

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

May 14, 2025

VIA E-PORTAL

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

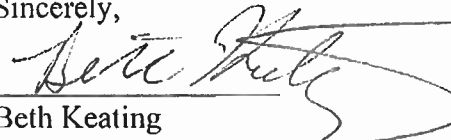
Re: Docket No. 20250004-GU – Natural Gas Conservation Cost Recovery

Dear Mr. Teitzman:

Attached for filing in the above-referenced docket, please find the corrected Exhibit No. JHM-1 of Jerry Melendy, submitted on behalf of Sebring Gas System, Inc. This filing should replace, in its entirety the exhibit attached to Mr. Melendy's testimony filed on April 30, 2025 [Document No. 03280-2025, pages 6-11 of file].

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

SCHEDULE CT-1

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Company: Sebring Gas System, Inc.

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ADJUSTED NET TRUE-UP
FOR MONTHS: JANUARY 2024 THROUGH DECEMBER 2024

END OF PERIOD TRUE-UP

PRINCIPLE	\$3,999	
INTEREST	<u>\$19</u>	\$4,018

LESS PROJECTED TRUE-UP

PRINCIPLE	\$5,949	
INTEREST	<u>(\$158)</u>	<u>\$5,791</u>

ADJUSTED NET TRUE-UP		(\$1,773)
() REFLECTS OVER-RECOVERY		

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VERSUS ESTIMATED

FOR MONTHS: JANUARY 2024 THROUGH DECEMBER 2024

	<u>ACTUAL</u>	<u>PROJECTED</u>	<u>DIFFERENCE</u>
CAPITAL INVESTMENT	\$0	\$0	\$0
PAYROLL & BENEFITS	\$66	\$12,594 C-3.2/5	(\$12,528)
MATERIALS & SUPPLIES	\$0	\$0	\$0
ADVERTISING	\$0	\$0	\$0
INCENTIVES	\$17,740	\$17,550 C-3.2/5	\$190
OUTSIDE SERVICES	\$3,113	\$2,064 C-3.2/5	\$1,049
VEHICLES	\$0	\$0	\$0
OTHER	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
SUB TOTAL	\$20,919	\$32,208 C-3.2/5	(\$11,290)
PROGRAM REVENUES	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL PROGRAM COSTS	\$20,919	\$32,208 C-3.2/5	(\$11,290)
LESS:			
CONSERVATION REVENUES APPLICABLE TO THE PERIOD	(\$29,664)	(\$26,259) C-3, p.4 line 5	(\$3,405)
ROUNDING ADJUSTMENTS	<u>\$0</u>	<u>\$0</u>	\$0
TRUE-UP BEFORE INTEREST	\$3,999	\$5,949	<u>(\$1,950)</u>
INTEREST PROVISION	\$19	(\$158) C-3 p 4 line 8	\$177
END OF PERIOD TRUE-UP	<u>\$4,018</u>	<u>\$5,791</u>	<u>(\$1,773)</u>
() REFLECTS OVER-RECOVERY			

Actual Conservation Program Costs per Program
FOR MONTHS: JANUARY 2024 THROUGH DECEMBER 2024

Program Name	<u>Capital Investment</u>	<u>Payroll & Benefits</u>	<u>Materials & Supplies</u>	<u>Advertising</u>	<u>Incentives</u>	<u>Outside Services</u>	<u>Vehicles</u>	<u>Other</u>	<u>TOTAL</u>
Program 1: Res. New Home Const.	\$0	\$2,135	\$0	\$0	\$0	\$519	\$0	\$0	\$2,654
Program 2: Res. Appliance Replace	\$0	\$2,135	\$0	\$0	\$2,725	\$519	\$0	\$0	\$5,379
Program 3: Customer Retention	\$0	\$2,135	\$0	\$0	\$1,600	\$519	\$0	\$0	\$4,254
Program 4: Comm Small Food	\$0	\$2,135	\$0	\$0	\$10,000	\$519	\$0	\$0	\$12,654
Program 5: Comm Large Food	\$0	\$2,135	\$0	\$0	\$2,415	\$519	\$0	\$0	\$5,069
Program 6: Comm Hospitality	\$0	\$2,135	\$0	\$0	\$1,000	\$519	\$0	\$0	\$3,654
TOTAL	\$0	\$12,811	\$0	\$0	\$17,740	\$3,113	\$0	\$0	\$33,664

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Conservation Costs per Program - Variance Actual Versus Projected

FOR MONTHS: JANUARY 2024 THROUGH DECEMBER 2024

Program Name	Capital <u>Investment</u>	Payroll & <u>Benefits</u>	Materials & <u>Supplies</u>	<u>Advertising</u>	<u>Incentives</u>	Outside <u>Services</u>	<u>Vehicles</u>	<u>Other</u>	<u>TOTAL</u>
Program 1: Res. New Home Const.	\$0	\$36	\$0	\$0	(\$800)	\$175	\$0	\$0	(\$589)
Program 2: Res. Appliance Replace	\$0	\$36	\$0	\$0	\$525	\$175	\$0	\$0	\$736
Program 3: Customer Retention	\$0	\$36	\$0	\$0	(\$450)	\$175	\$0	\$0	(\$239)
Program 4: Comm Small Food	\$0	\$36	\$0	\$0	\$6,500	\$175	\$0	\$0	\$6,711
Program 5: Comm Large Food	\$0	\$36	\$0	\$0	(\$1,585)	\$175	\$0	\$0	(\$1,374)
Program 6: Comm Hospitality	\$0	\$36	\$0	\$0	(\$4,000)	\$175	\$0	\$0	(\$3,789)

TOTAL

\$0	\$217	\$0	\$0	\$190	\$1,049	\$0	\$0	\$1,456
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Energy conservation Adjustment Calculation of True-Up and Interest Provision
 Summary of Expenses By program By Month
 FOR MONTHS: JANUARY 2024 THROUGH DECEMBER 2024

Program Name	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>TOTAL</u>
Program 1: Res. New Home Const.	\$212	\$187	\$175	\$175	\$231	\$175	\$193	\$250	\$175	\$458	\$206	\$219	\$2,654
Program 2: Res. Appliance Replace	\$212	\$187	\$1,350	\$175	\$231	\$175	\$193	\$250	\$175	\$2,008	\$206	\$219	\$5,379
Program 3: Customer Retention	\$212	\$187	\$375	\$175	\$231	\$175	\$193	\$250	\$175	\$1,758	\$206	\$319	\$4,254
Program 4 Comm Small Food	\$212	\$187	\$175	\$175	\$231	\$175	\$193	\$250	\$175	\$458	\$206	\$10,219	\$12,654
Program 5 Comm Large Food	\$212	\$187	\$175	\$175	\$231	\$175	\$193	\$250	\$2,589	\$458	\$206	\$219	\$5,069
Program 6 Comm Hospitality	\$212	\$187	\$175	\$175	\$231	\$175	\$193	\$250	\$175	\$1,458	\$206	\$219	\$3,654
TOTAL	\$1,271	\$1,124	\$2,422	\$1,047	\$1,385	\$1,047	\$1,158	\$1,499	\$3,464	\$6,598	\$1,236	\$11,413	\$33,663

Energy conservation Adjustment Calculation of True-Up and Interest Provision

FOR MONTHS: JANUARY 2024 THROUGH DECEMBER 2024

Conservation

Revenues

	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>TOTAL</u>
1 RCS AUDIT FEES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2 PSC REG ASSESS FEE	\$20	\$18	\$15	\$17	\$15	\$13	\$15	\$14	\$14	\$22	\$14	\$20	\$196
3 CONSERV. ADJ. REVS	(\$3,994)	(\$3,508)	(\$3,065)	(\$3,396)	(\$2,985)	(\$2,565)	(\$2,925)	(\$2,709)	(\$2,829)	(\$4,351)	(\$2,895)	(\$3,968)	(\$39,189)
4 TOTAL REVENUES	(\$3,974)	(\$3,491)	(\$3,050)	(\$3,379)	(\$2,970)	(\$2,552)	(\$2,910)	(\$2,695)	(\$2,815)	(\$4,329)	(\$2,880)	(\$3,949)	(\$38,993)
5 PRIOR PERIOD TRUE-UP NOT APPLICABLE TO THIS PERIOD	\$777	\$777	\$777	\$777	\$777	\$777	\$777	\$777	\$777	\$777	\$777	\$777	\$9,329
6 CONSERVATION REVS APPLICABLE TO THIS PERIOD	(\$3,197)	(\$2,713)	(\$2,272)	(\$2,602)	(\$2,192)	(\$1,775)	(\$2,133)	(\$1,918)	(\$2,038)	(\$3,551)	(\$2,103)	(\$3,171)	(\$29,664)
7 CONSERVATION EXPS (FROM CT-3, PAGE 1)	\$1,271	\$1,124	\$2,422	\$1,047	\$1,385	\$1,047	\$1,158	\$1,499	\$3,464	\$6,598	\$1,236	\$11,413	\$33,663
8 TRUE-UP THIS PERIOD	(\$1,926)	(\$1,590)	\$150	(\$1,555)	(\$808)	(\$727)	(\$974)	(\$419)	\$1,426	\$3,046	(\$867)	\$8,242	\$3,999
9 INT. PROV. THIS PERIOD (FROM CT-3, PAGE 3)	\$36	\$24	\$18	\$11	\$3	(\$4)	(\$11)	(\$18)	(\$18)	(\$12)	(\$10)	\$1	\$19
10 TRUE-UP & INT. PROV. BEGINNING OF MONTH.	\$9,329	\$6,662	\$4,319	\$3,709	\$1,388	(\$194)	(\$1,703)	(\$3,467)	(\$4,680)	(\$4,050)	(\$1,793)	(\$3,447)	
11 PRIOR TRUE-UP (COLLECTED) REFUNDED	(\$777)	(\$777)	(\$777)	(\$777)	(\$777)	(\$777)	(\$777)	(\$777)	(\$777)	(\$777)	(\$777)	(\$777)	
TOTAL NET TRUE-UP													
12 (SUM LINES 8+9+10+11)	\$6,662	\$4,319	\$3,709	\$1,388	(\$194)	(\$1,703)	(\$3,467)	(\$4,680)	(\$4,050)	(\$1,793)	(\$3,447)	\$4,018	\$4,018

Calculation of True-Up and Interest Provision
FOR MONTHS: JANUARY 2024 THROUGH DECEMBER 2024

Interest Provision	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
1 BEGINNING TRUE-UP	\$9,329	\$6,662	\$4,319	\$3,709	\$1,388	(\$194)	(\$1,703)	(\$3,467)	(\$4,680)	(\$4,050)	(\$1,793)	(\$3,447)	
ENDING TRUE-UP BEFORE													
2 INTEREST	\$6,626	\$4,295	\$3,691	\$1,377	(\$197)	(\$1,699)	(\$3,455)	(\$4,663)	(\$4,032)	(\$1,782)	(\$3,437)	\$4,017	
TOTAL BEGINNING &													
3 ENDING TRUE-UP	\$15,955	\$10,956	\$8,010	\$5,086	\$1,191	(\$1,894)	(\$5,158)	(\$8,129)	(\$8,712)	(\$5,832)	(\$5,230)	\$569	
AVERAGE TRUE-UP													
4 (LINE 3 x 50%)	\$7,977	\$5,478	\$4,005	\$2,543	\$595	(\$947)	(\$2,579)	(\$4,065)	(\$4,356)	(\$2,916)	(\$2,615)	\$285	
INT. RATE - 1ST DAY													
5 OF REPORTING MONTH	5.34%	5.34%	5.29%	5.33%	5.34%	5.31%	5.30%	5.31%	5.21%	4.91%	4.75%	4.58%	
INT. RATE - 1ST DAY													
6 OF SUBSEQUENT MONTH	5.34%	5.29%	5.33%	5.34%	5.31%	5.30%	5.31%	5.21%	4.91%	4.75%	4.58%	4.36%	
7 TOTAL (LINES 5 + 6)	10.68%	10.63%	10.62%	10.67%	10.65%	10.61%	10.61%	10.52%	10.12%	9.66%	9.33%	8.94%	
AVG. INT. RATE													
8 (LINE 7 x 50%)	5.34%	5.32%	5.31%	5.34%	5.33%	5.31%	5.31%	5.26%	5.06%	4.83%	4.67%	4.47%	
MONTHLY AVG.													
9 INT. RATE	0.45%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.42%	0.40%	0.39%	0.37%	
10 INTEREST PROVISION													
(LINE 4 x LINE 9)	\$36	\$24	\$18	\$11	\$3	(\$4)	(\$11)	(\$18)	(\$18)	(\$12)	(\$10)	\$1	\$19

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NOT APPLICABLE

NET INVESTMENT	\$0
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[illegible]

SCHEDULE CT-5

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SEBRING GAS SYSTEM, INC.

Reconciliation and Explanation of differences between Filing and
PSC Audit Report for January 2024 through December 2024.

NO DIFFERENCES ARE KNOWN AS OF THE DATE OF THIS FILING

SEBRING GAS SYSTEM, INC.
Program Description and Progress

Program Title:
Residential New Construction

Program Description:
The Residential New Construction Program is designed to increase the overall penetration of natural gas in the single family and multi-family construction residential markets of the Company's service territory by expanding consumer energy options in new homes.

For the period January 1, 2024 through December 31, 2024, the Company operated under the terms of Order No. PSC-10-0551-PAA-EG, issued on September 7, 2010.

Order No. PSC-10-0551-PAA-EG prescribed the following Residential New Construction Cash Allowances:

Gas Storage Tank Water Heater	\$350
Gas High Efficiency Storage Tanks Water Heater	\$400
Gas Tankless Water Heater	\$550
Gas Heating	\$500
Gas Cooking	\$150
Gas Clothes Drying	\$100

Program Accomplishments:
For the twelve month period January 2024 through December 2024, the amount of incentives paid by the Company was:
\$0

The following are the incentives given through the Residential New Construction Program:

0	Tankless water heaters	@	\$550.00	\$0.00
0	Gas ranges	@	\$150.00	\$0.00
0	Gas dryers	@	\$100.00	<u>\$0.00</u>
Total				\$0.00

Program Fiscal Expenditures:

During 2024 expenditures for the Residential New Construction Program totaled
\$2,654

SEBRING GAS SYSTEM, INC.

Program Description and Progress

Program Title:

Residential Appliance Replacement Program

Program Description:

The Residential Appliance Replacement Program is designed to encourage the replacement of inefficient non-natural gas residential appliances with energy efficient natural gas appliances. Incentives are offered for the replacement of non-natural gas water heating, heating, cooking or clothes drying appliances through the purchase and/or lease of energy efficient natural gas appliances.

For the period January 1, 2024 through December 31, 2024, the Company operated under the terms of Order No. PSC-10-0551-PAA-EG, issued on September 7, 2010, prescribing the following Residential Appliance Replacement Cash Allowances:

Gas Storage Tank Water Heater	\$500
Gas High Efficiency Storage Tanks Water Heater	\$550
Gas Tankless Water Heater	\$675
Gas Heating	\$725
Gas Cooking	\$200
Gas Clothes Drying	\$150

Program Accomplishments:

For the twelve month period January 2024 through December 2024, the amount of incentives paid by the Company under the Residential Appliance Replacement Program was:

\$2,725

The following are the incentives given through the Residential Appliance Replacement Program:

0	Tank water heaters	@	\$550.00	\$0.00
3	Tankless water heaters	@	\$675.00	\$2,025.00
2	Gas ranges	@	\$200.00	\$400.00
2	Gas dryers	@	\$150.00	<u>\$300.00</u>
Total				\$2,725.00

Program Fiscal Expenditures:

During 2024 expenditures for the Resident Appliance Replacement Program totaled
\$5,379

SEBRING GAS SYSTEM, INC.

Program Description and Progress

Program Title:

Residential Customer Retention Program

Program Description:

The Company offers the Residential Appliance Retention Program to existing customers to promote the retention of energy efficient appliances and encourage the continued use of natural gas in the home. As an incentive to continue to provide substantial benefits to the customer and utilize our resources effectively this program offers cash allowances to the customer.

For the period January 1, 2024 through December 31, 2024, the Company operated under the terms of Order No. PSC-10-0551-PAA-EG, issued on September 7, 2010, prescribing the following Residential Retention Program

Cash Allowances:

Gas Storage Tank Water Heater	\$350
Gas High Efficiency Storage Tanks Water Heater	\$400
Gas Tankless Water Heater	\$550
Gas Heating	\$500
Gas Cooking	\$100
Gas Clothes Drying	\$100

Program Accomplishments:

For the twelve month period January 2024 through December 2024, the amount of incentives paid by the Company under the Residential Appliance Retention Program was:

\$1,600

The following are the incentives given through the Residential New Construction Program:

0	Tank water heater	@	\$400.00	\$0.00
2	Tankless water heaters	@	\$550.00	\$1,100.00
5	Gas ranges	@	\$100.00	\$500.00
0	Gas dryers	@	\$100.00	\$0.00
Total				\$1,600.00

Program Fiscal Expenditures:

During 2024 expenditures for the Resident Appliance Retention Program totaled
\$4,254

SEBRING GAS SYSTEM, INC.
Program Description and Progress

Program Title:

Commercial Small Food Service

Program Description:

The Commercial Small Food Service program's purpose is to educate, inform and encourage its commercial customers to build with natural gas. The program is designed to provide incentives to Commercial Small Food Services customers to be used toward the purchase and installation of natural gas appliances for their commercial business.

The Natural Gas Energy Conservation Program was approved by the Florida Public Services Commission in Docket No. 130167-EG on January 14, 2014.

Program Accomplishments:

For the twelve month period January 2024 through December 2024, the amount of incentives paid by the Company under the Commercial Small Food Service Program was:

\$10,000

The following incentives were given as follows:

\$10,000 was given to a local Sebring Burger, DBA Culvers Restaurant for the purchase and installation of a new gas fryer, range and water heater.

Program Fiscal Expenditures:

During 2024 expenditures for the Resident Appliance Retention Program totaled
\$12,654

SEBRING GAS SYSTEM, INC.
Program Description and Progress

Program Title:

Commercial Large Food Service

Program Description:

The Commercial Large Food service Conservation Program's purpose is to educate, inform and encourage its commercial customers to use natural gas. The program is designed to provide incentives to commercial customers to be used toward the purchase and installation of natural gas appliances for their commercial business.

The Natural Gas Energy Conservation Program was approved by the Florida Public Services Commission in Docket No. 130167-EG on January 14, 2014.

Program Accomplishments:

For the twelve month period January 2024 through December 2024, the amount of incentives paid by the Company under the Commercial Large Food Service Program was:

\$2,415

The following incentives were given as follows:

Replaced old gas range with a new gas range	\$1,000.00
Replaced old electric dryer with a new gas dryer.	<u>\$1,414.63</u>
Both incentives went to an Eagles Club	
Total Incentives	\$2,414.63

Program Fiscal Expenditures:

During 2024 expenditures for the Residential New Construction Program totaled
\$5,069

SEBRING GAS SYSTEM, INC.
Program Description and Progress

Program Title:
Hospitality and Lodging

Program Description:

The Hospitality and Lodging Conservation Program's purpose is to educate, inform and encourage its commercial customers to build with natural gas. The program is designed to provide incentives to commercial customers to be used toward the purchase and installation of natural gas appliances for their commercial business.

The Natural Gas Energy Conservation Program was approved by the Florida Public Services Commission in Docket No. 130167-EG on January 14, 2014.

Program Accomplishments:

For the twelve month period January 2024 through December 2024, the amount of incentives paid by the Company under the Hospitality and Lodging Conservation Program was
\$1,000

The following incentives were given as follows:

Replaced an old range with a new gas range	\$1,000.00
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Total incentives	\$1,000.00
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Program Fiscal Expenditures:

During 2024 expenditures for the Resident Appliance Replacement Program totaled
\$3,654

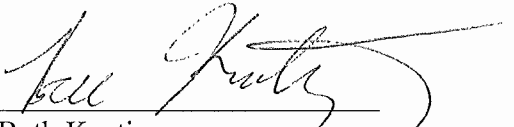
CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of corrected Exhibit JHM-1 sponsored by Jerry Melendy on behalf of Sebring Gas System, Inc. has been furnished by Electronic Mail to the following parties of record this 14th day of May 2025:

Florida Public Utilities Company Michelle Napier Florida Public Utilities Company 1635 Meathe Drive West Palm Beach, FL 33411 Michelle_napier@chpk.com	J. Jeffry Wahlen Malcolm Means Virginia Ponder Matt Jones Ausley & McMullen P.O. Box 391 Tallahassee, FL 32302 jwahlen@ausley.com mmeans@ausley.com vponder@ausley.com mjones@ausley.com
Florida Public Service Commission Zachary Bloom 2540 Shumard Oak Boulevard Tallahassee, FL 32399 zbloom@psc.state.fl.us	Office of Public Counsel Walter Trierweiler/Charles Rehwinkel/Patricia Christensen/M. Wessling/Octavio Ponce/Austin Watrous 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 P.O. Box 111 Tampa, FL 33601-0111 regdept@tecoenergy.com klbramley@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
Florida City Gas Miguel Bustos, Manager/Regulatory 4045 NW 97 Ave. Doral, Florida 33178 MBustos@chpk.com	Sebring Gas System, Inc. Jerry H. Melendy, Jr. 3515 U.S. Highway 27 South Sebring, FL 33870 jmelendy@floridasbestgas.com

Brian Goff, Manager/Sustainability and Environmental Affairs Chesapeake Utilities Corporation 208 Wildlight Ave. Yulee, FL 32097 bgoff@chpk.com	
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By:


Beth Keating
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Tallahassee, FL 32301
Attorneys for Sebring Gas System, Inc.