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IN REPLY REFER TO:

Ansley Watson, Jr.
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May 5, 2015

VIA E-FILING

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

Re: Docket No. 150004-GU – Natural gas conservation cost recovery

Dear Ms. Cole:

Enclosed for filing in the above docket on behalf of Peoples Gas System (“Peoples”), please find the following:

- Peoples’ Petition for Approval of True-Up Amount (for the period January through December 2014); and
- Exhibit ____ (KMF-1), consisting of Schedules CT-1 through CT-6.

The enclosed exhibit will be offered by Peoples at the hearing in this docket currently scheduled to commence on November 2, 2015.

Carlotta S. Stauffer, Commission Clerk
May 5, 2015
Page 2

Thank you for your usual assistance.

Sincerely,

A handwritten signature in cursive script that reads "Ansley Watson, Jr." The signature is written in black ink and is positioned above the printed name.

ANSLEY WATSON, JR.

AWjr/a
Enclosures

cc: Parties of Record
Ms. Kandi M. Floyd

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural gas conservation cost)
recovery.)
_____)

Docket No. 150004-GU
Submitted for Filing:
5-5-15

**PETITION OF PEOPLES GAS SYSTEM
FOR APPROVAL OF TRUE-UP AMOUNT**

Peoples Gas System (“Peoples”), through undersigned counsel and pursuant to Rule 25-17.015, *Florida Administrative Code*, petitions the Commission for approval of its end-of-period final energy conservation cost recovery true-up amount for the period January 1 through December 31, 2014, and in support thereof says:

1. The name and address of the Petitioner are:

Peoples Gas System
P. O. Box 2562
Tampa, Florida 33601-2562

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

Ansley Watson, Jr., Esquire
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3. Peoples’ calculation of the true-up amounts for which approval is hereby requested is consistent with the Commission’s prescribed methodology. These calculations and the supporting documentation are contained in Exhibit ___(KMF-1),

consisting of the Energy Conservation Cost Recovery True-Up Reporting Forms, completed as directed by the Commission Staff. Exhibit ___(KMF-1) is submitted for filing with this petition.

4. For the period January through December 2014, Peoples has calculated its end-of-period final true-up amount to be an overrecovery, including principal and interest, of \$309,546.

WHEREFORE, Peoples Gas System respectfully requests that the Commission grant this petition and approve the overrecovery of \$309,546 as the final true-up amount for the January through December 2014 period.

Respectfully submitted,



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Attorneys for Peoples Gas System

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing petition, together with copies of Exhibit ____ (KMF-1), have been furnished electronically, this 5th day of May, 2015 to the following:

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Ansley Watson, Jr.



**PEOPLES GAS SYSTEM
SCHEDULES SUPPORTING
ENERGY CONSERVATION COST RECOVERY CLAUSE
TRUE-UP FILING
January 2014 - December 2014**

ENERGY CONSERVATION COST RECOVERY

INDEX

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**ADJUSTED NET TRUE-UP
JANUARY 2014 THROUGH DECEMBER 2014**

END OF PERIOD NET TRUE-UP

PRINCIPAL	(309,575)	
INTEREST	<u>29</u>	(309,546)

LESS PROJECTED TRUE-UP

PRINCIPAL	179,061	
INTEREST	<u>(4)</u>	<u>179,057</u>

ADJUSTED NET TRUE-UP

(488,603)

() REFLECTS OVER-RECOVERY

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
 ACTUAL VERSUS ESTIMATED
 JANUARY 2014 THROUGH DECEMBER 2014

	<u>ACTUAL</u>	<u>PROJECTED*</u>	<u>DIFFERENCE</u>
CAPITAL INVESTMENT	0	0	0
PAYROLL & BENEFITS	363,334	270,659	92,675
MATERIALS & SUPPLIES	1,062	1,762	(700)
ADVERTISING	1,248,955	1,278,424	(29,469)
INCENTIVES	9,467,380	9,477,010	(9,630)
OUTSIDE SERVICES	65,025	47,745	17,280
VEHICLES	0	0	0
OTHER	<u>83,456</u>	<u>92,522</u>	<u>(9,066)</u>
SUB-TOTAL	11,229,211	11,168,122	61,089
PROGRAM REVENUES	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL PROGRAM COSTS	11,229,211	11,168,122	61,089
LESS:			
PAYROLL ADJUSTMENTS	0	0	0
AMOUNTS INCLUDED IN RATE BASE	0	0	0
CONSERVATION REVENUES APPLICABLE TO THE PERIOD	(11,538,786)	(10,989,060)	(549,726)
ROUNDING ADJUSTMENT	<u>0</u>	<u>0</u>	<u>0</u>
TRUE-UP BEFORE INTEREST	(309,575)	179,062	(488,636)
INTEREST PROVISION	<u>29</u>	<u>(4)</u>	<u>33</u>
END OF PERIOD TRUE-UP	<u>(309,546)</u>	<u>179,058</u>	<u>(488,604)</u>

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

**ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2014 THROUGH DECEMBER 2014**

<u>PROGRAM NAME</u>	<u>PAYROLL & BENEFITS</u>	<u>MATERIALS & SUPPLIES</u>	<u>ADVERTISING</u>	<u>INCENTIVE</u>	<u>OUTSIDE SERVICES</u>	<u>VEHICLE</u>	<u>OTHER</u>	<u>TOTAL</u>
PROGRAM 1: NEW RESIDENTIAL CONSTRUCTION	0	0	0	3,345,515	0	0	0	3,345,515
PROGRAM 2: RESIDENTIAL APPLIANCE RETENTION	0	0	0	4,367,917	0	0	0	4,367,917
PROGRAM 3: RESIDENTIAL APPLIANCE REPLACEMENT	0	0	0	867,829	0	0	0	867,829
PROGRAM 4: OIL HEAT REPLACEMENT	0	0	0	0	0	0	0	0
PROGRAM 5: COMMERCIAL ELECTRIC REPLACEMENT	0	0	0	44,884	0	0	0	44,884
PROGRAM 6: GAS SPACE CONDITIONING	0	0	0	0	0	0	0	0
PROGRAM 7: SMALL PACKAGE COGEN	0	0	0	0	0	0	0	0
PROGRAM 8: MONITORING & RESEARCH	0	0	0	0	0	0	0	0
PROGRAM 9: CONSERVATION DEMONSTRATION DEVELOPMENT	0	0	0	8,246	20,229	0	0	28,474
PROGRAM 10: COMMERCIAL NEW CONSTRUCTION	0	0	0	92,775	0	0	0	92,775
PROGRAM 11: COMMERCIAL RETENTION	0	0	0	488,919	0	0	0	488,919
PROGRAM 12: COMMERCIAL REPLACEMENT	0	0	0	251,295	0	0	0	251,295
PROGRAM 13: COMMON COSTS	<u>363,334</u>	<u>1,062</u>	<u>1,248,955</u>	<u>0</u>	<u>44,796</u>	<u>0</u>	<u>83,456</u>	<u>1,741,602</u>
TOTAL	<u>363,334</u>	<u>1,062</u>	<u>1,248,955</u>	<u>9,467,380</u>	<u>65,025</u>	<u>0</u>	<u>83,456</u>	<u>11,229,211</u>

**CONSERVATION COSTS PER PROGRAM - VARIANCE ACTUAL VERSUS PROJECTED
JANUARY 2014 THROUGH DECEMBER 2014**

PROGRAM NAME	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVE	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
PROGRAM 1: NEW RESIDENTIAL CONSTRUCTION	0	0	0	(107,254)	0	0	0	(107,254)
PROGRAM 2: RESIDENTIAL APPLIANCE RETENTION	0	0	0	7,080	0	0	0	7,080
PROGRAM 3: RESIDENTIAL APPLIANCE REPLACEMENT	0	0	0	8,995	0	0	0	8,995
PROGRAM 4: OIL HEAT REPLACEMENT	0	0	0	0	0	0	0	0
PROGRAM 5: COMMERCIAL ELECTRIC REPLACEMENT	0	0	0	(32,917)	0	0	0	(32,917)
PROGRAM 6: GAS SPACE CONDITIONING	0	0	0	0	0	0	0	0
PROGRAM 7: SMALL PACKAGE COGEN	0	0	0	0	0	0	0	0
PROGRAM 8: MONITORING & RESEARCH	0	0	0	0	0	0	0	0
PROGRAM 9: CONSERVATION DEMONSTRATION DEVELOPMENT	0	0	0	(33,555)	20,229	0	0	(13,327)
PROGRAM 10: COMMERCIAL NEW CONSTRUCTION	0	0	0	(1,714)	0	0	0	(1,714)
PROGRAM 11: COMMERCIAL RETENTION	0	0	0	69,191	0	0	0	69,191
PROGRAM 12: COMMERCIAL REPLACEMENT	0	0	0	80,544	0	0	0	80,544
PROGRAM 13: COMMON COSTS	92,675	(700)	(29,469)	0	(2,949)	0	(9,066)	50,490
TOTAL TOTAL OF ALL PROGRAMS	92,675	(700)	(29,469)	(9,630)	17,280	0	(9,066)	61,089

() REFLECTS PROJECTED OVER ACTUAL EXPENSE ESTIMATES

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**ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
SUMMARY OF EXPENSES BY PROGRAM BY MONTH
JANUARY 2014 THROUGH DECEMBER 2014**

EXPENSES:	JAN 2014	FEB 2014	MAR 2014	APR 2014	MAY 2014	JUN 2014	JUL 2014	AUG 2014	SEPT 2014	OCT 2014	NOV 2014	DEC 2014	TOTAL
NEW RESIDENTIAL CONSTRUCTION	439,665	202,600	260,200	280,850	241,950	230,950	357,900	208,200	308,450	359,750	282,100	172,900	3,345,515
RESIDENTIAL APPLIANCE RETENTION	408,493	399,997	319,792	367,234	310,674	339,596	398,036	313,310	454,977	320,314	371,918	363,577	4,367,917
RESIDENTIAL APPLIANCE REPLACEMENT	98,926	57,430	66,024	65,925	58,882	78,575	75,225	59,394	93,975	54,247	114,475	44,751	867,829
OIL HEAT REPLACEMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
COMMERCIAL ELECTRIC REPLACEMENT	2,664	2,120	15,380	1,080	3,420	20,720	0	0	(500)	0	0	0	44,884
GAS SPACE CONDITIONING	0	0	0	0	0	0	0	0	0	0	0	0	0
SMALL PACKAGE COGEN	0	0	0	0	0	0	0	0	0	0	0	0	0
MONITORING & RESEARCH	0	0	0	0	0	0	0	0	0	0	0	0	0
CONSERVATION DEMONSTRATION DEVELOPMENT	0	1,923	0	20,229	0	0	2,232	0	0	0	668	3,422	28,474
COMMERCIAL NEW CONSTRUCTION	0	0	0	0	13,915	6,500	34,703	3,541	2,000	15,741	4,000	12,375	92,775
COMMERCIAL RETENTION	0	0	0	10,349	42,112	18,946	173,434	123,179	21,750	59,414	10,153	29,581	488,919
COMMERCIAL REPLACEMENT	0	0	0	0	20,837	53,818	24,950	14,994	35,896	61,850	6,495	32,455	251,295
COMMON COSTS	95,351	134,340	59,348	82,740	148,319	80,905	292,994	255,367	206,394	106,604	175,901	103,340	1,741,602
TOTAL	1,045,099	798,410	720,743	828,407	840,109	830,010	1,359,474	977,985	1,122,942	977,921	965,710	762,401	11,229,211

ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2014 THROUGH DECEMBER 2014

CONSERVATION REVENUES	JAN 2014	FEB 2014	MAR 2014	APR 2014	MAY 2014	JUN 2014	JUL 2014	AUG 2014	SEP 2014	OCT 2014	NOV 2014	DEC 2014	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>(1,549,250)</u>	<u>(1,623,260)</u>	<u>(1,335,215)</u>	<u>(1,188,737)</u>	<u>(976,795)</u>	<u>(932,785)</u>	<u>(847,463)</u>	<u>(775,060)</u>	<u>(831,360)</u>	<u>(869,635)</u>	<u>(995,788)</u>	<u>(1,315,196)</u>	<u>(13,240,546)</u>
4. TOTAL REVENUES	(1,549,250)	(1,623,260)	(1,335,215)	(1,188,737)	(976,795)	(932,785)	(847,463)	(775,060)	(831,360)	(869,635)	(995,788)	(1,315,196)	(13,240,546)
5. PRIOR PERIOD TRUE-UP NOT APPLICABLE TO THIS PERIOD	<u>141,813</u>	<u>141,813</u>	<u>141,813</u>	<u>141,813</u>	<u>141,813</u>	<u>141,813</u>	<u>141,813</u>	<u>141,813</u>	<u>141,813</u>	<u>141,813</u>	<u>141,813</u>	<u>141,817</u>	<u>1,701,760</u>
6. CONSERVATION REVS APPLICABLE TO THE PERIOD	<u>(1,407,437)</u>	<u>(1,481,447)</u>	<u>(1,193,402)</u>	<u>(1,046,924)</u>	<u>(834,982)</u>	<u>(790,972)</u>	<u>(705,650)</u>	<u>(633,247)</u>	<u>(689,547)</u>	<u>(727,822)</u>	<u>(853,975)</u>	<u>(1,173,379)</u>	<u>(11,538,786)</u>
7. CONSERVATION EXPS (FROM CT-3, PAGE 1)	1,045,099	798,410	720,743	828,407	840,109	830,010	1,359,474	977,985	1,122,942	977,921	965,710	762,401	11,229,211
8. TRUE-UP THIS PERIOD	(362,339)	(683,037)	(472,660)	(218,517)	5,127	39,037	653,824	344,738	433,395	250,098	111,735	(410,977)	(309,575)
9. INTER. PROV. THIS PERIOD (FROM CT-3, PAGE 3)	91	43	4	(26)	(34)	(33)	(29)	(12)	1	12	16	(2)	29
10. TRUE-UP & INTER. PROV. BEGINNING OF MONTH	1,701,760	1,197,699	372,892	(241,577)	(601,934)	(738,653)	(841,462)	(329,480)	(126,567)	165,016	273,313	243,251	
11. PRIOR TRUE-UP COLLECTED/(REFUNDED)	<u>(141,813)</u>	<u>(141,813)</u>	<u>(141,813)</u>	<u>(141,813)</u>	<u>(141,813)</u>	<u>(141,813)</u>	<u>(141,813)</u>	<u>(141,813)</u>	<u>(141,813)</u>	<u>(141,813)</u>	<u>(141,813)</u>	<u>(141,817)</u>	
12. TOTAL NET TRUE-UP (SUM LINES 8+9+10+11)	<u>1,197,699</u>	<u>372,892</u>	<u>(241,577)</u>	<u>(601,934)</u>	<u>(738,653)</u>	<u>(841,462)</u>	<u>(329,480)</u>	<u>(126,567)</u>	<u>165,016</u>	<u>273,313</u>	<u>243,251</u>	<u>(309,546)</u>	<u>(309,546)</u>

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CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2014 THROUGH DECEMBER 2014

INTEREST PROVISION	JAN 2014	FEB 2014	MAR 2014	APR 2014	MAY 2014	JUN 2014	JUL 2014	AUG 2014	SEPT 2014	OCT 2014	NOV 2014	DEC 2014	TOTAL
1. BEGINNING TRUE-UP	1,701,763	1,197,699	372,892	(241,577)	(601,934)	(738,653)	(841,462)	(329,480)	(126,567)	165,016	273,313	243,251	
2. ENDING TRUE-UP BEFORE INTEREST	1,197,608	372,849	(241,581)	(601,908)	(738,620)	(841,429)	(329,451)	(126,555)	165,015	273,301	243,235	(309,544)	
3. TOTAL BEGINNING & ENDING TRUE-UP	2,899,371	1,570,548	131,311	(843,485)	(1,340,554)	(1,580,082)	(1,170,912)	(456,035)	38,447	438,317	516,547	(66,293)	
4. AVERAGE TRUE-UP (LINE 3 TIMES 50%)	1,449,686	785,274	65,655	(421,743)	(670,277)	(790,041)	(585,456)	(228,017)	19,224	219,158	258,274	(33,146)	
5. INTER. RATE - 1ST DAY OF REPORTING MONTH	0.080%	0.070%	0.060%	0.070%	0.080%	0.040%	0.060%	0.060%	0.070%	0.060%	0.070%	0.080%	
6. INTER. RATE - 1ST DAY OF SUBSEQUENT MONTH	0.070%	0.060%	0.070%	0.080%	0.040%	0.060%	0.060%	0.070%	0.060%	0.070%	0.080%	0.100%	
7. TOTAL (SUM LINES 5 & 6)	0.150%	0.130%	0.130%	0.150%	0.120%	0.100%	0.120%	0.130%	0.130%	0.130%	0.150%	0.180%	
8. AVG INTEREST RATE (LINE 7 TIMES 50%)	0.075%	0.065%	0.065%	0.075%	0.060%	0.050%	0.060%	0.065%	0.065%	0.065%	0.075%	0.090%	
9. MONTHLY AVG INTEREST RATE	0.006%	0.005%	0.005%	0.006%	0.005%	0.004%	0.005%	0.005%	0.005%	0.005%	0.006%	0.008%	
10. INTEREST PROVISION (LINE 4 TIMES LINE 9)	91	43	4	(26)	(34)	(33)	(29)	(12)	1	12	16	(2)	29

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Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: NEW RESIDENTIAL CONSTRUCTION

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 to builders for the installation of natural gas appliances in order to defray the initial higher cost associated with piping and venting when installing natural gas appliances.

Program Allowances:	Natural Gas Tank Water Heater	.....	\$ 350
	Natural Gas High Efficiency Water Heater	.....	\$ 400
	Natural Gas Tankless Water Heater	.....	\$ 550
	Natural Gas Furnace	.....	\$ 500
	Natural Gas Cooking (Range, Oven, Cooktop)	.....	\$ 150
	Natural Gas Dryer	.....	\$ 100

Program Summary

New Home Goal:	3,836
New Homes Connected:	<u>3,717</u>
Variance:	<u>119</u>
Percent of Goal:	96.9%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$3,452,769
Actual Cost:	<u>\$3,345,515</u>
Variance:	<u>\$107,254</u>

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: RESIDENTIAL APPLIANCE RETENTION

Description: This program is designed to encourage current natural gas customers to replace existing natural gas appliances with energy efficient natural gas appliances. The program offers allowances to assist in defraying the cost of more expensive energy efficient appliances.

Program Allowances:	Natural Gas Tank Water Heater	.....	\$ 350
	Natural Gas High Efficiency Water Heater	.....	\$ 400
	Natural Gas Tankless Water Heater	.....	\$ 550
	Natural Gas Furnace	.....	\$ 500
	Natural Gas Cooking (Range, Oven, Cooktop)	.....	\$ 100
	Natural Gas Dryer	.....	\$ 100

Program Summary

Goals:	4,845
Actual:	<u>4,853</u>
Variance:	<u>(8)</u>
Percent of Goal:	100.2%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$4,360,837
Actual Cost:	<u>\$4,367,917</u>
Variance:	<u>(\$7,080)</u>

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: RESIDENTIAL APPLIANCE REPLACEMENT

Description: This program was designed to encourage the replacement of electric resistance appliances with energy efficient natural gas appliances by offering incentives to defray the initial higher cost associated with piping and venting for natural gas appliances.

Program Allowances:	Natural Gas Tank Water Heater	..... \$ 500
	Natural Gas High Efficiency Water Heater	..... \$ 550
	Natural Gas Tankless Water Heater	..... \$ 675
	Natural Gas Furnace	..... \$ 725
	Natural Gas Cooking (Range, Oven, Cooktop)	..... \$ 200
	Natural Gas Dryer	..... \$ 150
	Natural Gas Space Heating	..... \$ 65

Program Summary

Goals:	636
Actual:	<u>643</u>
Variance:	<u>(7)</u>

Percent of Goal: 101.0%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$858,834
Actual Cost:	<u>\$867,829</u>
Variance:	<u>(\$8,995)</u>

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: OIL HEAT REPLACEMENT

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 Allowances:	Energy Efficient Gas Furnace	.....	\$	330
	Space Heating	.....	\$	330

Program Summary

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

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$0
Actual Cost:	<u>\$0</u>
Variance:	<u><u>\$0</u></u>

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: COMMERCIAL ELECTRIC REPLACEMENT

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 each kW Displaced \$ 40

Program Summary

Goals:	1,945 (Projected kW Displaced)
Actual:	<u>1,122</u>
Variance:	<u>823</u>
Percent of Goal:	57.7%

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$77,801
Actual Cost:	<u>\$44,884</u>
Variance:	<u>\$32,917</u>

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: GAS SPACE CONDITIONING

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: \$150 / ton

Program Summary

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

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$0
Actual Cost:	<u>\$0</u>
Variance:	<u>\$0</u>

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: SMALL PACKAGE COGEN

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 Allowances: \$150 / kW kW Deferred
\$5,000 Feasibility Study

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

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: MONITORING & RESEARCH

Description: This program will be used to monitor and evaluate PGS existing conservation programs and demonstrate prototype technologies emerging in the marketplace.

Program Summary: Estimated annual cost: \$80,000

Conservation Cost Variance - Actual vs. Projected

Projected Cost:	\$0
Actual Cost:	<u>\$0</u>
Variance:	<u>\$0</u>

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: CONSERVATION DEMONSTRATION DEVELOPMENT

Description: The CDD program allows local distribution companies to pursue opportunities for individual and joint research including testing of technologies to develop new energy conservation programs.

Program Summary: Estimated annual cost: \$150,000

Conservation Cost Variance - Actual vs. Projected

Projected Cost: \$41,801

Actual Cost: \$28,474

Variance: \$13,327

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: COMMERCIAL NEW CONSTRUCTION

Description: This Program is designed to increase the number of high priority natural gas customers in the new commercial construction market. The Company offers incentives to customers for the installation of natural gas appliances in order to defray the initial higher cost associated with piping and venting when installing natural gas appliances.

Program Allowances:

	Small Food	Large Food	Non-Food	Hospitality	Cleaning
Water Heater	up to \$1000	up to \$1500	up to \$1500	up to \$1500	up to \$1500
Tankless Water Heater	up to \$2000	up to \$2000	up to \$2000	up to \$2000	up to \$2000
Fryer	up to \$3000	up to \$3000	N/A	up to \$3000	N/A
Range	up to \$1000	up to \$1500	N/A	up to \$1500	N/A
Dryer	N/A	N/A	N/A	up to \$1500	up to \$1500

Program Summary

Goals: 63
 Actual: 62
 Variance: 1

Percent of Goal: 98.2%

Conservation Cost Variance - Actual vs. Projected

Projected Cost: \$94,489
 Actual Cost: \$92,775
 Variance: \$1,714

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: COMMERCIAL RETENTION

Description: This program is designed to encourage current natural gas customers to replace existing natural gas appliances with energy efficient natural gas appliances. The program offers allowances to assist in defraying the cost of more expensive energy efficient appliances.

Program Allowances:

	Small Food	Large Food	Non-Food	Hospitality	Cleaning
Water Heater	up to \$1000	up to \$1500	up to \$1500	up to \$1500	up to \$1500
Tankless Water Heater	up to \$2000	up to \$2000	up to \$2000	up to \$2000	up to \$2000
Fryer	up to \$3000	up to \$3000	N/A	up to \$3000	N/A
Range	up to \$1000	up to \$1500	N/A	up to \$1500	N/A
Dryer	N/A	N/A	N/A	up to \$1500	up to \$1500

Program Summary

Goals: 280
 Actual: 326
 Variance: (46)

Percent of Goal: 116.5%

Conservation Cost Variance - Actual vs. Projected

Projected Cost: \$419,728
 Actual Cost: \$488,919
 Variance: (\$69,191)

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: COMMERCIAL REPLACEMENT

Description: This program was designed to encourage the replacement of electric appliances with energy efficient natural gas appliances by offering incentives to defray the initial higher cost associated with piping and venting for natural gas appliances.

Program Allowances:

	Small Food	Large Food	Non-Food	Hospitality	Cleaning
Water Heater	up to \$1500	up to \$2000	up to \$2000	up to \$2000	up to \$2000
Tankless Water Heater	up to \$2500	up to \$2500	up to \$2500	up to \$2500	up to \$2500
Fryer	up to \$3000	up to \$3000	N/A	up to \$3000	N/A
Range	up to \$1500	up to \$1500	N/A	up to \$1500	N/A
Dryer	N/A	N/A	N/A	up to \$1500	up to \$1500

Program Summary

Goals: 68
 Actual: 101
 Variance: (32)

Percent of Goal: 147.2%

Conservation Cost Variance - Actual vs. Projected

Projected Cost: \$170,751
 Actual Cost: \$251,295
 Variance: (\$80,544)

Program Progress Report

Reporting Period: JANUARY 2014 THROUGH DECEMBER 2014

Name: COMMON COSTS

Conservation Cost Variance - Actual vs. Projected

Projected Cost: \$1,691,112

Actual Cost: \$1,741,602

Variance: (\$50,490)