

Writer's E-Mail Address: bkeating@gunster.com

May 1, 2024

VIA E-PORTAL

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

Re: Docket No. 20240004-GU – Natural Gas Conservation Cost Recovery

Dear Mr. Teitzman:

Attached for filing in the above-referenced docket, please find Florida Public Utilities Company's Petition for Approval of Final True-Up, along with the Testimony and Exhibit DMC-1 of Derrick Craig for the Company.

Should you have any questions whatsoever, please do not hesitate to contact me. Thank you for your assistance in this matter.

Sincerely,



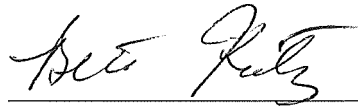
Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

MEK

4. As indicated in the Testimony of Mr. Derrick M. Craig, for the period January 2023 through December 2023, the Company over-recovered \$1,271,765, as compared to its estimated over-recovery of \$1,511,155, resulting in an adjusted end of period total true up amount of an under-recovery of \$239,390, as further indicated on Exhibit DMC-1.

WHEREFORE, the Company respectfully requests that the Commission approve the Company's final natural gas conservation true-up amount for the period January 1, 2023 through December 31, 2023 for inclusion in the calculation of the Company's Conservation Cost Recovery Factors to be applied in 2025.

RESPECTFULLY SUBMITTED this 1st day of May 2024.



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 the Florida Public Utilities Company's Petition for Approval of the Conservation Cost Recovery True-Up Amount in Docket No. 20230004-GU has been furnished by Electronic Mail to the following parties of record this 1st day of May 2024, along with a copy of the referenced Testimony and Exhibit (DMC-1) of Mr. Craig:

Michelle D. Napier Director, Regulatory Affairs Distribution Florida Public Utilities Company 1635 Meathe Drive West Palm Beach, Florida 33411 W: (561) 838-1712 mnapier@fpuc.com Derrick Craig, Manager/Energy Conservation 208 Wildlight Ave Yulee, Florida 32097 dcraig@chpk.com	J. Jeffrey Wahlen Malcolm Means Virginia Ponder Ausley & McMullen P.O. Box 391 Tallahassee, FL 32302 jwahlen@ausley.com mmeans@ausley.com vponder@ausley.com
Florida Public Service Commission Timothy Sparks 2540 Shumard Oak Boulevard Tallahassee, FL 32399 tsparks@psc.state.fl.us discovery-gcl@psc.state.fl.us	Office of Public Counsel Walter Trierweiler/Charles Rehwinkel/Patricia Christensen//M. Wessling c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400 christensen.patty@leg.state.fl.us Rehwinkel.Charles@leg.state.fl.us Wessling.Mary@leg.state.fl.us
Peoples Gas System Paula Brown/Karen Bramley/Nora Bordine P.O. Box 111 Tampa, FL 33601-0111 regdept@tecoenergy.com klbramley@tecoenergy.com nmbordine@tecoenergy.com	St. Joe Natural Gas Company, Inc. Mr. Andy Shoaf/Debbie Stitt P.O. Box 549 Port St. Joe, FL 32457-0549 andy@stjoegas.com dstitt@stjoegas.com
	Sebring Gas System, Inc. Jerry H. Melendy, Jr. 3515 U.S. Highway 27 South Sebring, FL 33870 jmelendy@floridasbestgas.com



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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 20240004-GU
DETERMINATION OF CONSERVATION COSTS RECOVERY
FACTOR

Direct Testimony of
Derrick M. Craig
On Behalf of
Florida Public Utilities Company

1 Q. Please state your name and business address.

2 A. Derrick M. Craig: my business address is 208 Wildlight Avenue, Yulee, Florida
3 32097.

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

5 A. I am employed by Florida Public Utilities Company as the Energy Conservation
6 Manager.

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 Conservation
9 costs for the period January 1, 2023 through December 31, 2023 as compared to the
10 amount previously reported for that period which was based on Six months actual
11 and Six months estimated data.

12 Q. Please state the actual amount of over/under recovery of Conservation Program costs
13 for the gas divisions of Florida Public Utilities Company for January 1, 2023 through
14 December 31, 2023.

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1 A. The Company over-recovered \$1,271,765 during that period. This amount is
2 substantiated on Schedule CT-3, page 2 of 3, Calculation of True-up and Interest
3 Provision.

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

6 A. We had estimated that we would over-recover \$1,511,155 as of December 31, 2023.

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

8 A. We have prepared and pre-filed Schedules CT-1, CT-2, CT-3, CT-4, CT-5 and CT-6
9 (Composite Exhibit DMC-1).

10 Q. Does this conclude your testimony?

11 A. Yes.

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CONSERVATION ADJUSTMENT TRUE-UP

FOR MONTHS January-23 THROUGH December-23

1.	ADJUSTED END OF PERIOD TOTAL NET TRUE-UP		
2.	FOR MONTHS	January-23	THROUGH December-23
3.	END OF PERIOD NET TRUE-UP		
4.	PRINCIPAL	<u>(1,207,157)</u>	
5.	INTEREST	<u>(64,608)</u>	<u>(1,271,765)</u>
6.	LESS PROJECTED TRUE-UP		
7.	November-23 HEARINGS		
8.	PRINCIPAL	<u>(1,442,961)</u>	
9.	INTEREST	<u>(68,194)</u>	<u>(1,511,155)</u>
10.	ADJUSTED END OF PERIOD TOTAL TRUE-UP		<u><u>239,390</u></u>

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY AND FLORIDA DIVISION OF CHESAPEAKE UTILITIES CORPORATION CONSOLIDATED NATURAL GAS COMPANIES
SCHEDULE CT-2
PAGE 1 OF 3
ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VS PROJECTED

	FOR MONTHS	January-23	THROUGH	December-23	
		<u>ACTUAL</u>		<u>PROJECTED</u>	<u>DIFFERENCE</u>
1.	Labor/Payroll	833,669		813,545	20,124
2.	Advertisement	884,258		729,211	155,047
3.	Legal	4,595		3,146	1,449
4.	Outside Services	43,706		75,980	(32,274)
5.	Vehicle Costs	8,800		16,099	(7,299)
6.	Materials & Supplies	8,249		10,337	(2,088)
7.	Travel	71,349		87,334	(15,985)
8.	General & Administrative				
9.	Incentives	2,906,087		2,817,005	89,082
10.	Other	35,480		51,445	(15,965)
11.	SUB-TOTAL	4,796,193		4,604,101	192,092
12.	PROGRAM REVENUES				
13.	TOTAL PROGRAM COSTS	4,796,193		4,604,101	192,092
14.	LESS: PRIOR PERIOD TRUE-UP	(948,141)		(948,141)	
15.	AMOUNTS INCLUDED IN RATE BASE				
16.	CONSERVATION ADJ REVENUE	(5,055,208)		(5,098,921)	43,713
17.	ROUNDING ADJUSTMENT				
18.	TRUE-UP BEFORE INTEREST	(1,207,157)		(1,442,961)	235,804
19.	ADD INTEREST PROVISION	(64,608)		(68,194)	3,586
20.	END OF PERIOD TRUE-UP	(1,271,765)		(1,511,155)	239,390

() REFLECTS OVERRECOVERY

EXHIBIT NO. _____
DOCKET NO. 20240004-GU
FLORIDA PUBLIC UTILITIES CO.
(DMC-1)
PAGE 2 OF 24

ACTUAL CONSERVATION PROGRAM COSTS PER PROGRAM

FOR MONTHS January-23 THROUGH December-23

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	385,945	69,818			4,349	149	29,920		1,722,646	20,636	2,233,464		2,233,464
2 Residential Appliance Replacement		281,561							107,841		389,403		389,403
3 Conservation Education		56,215									56,215		56,215
4 Space Conditioning													
5 Residential Conservation Survey		1,495		8,100							9,595		9,595
6 Residential Appliance Retention		276,850					7,635		337,803		622,288		622,288
7 Commercial Conservation Survey													
8 Residential Service Reactivation		11,539									11,539		11,539
9 Common	447,724	18,019	4,595	35,606	4,450	8,100	33,694			4,080	556,268		556,268
10 Conservation Demonstration and Development													
11 Commercial Small Food Program		32,372					100		480,645	2,073	515,190		515,190
12 Commercial Large Non-Food Service Program		36,597							29,699	2,173	68,469		68,469
13 Commercial Large Food Service Program		31,597							87,920	2,173	121,690		121,690
14 Commercial Large Hospitality Program		36,597							42,424	2,173	81,194		81,194
15 Commercial Large Cleaning Service Program		31,597							97,109	2,173	130,879		130,879
16 Residential Propane Distribution Program													
15 TOTAL ALL PROGRAMS	833,669	884,258	4,595	43,706	8,800	8,249	71,349		2,906,087	35,480	4,796,193		4,796,193

EXHIBIT NO. _____
DOCKET NO. 20240004-GU
FLORIDA PUBLIC UTILITIES CO.
(DMC-1)
PAGE 3 OF 24

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

FOR MONTHS January-23 THROUGH December-23

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	153,542	3,227			901	(898)	9,905		80,167	5,663	252,507		252,507
2 Residential Appliance Replacement	(35,000)	52,163			(1,000)	(750)	(3,500)		(1,703)		10,210		10,210
3 Conservation Education	(2,500)	26,217		(7,500)							16,217		16,217
4 Space Conditioning		(1,250)									(1,250)		(1,250)
5 Residential Conservation Survey	(2,500)	(2,500)		(6,425)							(11,425)		(11,425)
6 Residential Appliance Retention	(35,000)	47,902			(1,000)	(750)	(3,500)		(44,041)		(36,389)		(36,389)
7 Commercial Conservation Survey	(2,500)	(1,250)									(3,750)		(3,750)
8 Residential Service Reactivation	(2,500)	4,039							(2,500)		(961)		(961)
9 Common	32,833	(2,631)	1,449	(18,348)	(4,100)	1,911	(11,140)			(2,935)	(2,963)		(2,963)
10 Conservation Demonstration and Development													
11 Commercial Small Food Program	(37,500)	4,446			(1,250)	(750)	(4,500)		32,475	(3,738)	(10,817)		(10,817)
12 Commercial Large Non-Food Service Program	(7,500)	8,671			(150)	(150)	(500)		(18,893)	(3,738)	(22,260)		(22,260)
13 Commercial Large Food Service Program	(11,250)	3,671			(200)	(200)	(750)		27,418	(3,738)	14,951		14,951
14 Commercial Large Hospitality Program	(15,000)	8,671			(250)	(250)	(1,000)		900	(3,738)	(10,668)		(10,668)
15 Commercial Large Cleaning Service Program	(15,000)	3,671			(250)	(250)	(1,000)		15,259	(3,738)	(1,308)		(1,308)
16 Residential Propane Distribution Program													
5. TOTAL ALL PROGRAMS	20,124	155,047	1,449	(32,273)	(7,299)	(2,088)	(15,985)		89,082	(15,965)	192,093		192,093

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

FOR MONTHS		January-23	THROUGH	December-23										
A. CONSERVATION EXPENSE BY PROGRAM		JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1	Full House Residential New Construction	403,822	67,465	183,566	125,802	208,124	84,679	93,924	291,296	113,441	416,356	147,035	97,954	2,233,464
2	Residential Appliance Replacement	8,896	31,576	35,860	37,590	33,505	29,017	35,475	27,182	30,326	16,244	48,873	54,860	389,403
3	Conservation Education		1,666	833	833	833	833	20,833	(1,467)	833	833	15,926	14,259	56,215
4	Space Conditioning													
5	Residential Conservation Survey	338	338	338	338	1,833	338	338	338	338	338	4,388	338	9,595
6	Residential Appliance Retention	36,377	54,243	54,039	42,491	61,089	32,689	57,384	56,066	52,258	44,029	57,087	74,536	622,288
7	Commercial Conservation Survey													
8	Residential Service Reactivation												11,539	11,539
9	Common	51,020	31,328	31,612	42,210	52,556	53,506	42,518	30,565	44,359	50,827	69,711	56,056	556,268
10	Conservation Demonstration and Development													
11	Commercial Small Food Program	46,939	45,719	49,243	36,615	39,107	45,384	28,298	39,277	47,745	73,162	45,682	18,019	515,190
12	Commercial Large Non-Food Service Program	2,664	2,385	3,608	2,457	17,983	14,332	2,462	3,628	2,556	224	4,785	11,385	68,469
13	Commercial Large Food Service Program	1,709	2,385	12,615	22,446	3,217	2,967	7,848	14,405	2,556	19,730	7,081	24,731	121,690
14	Commercial Large Hospitality Program	1,704	2,385	15,127	2,457	6,721	2,967	5,211	8,879	2,556	17,016	4,785	11,385	81,194
15	Commercial Large Cleaning Service Program	203	12,229	6,610	2,457	34,721	2,967	22,461	4,923	12,558	5,578	19,786	6,385	130,879
16	Residential Propane Distribution Program													
5.	TOTAL ALL PROGRAMS	553,670	251,717	393,452	315,696	459,688	269,678	316,752	475,092	309,527	644,337	425,139	381,446	4,796,193
6.	LESS AMOUNT INCLUDED IN RATE BASE													
7.	RECOVERABLE CONSERVATION EXPENSES	553,670	251,717	393,452	315,696	459,688	269,678	316,752	475,092	309,527	644,337	425,139	381,446	4,796,193

CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-23 THROUGH December-23

B.	CONSERVATION REVENUES	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1.	RESIDENTIAL CONSERVATION													
2.	CONSERVATION ADJ. REVENUES	(585,671)	(476,352)	(461,326)	(455,752)	(380,675)	(374,990)	(349,703)	(333,584)	(353,680)	(352,255)	(443,871)	(487,349)	(5,055,208)
3.	TOTAL REVENUES	(585,671)	(476,352)	(461,326)	(455,752)	(380,675)	(374,990)	(349,703)	(333,584)	(353,680)	(352,255)	(443,871)	(487,349)	(5,055,208)
4.	PRIOR PERIOD TRUE-UP ADJ. NOT APPLICABLE TO THIS PERIOD	(79,009)	(79,012)	(79,012)	(79,012)	(79,012)	(79,012)	(79,012)	(79,012)	(79,012)	(79,012)	(79,012)	(79,012)	(948,141)
5.	CONSERVATION REVENUE APPLICABLE	(664,680)	(555,364)	(540,338)	(534,764)	(459,687)	(454,002)	(428,715)	(412,596)	(432,692)	(431,267)	(522,883)	(566,361)	(6,003,349)
6.	CONSERVATION EXPENSES (FROM CT-3, PAGE 1, LINE 23)	553,670	251,717	393,452	315,696	459,688	269,678	316,752	475,092	309,527	644,337	425,139	381,446	4,796,193
7.	TRUE-UP THIS PERIOD (LINE 5 - 6)	(111,010)	(303,647)	(146,886)	(219,068)	1	(184,324)	(111,963)	62,495	(123,165)	213,070	(97,744)	(184,915)	(1,207,157)
8.	INTEREST PROVISION THIS PERIOD (FROM CT-3, PAGE 3, LINE 10)	(3,459.00)	(4,091)	(4,897)	(5,454)	(5,744)	(5,992)	(6,405)	(6,294)	(6,155)	(5,651)	(5,086)	(5,380)	(64,608)
9.	TRUE-UP AND INTEREST PROVISION BEGINNING OF MONTH	(948,141)	(983,601)	(1,212,327)	(1,285,098)	(1,430,609)	(1,357,339)	(1,468,643)	(1,507,999)	(1,372,786)	(1,423,094)	(1,136,663)	(1,160,481)	(948,141)
9A.	DEFERRED TRUE-UP BEGINNING OF PERIOD													
10.	PRIOR TRUE-UP COLLECTED (REFUNDED)	79,009	79,012	79,012	79,012	79,012	79,012	79,012	79,012	79,012	79,012	79,012	79,012	948,141
11.	TOTAL NET TRUE-UP (LINES 7+8+9+9A+10)	(983,601)	(1,212,327)	(1,285,098)	(1,430,609)	(1,357,339)	(1,468,643)	(1,507,999)	(1,372,786)	(1,423,094)	(1,136,663)	(1,160,481)	(1,271,765)	(1,271,765)

CALCULATION OF TRUE-UP AND INTEREST PROVISION

FOR MONTHS January-23 THROUGH December-23

C. INTEREST PROVISION	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. BEGINNING TRUE-UP (LINE B-9)	(948,141)	(983,601)	(1,212,327)	(1,285,098)	(1,430,609)	(1,357,339)	(1,468,643)	(1,507,999)	(1,372,786)	(1,423,094)	(1,136,663)	(1,160,481)	(948,141)
2. ENDING TRUE-UP BEFORE INTEREST (LINES B7+B9+B9A+B10)	<u>(980,142)</u>	<u>(1,208,236)</u>	<u>(1,280,201)</u>	<u>(1,425,155)</u>	<u>(1,351,595)</u>	<u>(1,462,651)</u>	<u>(1,501,594)</u>	<u>(1,366,482)</u>	<u>(1,416,939)</u>	<u>(1,131,012)</u>	<u>(1,155,395)</u>	<u>(1,266,385)</u>	<u>(1,207,157)</u>
3. TOTAL BEG. AND ENDING TRUE-UP	(1,928,283)	(2,191,837)	(2,492,529)	(2,710,253)	(2,782,204)	(2,819,990)	(2,970,237)	(2,874,481)	(2,789,725)	(2,554,106)	(2,292,059)	(2,426,866)	(2,155,298)
4. AVERAGE TRUE-UP (LINE C-3 X 50%)	(964,141)	(1,095,919)	(1,246,264)	(1,355,126)	(1,391,102)	(1,409,995)	(1,485,119)	(1,437,245)	(1,394,862)	(1,277,053)	(1,146,029)	(1,213,433)	(1,077,649)
5. INTEREST RATE - FIRST DAY OF REPORTING BUSINESS MONTH	4.25%	4.36%	4.60%	4.83%	4.83%	5.08%	5.12%	5.23%	5.28%	5.31%	5.31%	5.34%	
6. INTEREST RATE - FIRST DAY OF SUBSEQUENT BUSINESS MONTH	<u>4.36%</u>	<u>4.60%</u>	<u>4.83%</u>	<u>4.83%</u>	<u>5.08%</u>	<u>5.12%</u>	<u>5.23%</u>	<u>5.28%</u>	<u>5.31%</u>	<u>5.31%</u>	<u>5.34%</u>	<u>5.30%</u>	
7. TOTAL (LINE C-5 + C-6)	8.61%	8.96%	9.43%	9.66%	9.91%	10.20%	10.35%	10.51%	10.59%	10.62%	10.65%	10.64%	
8. AVG. INTEREST RATE (C-7 X 50%)	4.31%	4.48%	4.72%	4.83%	4.96%	5.10%	5.18%	5.26%	5.30%	5.31%	5.33%	5.32%	
9. MONTHLY AVERAGE INTEREST RATE	0.359%	0.373%	0.393%	0.403%	0.413%	0.425%	0.431%	0.438%	0.441%	0.443%	0.444%	0.443%	
10. INTEREST PROVISION (LINE C-4 X C-9)	<u>(3,459,00)</u>	<u>(4,091)</u>	<u>(4,897)</u>	<u>(5,454)</u>	<u>(5,744)</u>	<u>(5,992)</u>	<u>(6,405)</u>	<u>(6,294)</u>	<u>(6,155)</u>	<u>(5,651)</u>	<u>(5,086)</u>	<u>(5,380)</u>	<u>(64,608)</u>

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN

FOR MONTHS January-23 THROUGH December-23

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

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY AND FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION CONSOLIDATED NATURAL GAS COMPANIES
RECONCILIATION AND EXPLANATION OF
DIFFERENCES BETWEEN FILING AND PSC AUDIT

SCHEDULE CT-5
PAGE 1 OF 1

FOR MONTHS January-23 THROUGH December-23

AUDIT EXCEPTION: TO OUR KNOWLEDGE, NONE EXIST

COMPANY RESPONSE:

EXHIBIT NO. _____
DOCKET NO. 20240004-GU
FLORIDA PUBLIC UTILITIES CO.
(DMC-1)
PAGE 9 OF 24

Program Description and Progress

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
10. Commercial Small Food Service Program
11. Commercial Non-Food Service Program
12. Commercial Large Food Service Program
13. Commercial Hospitality and Lodging Program
14. Commercial Cleaning Service and Laundromat 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, 2023 through December 31, 2023, 6,173 incentives were paid. There were 582 Tank Water Heaters, 0 High Efficiency Tank Water Heaters, 1,918 Tankless Water Heaters, 3 Furnaces, 2,060 Ranges, and 1,610 Dryers.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2023 through December 31, 2023 were **\$2,233,464**.

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, 2023 through December 31, 2023, 213 incentives were paid. There were 2 Tank Water Heaters, 4 High Efficiency Tank Water Heaters, 129 Tankless Water Heaters, 3 Furnaces, 43 Ranges, and 32 Dryers.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2023 through December 31, 2023 were **\$389,403**.

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 11,087 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, 2023 through December 31, 2023, 883 incentives were paid. There were 274 Tank Water Heaters, 137 High Efficiency Tank Water Heaters, 212 Tankless Water Heaters, 124 Furnaces, 50 Ranges, and 86 Dryers.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2023 through December 31, 2023 were **\$622,288**.

PROGRAM PROGRESS SUMMARY: The FPSC approved this program on August 29, 2000. From the inception through the reporting period, FPUC has retained 18,215 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, 2023 through December 31, 2023, 0 incentives were paid.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2023 through December 31, 2023 were **\$11,539**.

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 3 residential surveys was performed.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2023 through December 31, 2023 were **\$9,595**.

PROGRAM PROGRESS SUMMARY: This program was implemented on September 1, 2000. Since inception through the reporting period, 397 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, 4 commercial surveys were completed during the reporting period.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2023 through December 31, 2023 was **\$0**.

PROGRAM PROGRESS SUMMARY: This program was implemented on September 1, 2000. From the inception of this program through the reporting period 241 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 14 educational seminars and events to educate customers. Due to the pandemic, some of the Company's educational opportunities were virtual in nature and ranged from sponsorships with local organizations to educational materials that were sent directly to customers.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2023 through December 31, 2023 were **\$56,215**.

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 0 participants in this program in 2023.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2023 through December 31, 2023 was **\$0**.

PROGRAM PROGRESS SUMMARY: From FPSC approval of the program on August 29, 2000 through December 31, 2023, FPUC has connected 12 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 2023, Florida Public Utilities had no research and development projects.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2023 through December 31, 2023 were **\$0**.

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

PROGRAM TITLE: Commercial Small Food Service Program

PROGRAM DESCRIPTION: This program is designed to encourage owners and operators of small food service restaurants to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial food service customers are defined as establishments primarily engaged in the retail sale of prepared food and drinks for on-premise or immediate consumption with an annual consumption of less than 9,000 therms. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

CURRENT APPROVED ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,000	\$1,500	\$1,000
Tankless Water	\$2,000	\$2,500	\$2,000
Fryer	\$3,000	\$3,000	\$3,000
Range	\$1,000	\$1,500	\$1,000

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2023 through December 31, 2023, 223 incentives were paid. There were 4 Tank Water Heaters, 110 Tankless Water Heaters, 90 Fryers and 19 Ranges.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2023 through December 31, 2023 were **\$515,190**.

PROGRAM PROGRESS SUMMARY: Since inception, 3,338

PROGRAM TITLE: Commercial Non-Food Service Program

PROGRAM DESCRIPTION: This program is designed to encourage owners and operators of commercial buildings to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial non-food service customers are defined as establishments that are not associated with the Food Service, Hospitality, or Cleaning industries. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

CURRENT APPROVED ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,500	\$2,000	\$1,500
Tankless Water	\$2,000	\$2,500	\$2,000

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2023 through December 31, 2023, 13 incentives were paid. There was 1 Tank Water Heater and 12 Tankless Water Heaters.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2023 through December 31, 2023 were **\$68,469**.

PROGRAM PROGRESS SUMMARY: Since inception, 355 appliances have qualified for this program.

PROGRAM TITLE: Commercial Large Food Service Program

PROGRAM DESCRIPTION: This program is designed to encourage owners and operators of large food service restaurants to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial large food service customers are defined as establishments primarily engaged in the retail sale of prepared food and drinks for on-premise or immediate consumption with an annual consumption of greater than 9,000 therms. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

CURRENT APPROVED ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,500	\$2,000	\$1,500
Tankless Water	\$2,000	\$2,500	\$2,000
Fryer	\$3,000	\$3,000	\$3,000
Range	\$1,500	\$1,500	\$1,500

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2023 through December 31, 2023, **44** incentives were paid. There was 1 Tank Water Heaters, 7 Tankless Water Heaters, 32 Fryers and 4 Ranges.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2023 through December 31, 2023 were **\$121,690**.

PROGRAM PROGRESS SUMMARY: Since inception, 619 appliances have qualified for this program.

PROGRAM TITLE: Commercial Hospitality and Lodging Program

PROGRAM DESCRIPTION: This program is designed to encourage owners and operators of hospitality & lodging facilities to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial hospitality and lodging customers are defined as establishments known to the public as hotels, motor hotels, motels or tourist courts, primarily engaged in providing lodging, or lodging and meals, for the general public. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

CURRENT APPROVED ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,500	\$2,000	\$1,500
Tankless Water	\$2,000	\$2,500	\$2,000
Fryer	\$3,000	\$3,000	\$3,000
Range	\$1,500	\$1,500	\$1,500
Dryer	\$1,500	\$1,500	\$1,500

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2023 through December 31, 2023, 17 incentives were paid. There were 5 Tank Water Heaters, 10 Tankless Water Heaters, 0 Fryers, 1 Range and 1 Dryer.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2023 through December 31, 2023 were **\$81,194**.

PROGRAM PROGRESS SUMMARY: Since inception, 590 appliances have qualified for this program.

PROGRAM TITLE: Commercial Cleaning Service and Laundromat Program

PROGRAM DESCRIPTION: This program is designed to encourage owners and operators of cleaning service & Laundromat facilities to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates. Commercial cleaning service and laundromat customers are defined as establishments primarily engaged in operating mechanical laundries with steam or other power or in supplying laundered work clothing on a contract or fee basis. The rebates offered within this program are limited to the specific appliance types and rebate categories depicted below.

CURRENT APPROVED ALLOWANCES:

Appliance	New Construction	Replacement	Retention
Water Heater	\$1,500	\$2,000	\$1,500
Tankless Water	\$2,000	\$2,500	\$2,000
Dryer	\$1,500	\$1,500	\$1,500

PROGRAM ACCOMPLISHMENTS: For the reporting period January 1, 2023 through December 31, 2023, 68 incentives were paid. There was 1 Tank Water Heater, 10 Tankless Water Heaters, and 57 Dryers.

PROGRAM FISCAL EXPENDITURES: The expenditures for the reporting period of January 1, 2023 through December 31, 2023 were **\$130,879**.

PROGRAM PROGRESS SUMMARY: Since inception, 677 appliances have qualified for this program.