

Writer's Direct Dial Number: (850) 521-1706
Writer's E-Mail Address: bkeating@gunster.com

May 2, 2014

E-PORTAL/ELECTRONIC FILING

Ms. Carlotta Stauffer
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

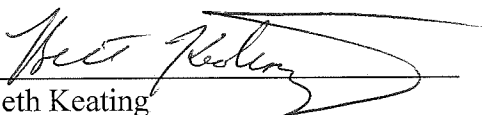
Re: Docket No. 140004-GU – Natural Gas Conservation Cost Recovery Clause

Dear Ms. Stauffer:

Attached for electronic filing, please find the Direct Testimony and Exhibit CDY-1 of Mr. Curtis Young, submitted in the referenced Docket on behalf of Florida Public Utilities Company, along with the Company's Petition for Approval of Final True Up Amount. Copies of the Petition, Testimony, and Exhibit are being provided to Staff Counsel.

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

Sincerely,


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

MEK
cc: Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Natural Gas Conservation)
Cost Recovery Clause.)
_____)
Docket No. 140004-GU
Filed: May 2, 2014

**PETITION FOR APPROVAL OF CONSERVATION COST RECOVERY
TRUE-UP AMOUNT FOR FLORIDA PUBLIC UTILITIES COMPANY**

Florida Public Utilities Company (“FPUC” or “the Company”), by and through its undersigned attorney, hereby files its petition for approval of its natural gas conservation cost recovery true-up amount related to the twelve-month period ended December 31, 2013. In support of this Petition, FPUC states:

1. The Company is a natural gas utility with its principal office located at:

Florida Public Utilities Company
1641 Worthington Road, Suite 220
West Palm Beach, Florida 33409

2. The name and mailing address of the persons authorized to receive notices are:

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

Cheryl Martin/Aleida Socarras
1641 Worthington Road, Suite 220
West Palm Beach, Florida 33409

3. Pursuant to the requirements in this docket, FPUC, concurrently with the filing of this petition, files testimony and conservation cost recovery true-up schedules (Exhibit CDY-1) for the period, consisting of the CT schedule reporting forms supplied by the Commission Staff.
4. As indicated in the testimony of Mr. Curtis D. Young, for the period January 2013 through December 2013, the Company over-recovered \$7,883, as compared to its estimated over-recovery of \$118,226, resulting in an adjusted end of period total true up amount of \$110,343.

WHEREFORE, FPUC respectfully requests that the Commission enter an Order approving the Company's final natural gas conservation true-up amount for the period January 1, 2013 through December 31, 2013.

RESPECTFULLY SUBMITTED this 2nd day of May 2014.

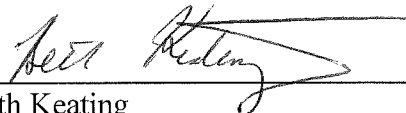


Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706
Attorneys for Florida Public Utilities Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of FPUC's Petition for Approval of the Conservation Cost Recovery True-Up Amount in Docket No. 140004-GU has been furnished by Electronic Mail to the following parties of record this 2nd day of May 2014, along with a copy of the referenced Testimony and Exhibit of Mr. Young:

Florida Public Utilities Company/ Florida Division of Chesapeake Utilities Corporation Cheryl Martin 1641 Worthington Road, Suite 220 West Palm Beach, FL 33409-6703	MacFarlane Ferguson Law Firm Ansley Watson, Jr. P.O. Box 1531 Tampa, FL 33601-1531
Messer Law Firm Norman H. Horton, Jr. P.O. Box 15579 Tallahassee, FL 32317	Office of Public Counsel J.R. Kelly/Patricia Christensen c/o The Florida Legislature 111 West Madison Street Room 812 Tallahassee, FL 32399-1400
Peoples Gas System Paula Brown/Kandi Floyd P.O. Box 111 Tampa, FL 33601-0111	St. Joe Natural Gas Company, Inc. Mr. Andy Shoaf P.O. Box 549 Port St. Joe, FL 32457-0549
Sebring Gas System, Inc. Jerry H. Melendy, Jr. 3515 U.S. Highway 27 South Sebring, FL 33870	AGL Resources Inc. Elizabeth Wade/Brian Sulmonetti Ten Peachtree Place Location 1470 Atlanta, GA 30309
Florida City Gas Carolyn Bermudez 933 East 25 th Street Hialeah, FL 33013-3498-	Kelley Corbari/Lee Eng Tan Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399



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

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 140004-GU
DETERMINATION OF CONSERVATION COSTS RECOVERY FACTOR

Direct Testimony
(True Up) of
CURTIS D. YOUNG

On Behalf of
FLORIDA PUBLIC UTILITIES COMPANY

1 Q. Please state your name and business address.

2 A. Curtis D. Young: my business address is 1641 Worthington Road,
3 Suite 220, West Palm Beach, Florida 33409.

4 Q. By whom are you employed and in what capacity?

5 A. I am employed by Florida Public Utilities Company as Senior
6 Regulatory Analyst.

7 Q. What is the purpose of your testimony at this time?

8 A. To advise the Commission of the actual over/under recovery of the
9 Conservation costs for the period January 1, 2013 through
10 December 31, 2013 as compared to the amount previously reported
11 for that period which was based on seven months actual and five
12 months estimated data.

13 Q. Please state the actual amount of over/under recovery of
14 Conservation Program costs for the gas divisions of Florida
15 Public Utilities Company for January 1, 2013 through December 31,
16 2013.

1 A. The Company over-recovered \$ 7,883 during that period. This
2 amount is substantiated on Schedule CT-3, page 2 of 3,
3 Calculation of True-up and Interest Provision.

4 **Q. How does this amount compare with the estimated true-up amount**
5 **which was allowed by the Commission?**

6 A. We had estimated that we would over-recover \$118,226 as of
7 December 31, 2013.

8 **Q. Have you prepared any exhibits at this time?**

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

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

12 A. Yes.

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

SCHEDULE CT-1
PAGE 1 OF 1

CONSERVATION ADJUSTMENT TRUE-UP

FOR MONTHS January-13 THROUGH December-13

1.	ADJUSTED END OF PERIOD TOTAL NET TRUE-UP		
2.	FOR MONTHS January-13 THROUGH December-13		
3.	END OF PERIOD NET TRUE-UP		
4.	PRINCIPAL	<u>(7,703)</u>	
5.	INTEREST	<u>(180)</u>	<u>(7,883)</u>
6.	LESS PROJECTED TRUE-UP		
7.	November-13 (DATE) HEARINGS		
8.	PRINCIPAL	<u>(118,017)</u>	
9.	INTEREST	<u>(209)</u>	<u>(118,226)</u>
10.	ADJUSTED END OF PERIOD TOTAL TRUE-UP		<u><u>110,343</u></u>

EXHIBIT NO. _____
DOCKET NO. 140004-GU
FLORIDA PUBLIC UTILITIES COMPANY
(CDY-1)
PAGE 1 OF 19

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VS PROJECTED

	FOR MONTHS	January-13	THROUGH	December-13	
		<u>ACTUAL</u>		<u>PROJECTED</u>	<u>DIFFERENCE</u>
1.	Labor/Payroll	628,375		737,052	(108,677)
2.	Advertisement	916,472		947,464	(30,992)
3.	Legal	2,311			2,311
4.	Outside Services	15,123		14,394	729
5.	Vehicle	25,526		115,362	(89,836)
6.	Materials & Supplies	16,370		18,661	(2,291)
7.	Travel	83,525			83,525
8.	General & Administrative				
9.	Incentives	1,167,441		1,042,716	124,725
10.	Other	79,997		73,847	6,150
11.	SUB-TOTAL	2,935,140		2,949,496	(14,356)
12.	PROGRAM REVENUES				
13.	TOTAL PROGRAM COSTS	2,935,140		2,949,496	(14,356)
14.	LESS: PRIOR PERIOD TRUE-UP	(292,947)		(292,947)	0
15.	AMOUNTS INCLUDED IN RATE BASE				
16.	CONSERVATION ADJ REVENUE	(2,649,896)		(2,774,566)	124,670
17.	ROUNDING ADJUSTMENT				
18.	TRUE-UP BEFORE INTEREST	(7,703)		(118,017)	110,314
19.	ADD INTEREST PROVISION	(180)		(209)	29
20.	END OF PERIOD TRUE-UP	(7,883)		(118,226)	110,343

() REFLECTS OVERRECOVERY

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

SCHEDULE CT-2
PAGE 2 OF 3

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM

FOR MONTHS January-13 THROUGH December-13

PROGRAM NAME	50 LABOR/PAY	51 ADVERTISE.	52 LEGAL	53 OUT.SERV.	54 VEHICLE	55 MAT.&SUPP.	56 TRAVEL	57 G & A	58 INCENTIVES	59 OTHER	SUB TOTAL	PROGRAM REVENUES	TOTAL
1. Full House Residential New Construction		68,559							510,582		579,141		579,141
2. Residential Appliance Replacement	408	377,024			38	4	73		333,536	9	711,091		711,091
3. Conservation Education	1,323	117,441			104	58	153			10,674	129,752		129,752
4. Space Conditioning		1,080									1,080		1,080
5. Residential Conservation Survey	8,958	20,756			721	190	1,259			25,789	57,674		57,674
6. Residential Appliance Retention	74	304,670				6			313,564		618,314		618,314
7. Dealer / Contractor (Inactive)									-				
10. Commercial Conservation Survey	1,763	2,885			135	32	207			6,035	11,058		11,058
12													
13. Residential Service Reactivation Program	74	11,142							7,700		18,916		18,916
14. Common	615,571	12,915	2,311	1,477	24,509	16,077	81,797		2,061	37,486	794,203		794,203
15. Conservation Demonstration and Development	204			13,646	19	2	36			4	13,911		13,911
TOTAL ALL PROGRAMS	628,375	916,472	2,311	15,123	25,526	16,370	83,525		1,167,441	79,997	2,935,140		2,935,140

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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 January-13 THROUGH December-13

PROGRAM NAME	LABOR/PAY	ADVERTISE.	LEGAL	OUT.SERV.	VEHICLE	MAT.&SUPP.	TRAVEL	G & A	INCENTIVES	OTHER	SUB TOTAL	PROGRAM REVENUES	TOTAL
1. Full House Residential New Construction	(21,500)	(79,075)		(500)	(10,250)	(500)			145,266	(498)	32,943		32,943
2. Residential Appliance Replacement	(23,592)	61,619		(500)	(12,463)	(746)	73		23,886	(491)	47,786		47,786
3. Conservation Education	(9,236)	(11,182)		(1,000)	(4,896)	(692)	153			899	(25,955)		(25,955)
4. Space Conditioning	(2,500)	(1,420)			(1,250)	(120)			(2,500)	(130)	(7,920)		(7,920)
5. Residential Conservation Survey	3,244	(3,416)			(1,146)	21	1,259			2,936	2,899		2,899
6. Residential Appliance Retention	(18,000)	(1,587)		(500)	(9,500)	(494)			(45,515)	(252)	(75,847)		(75,847)
10. Commercial Conservation Survey	(1,864)	(1,210)			(1,331)	(117)	207			288	(4,026)		(4,026)
13. Residential Service Reactivation Program	(2,500)	(7,186)		(1,000)	(1,250)	(130)			2,400	(120)	(9,786)		(9,786)
14. Common	(30,433)	12,465	2,311	(3,320)	(46,523)	484	81,797		1,189	3,514	21,484		21,484
15. Conservation Demonstration and Development	(2,296)			7,549	(1,229)	2	36			4	4,066		4,066
TOTAL ALL PROGRAMS	(108,677)	(30,992)	2,311	729	(89,836)	(2,291)	83,525		124,725	6,150	(14,356)		(14,356)

EXHIBIT NO. _____
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ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
SUMMARY OF EXPENSES BY PROGRAM BY MONTH

FOR MONTHS January-13 THROUGH December-13

A. CONSERVATION EXPENSE BY PROGRAM		JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1.	Full House Residential New Construction	84,766	32,579	58,655	46,252	49,770	23,408	70,252	17,841	18,532	126,793	22,636	27,637	579,141
2.	Residential Appliance Replacement	53,320	68,167	53,800	47,530	85,589	54,149	86,674	48,424	50,887	69,232	39,366	53,953	711,091
3.	Conservation Education	8,529	20,400	12,011	11,484	21,118	12,415	3,048	4,357	9,518	14,046	6,007	6,819	129,752
4.	Space Conditioning							585	60	198		236		1,080
5.	Residential Conservation Survey	6,474	5,098	3,577	6,499	5,315	6,440	4,598	3,605	2,938	4,818	3,372	4,940	57,674
6.	Residential Appliance Retention	48,090	58,867	59,593	50,633	83,723	39,503	53,302	40,471	38,089	66,168	22,327	57,548	618,314
7.	Dealer / Contractor (Inactive)													
10.	Commercial Conservation Survey	637	2,048	464	753	1,336	970	506	975	464	1,592	582	731	11,058
12.														
13.	Residential Service Reactivation Program	74	700	700		703	4,025	2,211	350	2,970	3,591	350	3,241	18,916
14.	Common	68,977	65,214	65,567	67,320	76,034	55,357	73,125	56,718	52,462	85,377	67,511	60,543	794,203
15.	Conservation Demonstration and Development		531	531	531	1,003	1,003	1,976	1,003	4,063	1,268	1,003	1,003	13,912
21. TOTAL ALL PROGRAMS		270,886	253,603	254,897	231,002	324,591	197,269	296,277	173,804	180,121	372,885	163,390	216,415	2,935,140
22. LESS AMOUNT INCLUDED IN RATE BASE														
23. RECOVERABLE CONSERVATION EXPENSES		270,886	253,603	254,897	231,002	324,591	197,269	296,277	173,804	180,121	372,885	163,390	216,415	2,935,140

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

SCHEDULE CT-3
PAGE 2 OF 3

CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-13 THROUGH December-13

B. CONSERVATION REVENUES	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. RESIDENTIAL CONSERVATION													
2. CONSERVATION ADJ. REVENUES	(282,349)	(273,804)	(279,310)	(258,732)	(214,154)	(190,365)	(166,417)	(168,358)	(168,603)	(183,355)	(208,127)	(256,322)	(2,649,896)
3. TOTAL REVENUES	(282,349)	(273,804)	(279,310)	(258,732)	(214,154)	(190,365)	(166,417)	(168,358)	(168,603)	(183,355)	(208,127)	(256,322)	(2,649,896)
4. PRIOR PERIOD TRUE-UP ADJ. NOT APPLICABLE TO THIS PERIOD	(24,415)	(24,412)	(24,412)	(24,412)	(24,412)	(24,412)	(24,412)	(24,412)	(24,412)	(24,412)	(24,412)	(24,412)	(292,947)
5. CONSERVATION REVENUE APPLICABLE	(306,764)	(298,216)	(303,722)	(283,144)	(238,566)	(214,777)	(190,829)	(192,770)	(193,015)	(207,767)	(232,539)	(280,734)	(2,942,843)
6. CONSERVATION EXPENSES (FROM CT-3, PAGE 1, LINE 23)	270,886	253,603	254,897	231,002	324,591	197,269	296,277	173,804	180,121	372,885	163,390	216,415	2,935,140
7. TRUE-UP THIS PERIOD (LINE 5 - 6)	(35,878)	(44,613)	(48,825)	(52,142)	86,025	(17,508)	105,448	(18,966)	(12,895)	165,118	(69,149)	(64,319)	(7,703)
8. INTEREST PROVISION THIS PERIOD (FROM CT-3, PAGE 3, LINE 10)	(31)	(38)	(32)	(27)	(19)	(14)	(11)	(5)	(4)	(1)	2		(180)
9. TRUE-UP AND INTEREST PROVISION BEGINNING OF MONTH	(292,947)	(304,441)	(324,680)	(349,124)	(376,881)	(266,463)	(259,573)	(129,724)	(124,283)	(112,770)	76,759	32,024	(292,947)
9A. DEFERRED TRUE-UP BEGINNING OF PERIOD													
10. PRIOR TRUE-UP COLLECTED (REFUNDED)	24,415	24,412	24,412	24,412	24,412	24,412	24,412	24,412	24,412	24,412	24,412	24,412	292,947
11. TOTAL NET TRUE-UP (LINES 7+8+9+9A+10)	(304,441)	(324,680)	(349,124)	(376,881)	(266,463)	(259,573)	(129,724)	(124,283)	(112,770)	76,759	32,024	(7,883)	(7,883)

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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 January-13 THROUGH December-13

C.	INTEREST PROVISION	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1.	BEGINNING TRUE-UP (LINE B-9)	(292,947)	(304,441)	(324,680)	(349,124)	(376,881)	(266,463)	(259,573)	(129,724)	(124,283)	(112,770)	76,759	32,024	(292,947)
2.	ENDING TRUE-UP BEFORE INTEREST (LINES B7+B9+B9A+B10)	(304,410)	(324,642)	(349,092)	(376,854)	(266,444)	(259,559)	(129,713)	(124,278)	(112,766)	76,760	32,022	(7,883)	(7,703)
3.	TOTAL BEG. AND ENDING TRUE-UP	(597,356)	(629,082)	(673,772)	(725,979)	(643,326)	(526,022)	(389,286)	(254,002)	(237,049)	(36,010)	108,781	24,141	(300,649)
4.	AVERAGE TRUE-UP (LINE C-3 X 50%)	(298,678)	(314,541)	(336,886)	(362,989)	(321,663)	(263,011)	(194,643)	(127,001)	(118,525)	(18,005)	54,390	12,070	(150,325)
5.	INTEREST RATE - FIRST DAY OF REPORTING BUSINESS MONTH	0.10%	0.15%	0.14%	0.09%	0.09%	0.05%	0.08%	0.05%	0.05%	0.03%	0.06%	0.05%	
6.	INTEREST RATE - FIRST DAY OF SUBSEQUENT BUSINESS MONTH	0.15%	0.14%	0.09%	0.09%	0.05%	0.08%	0.05%	0.05%	0.03%	0.06%	0.05%	0.03%	
7.	TOTAL (LINE C-5 + C-6)	0.25%	0.29%	0.23%	0.18%	0.14%	0.13%	0.13%	0.10%	0.08%	0.09%	0.11%	0.08%	
8.	AVG. INTEREST RATE (C-7 X 50%)	0.13%	0.15%	0.12%	0.09%	0.07%	0.07%	0.07%	0.05%	0.04%	0.05%	0.06%	0.04%	
9.	MONTHLY AVERAGE INTEREST RATE	0.010%	0.012%	0.010%	0.008%	0.006%	0.005%	0.005%	0.004%	0.003%	0.004%	0.005%	0.003%	
10.	INTEREST PROVISION (LINE C-4 X C-9)	(31)	(38)	(32)	(27)	(19)	(14)	(11)	(5)	(4)	(1)	2		(180)

EXHIBIT NO. _____
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(CDY-1)
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COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

SCHEDULE CT-4
PAGE 1 OF 1

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN

FOR MONTHS January-13 THROUGH December-13

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

EXHIBIT NO. _____
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FLORIDA PUBLIC UTILITIES COMPANY
(CDY-1)
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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 January-13 THROUGH December-13

AUDIT EXCEPTION: TO OUR KNOWLEDGE, NONE EXIST

COMPANY RESPONSE:

EXHIBIT NO. _____
DOCKET NO. 140004-GU
FLORIDA PUBLIC UTILITIES COMPANY
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1. Residential New Construction Program
2. Residential Appliance Replacement Program
3. Residential Appliance Retention Program
4. Residential Service Reactivation Program
5. Residential Conservation Survey Program
6. Commercial Conservation Survey Program
7. Conservation Education Program
8. Space Conditioning Program
9. Conservation Demonstration and Development Program

PROGRAM TITLE: Residential New Construction Program

PROGRAM DESCRIPTION: The Residential New Construction Program (formerly, Full House Residential New Construction Program) promotes the use of natural gas in single and multi-family residential new construction projects to developers, builders, and homebuyers. The program is designed to increase the overall energy efficiency in the new construction home market through the installation of efficient gas appliances. The programs incentives are used to overcome market barriers created by the split incentive between the builders who are purchasing the appliances and the homeowners who are benefiting from reduced utility costs.

CURRENT APPROVED ALLOWANCES:

\$350 Tank Water Heater
\$400 High Efficiency Tank Water Heater
\$550 Tankless Water Heater
\$500 Furnace
\$150 Range
\$100 Dryer

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2013 through December 31, 2013, 1849 incentives were paid. There were 449 Tank Water Heaters, 2 High Efficiency Tank Water Heaters, 144 Tankless Water Heaters, 170 Furnaces, 572 Ranges and 512 Dryers.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2013 through December 31, 2013 were **\$579,141**.

PROGRAM TITLE: Residential Appliance Replacement Program

PROGRAM DESCRIPTION: This program is designed to encourage the replacement of inefficient non-natural gas appliances with energy efficient natural gas appliances. The program offers financial incentives to residential customers to defray the additional costs associated with installing natural gas appliances.

CURRENT APPROVED ALLOWANCES:

\$500 Tank Water Heater
\$550 High Efficiency Tank Water Heater
\$675 Tankless Water Heater
\$725 Furnace
\$200 Range
\$150 Dryer

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2013 through December 31, 2013, 534 incentives were paid. There were 12 Tank Water Heaters, 1 High Efficiency Tank Water Heaters, 269 Tankless Water Heaters, 13 Furnaces, 138 Ranges and 101 Dryers.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2013 through December 31, 2013 were **\$711,091**.

PROGRAM PROGRESS SUMMARY: The FPSC approved this program on August 29, 2000. From the inception through the reporting period of this program, FPUC has converted 8,142 natural gas hot water heaters.

PROGRAM TITLE: Residential Appliance Retention Program

PROGRAM DESCRIPTION: The purpose of the Residential Appliance Retention Program is to encourage homeowners with existing natural gas appliances to retain natural gas appliances at time of replacement. The program includes appliances such as furnaces, hot water heaters, ranges, and dryers. The programs incentives defray the cost of purchasing more expensive energy-efficient natural gas appliances.

CURRENT APPROVED ALLOWANCES:

\$350 Tank Water Heater
\$400 High Efficiency Tank Water Heater
\$550 Tankless Water Heater
\$500 Furnace
\$100 Range
\$100 Dryer

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2013 through December 31, 2013, 1061 incentives were paid. There were 480 Tank Water Heaters, 8 High Efficiency Tank Water Heaters, 236 Tankless Water Heaters, 78 Furnaces, 161 Ranges and 98 Dryers.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2013 through December 31, 2013 were **\$618,314**.

PROGRAM PROGRESS SUMMARY: The FPSC approved this program on August 29, 2000. From the inception through the reporting period, FPUC has retained 8,322 natural gas hot water heaters.

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 of \$350 in the form of cash incentives to residential customers to assist in defraying the additional cost associated with the purchase and installation energy-efficient natural gas appliances.

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2013 through December 31, 2013, 21 incentives were paid.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2013 through December 31, 2013 were **\$18,916**.

PROGRAM PROGRESS SUMMARY: FPSC approval of this program occurred on August 29, 2000. We continue to promote this program and believe that our customers will find value in this program.

PROGRAM TITLE: Residential Conservation Survey Program

PROGRAM DESCRIPTION: The objective of the Residential Conservation Service Program is to provide Florida Public Utilities Company's residential customers with energy conservation advice based on a review of their homes actual performance that encourages the implementation of efficiency measures and/or practices resulting in energy savings for the customer. Florida Public Utilities Company views this program as a way of promoting the installation of cost-effective conservation measures. During the survey process, the customer is provided with specific whole-house recommendations. The survey process also checks for possible duct leakage.

PROGRAM ACCOMPLISHMENTS: This year a total of 37 residential surveys were performed.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2013 through December 31, 2013 were **\$57,674**.

PROGRAM PROGRESS SUMMARY: This program was implemented on September 1, 2000. Since inception through the reporting period, 199 residential customers have participated.

PROGRAM TITLE: Commercial Conservation Survey Program

PROGRAM DESCRIPTION: The Commercial Conservation Service Program is an interactive program that assists commercial customers in identifying energy conservation opportunities. The survey process consists of an on-site review of the customer's facility operation, equipment, and energy usage pattern by a Florida Public Utilities Company Conservation Representative. The representative identifies all areas of potential energy usage reduction as well as identifying end-use technology opportunities. A technical evaluation is then performed to determine the economic payback or life cycle cost for various improvements to the facility. Florida Public Utilities Company will subcontract the evaluation process to an independent engineering firm and/or contracting consultant, if necessary.

PROGRAM ACCOMPLISHMENTS: This year, 6 commercial surveys were completed during the reporting period.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2013 through December 31, 2013 were **\$11,058**.

PROGRAM PROGRESS SUMMARY: This program was implemented on September 1, 2000. From the inception of this program through the reporting period 186 commercial customers have participated.

PROGRAM TITLE: Conservation Education Program

PROGRAM DESCRIPTION: The purpose of the Conservation Education Program is to educate consumers, businesses, and contractors to make wise energy choices. For consumers to make educated choices they must know the benefits of conserving energy and have a basic understanding of energy as well as the measures and behavioral practices needed to make these choices.

PROGRAM ACCOMPLISHMENTS: This year FPU conducted 11 seminars and events to educate customers.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2013 through December 31, 2013 were **\$129,752**.

PROGRAM PROGRESS SUMMARY: This program has been successful and we are optimistic that we will continue to be involved in community education and future events.

PROGRAM TITLE: Space Conditioning Program

PROGRAM DESCRIPTION: The program is designed to convert on-main customers from electric space conditioning equipment to energy-efficient natural gas space conditioning equipment. The program provides a financial incentive to qualified participants to compensate for the higher initial cost of natural gas space conditioning equipment. The program reduces summer as well as winter peak demand and contributes to consumption reduction.

PROGRAM ACCOMPLISHMENTS: There were no participants in this program in 2013.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2013 through December 31, 2013 were **\$1,080**.

PROGRAM PROGRESS SUMMARY: From FPSC approval of the program on August 29, 2000 through December 31, 2013, FPUC has connected 10 space conditioning projects to its natural gas system.

PROGRAM TITLE: Conservation Demonstration and Development

PROGRAM DESCRIPTION: The primary purpose of the Conservation Demonstration and Development (CDD) program is to pursue research, development, and demonstration projects that are designed to promote energy efficiency and conservation. This program will supplement and complement the other conservation programs offered by Florida Public Utilities Company and give the Company an opportunity to pursue individual and joint research projects as well as the development of new conservation programs. The CDD program is meant to be an umbrella program for the identification, development, demonstration, and evaluation of promising new end-use technologies.

PROGRAM ACCOMPLISHMENTS: For 2013, Florida Public Utilities conducted research on several projects including CHP technologies.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2013 through December 31, 2013 were **\$13,911**.

PROGRAM PROGRESS SUMMARY: From FPSC approval of the program on March 23, 2010, FPUC has engaged in several research projects using this program.