	944	944	(7,954)
CONSERVATION EXPS. (FORM C-3, PAGE 3)	2,875	3,175	900	2,725	1,525	2,025	1,000	1,075	0	0	0	0	15,300
TRUE-UP THIS PERIOD	(2,820)	57	(122)	1,445	1,156	2,081	900	872	944	944	944	944	7,346
INTEREST THIS PERIOD (C-3,PAGE 5)	47	32	26	23	22	23	24	23	22	22	22	22	308
TRUE-UP & INT. BEG. OF MONTH	11,331	7,614	6,759	5,719	6,243	6,476	7,636	7,616	7,566	7,588	7,610	7,632	
PRIOR TRUE-UP COLLECT./(REFUND.)	(944)	(944)	(944)	(944)	(944)	(944)	(944)	(944)	(944)	(944)	(944)	(944)	
END OF PERIOD TOTAL NET TRUE-UP	7,614	6,759	5,719	6,243	6,476	7,636	7,616	7,566	7,588	7,610	7,632	7,654	7,654

CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2001 THROUGH DECEMBER 2001

	JAN 2001	FEB 2001	MAR 2001	APR 2001	MAY 2001	JUN 2001	JUL 2001	AUG 2001	SEP 2001	OCT 2001	NOV 2001	DEC 2001	TOTAL
INTEREST PROVISION													
BEGINNING TRUE-UP	11,331	7,614	6,759	5,719	6,243	6,476	7,636	7,616	7,566	7,588	7,610	7,632	
END. T-UP BEFORE INT.	7,567	6,727	5,692	6,220	6,454	7,614	7,592	7,543	7,566	7,588	7,610	7,632	
TOT. BEG. & END. T-UP	18,898	14,341	12,451	11,938	12,697	14,090	15,228	15,159	15,133	15,176	15,220	15,264	
AVERAGE TRUE-UP	9,449	7,171	6,226	5,969	6,349	7,045	7,614	7,580	7,566	7,588	7,610	7,632	
INT. RATE-FIRST DAY OF REPORTING BUS. MTH	6.50%	5.55%	5.15%	5.00%	4.37%	3.94%	3.80%	3.75%	3.47%	3.47%	3.47%	3.47%	
INT. RATE-FIRST DAY OF SUBSEQUENT BUS. MTH	5.55%	5.15%	5.00%	4.37%	3.94%	3.80%	3.75%	3.47%	3.47%	3.47%	3.47%	3.47%	
TOTAL	12.05%	10.70%	10.15%	9.37%	8.31%	7.74%	7.55%	7.22%	6.94%	6.94%	6.94%	6.94%	
AVG INTEREST RATE	6.03%	5.35%	5.08%	4.69%	4.16%	3.87%	3.78%	3.61%	3.47%	3.47%	3.47%	3.47%	
MONTHLY AVG. RATE	0.50%	0.45%	0.42%	0.39%	0.35%	0.32%	0.31%	0.30%	0.29%	0.29%	0.29%	0.29%	
INTEREST PROVISION	\$47	\$32	\$26	\$23	\$22	\$23	\$24	\$23	\$22	\$22	\$22	\$22	\$308

PROGRAM TITLE:

SINGLE & MULTI-FAMILY HOME BUILDER PROGRAM

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	\$250.00
GAS WATER HEATING	\$175.00
GAS AIR CONDITIONING	\$1,400.00
	<u>\$1,825.00</u>

PROGRAM PROJECTIONS FOR:

JANUARY 2001 THROUGH DECEMBER 2001

	<u>GAS WATER HEATING</u>	<u>GAS HEATING</u>	<u>GAS AIR CONDITIONING</u>
JANUARY 2001 - DECEMBER 2001 (12 MTHS)	24		14
JANUARY 2002 - DECEMBER 2002 (12 MTHS)	25		15

PROGRAM FISCAL EXPENSES FOR:

JANUARY 00 - DECEMBER 00

JANUARY 01 - AUGUST 01	ACTUAL EXPENSES	7,200.00
SEPTEMBER 01 - DECEMBER 01	ESTIMATED EXPENSES	0.00
JANUARY 2002 - DECEMBER 2002	ESTIMATED EXPENSES	8,125.00

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. There is almost no speculative new construction.

PROGRAM TITLE:

ELECTRIC RESISTANCE 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 and air conditioners. Incentives are offered in the form of cash allowances to assist in defraying the additional costs of purchasing and installing natural gas appliances.

<u>APPLIANCE LOAD</u>	<u>ALLOWANCE</u>
GAS HEATING	\$450.00
GAS WATER HEATING	\$225.00
GAS AIR CONDITIONING	\$1,500.00
	<u>\$2,175.00</u>

PROGRAM PROJECTIONS FOR:

JANUARY 2001 THROUGH DECEMBER 2001

	<u>GAS WATER HEATING</u>	<u>GAS HEATING</u>	<u>GAS AIR CONDITIONING</u>
JANUARY 2001 - DECEMBER 2001 (12 MTHS)	36	0	
JANUARY 2002 - DECEMBER 2002 (12 MTHS)	40	0	

PROGRAM FISCAL EXPENSES FOR:

JANUARY 2001 THROUGH DECEMBER 2001

JANUARY 01 - AUGUST 01	ACTUAL EXPENSES	8,100.00
SEPTEMBER 01 - DECEMBER 01	ESTIMATED EXPENSES	0.00
JANUARY 2002 - DECEMBER 2002	ESTIMATED EXPENSES	9,000.00

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.