

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

August 1, 2025

VIA E-PORTAL

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

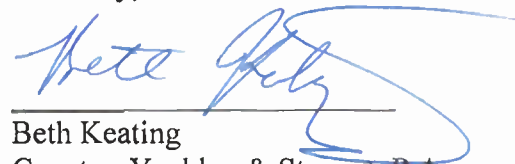
Re: Docket No. 20250004-GU – Natural Gas Conservation Cost Recovery

Dear Mr. Teitzman:

Enclosed for electronic filing, please find Sebring Gas System, Inc.'s Testimony of Jerry H. Melendy, along with Exhibit JHM-2 and second Revised JHM-1.

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

Sincerely,



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

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **In Re: Energy Conservation Cost Recovery Factors**

3 **Direct Testimony of Jerry H. Melendy, Jr. (Projection)**

4 **On Behalf of**

5 **Sebring Gas System, Inc.**

6 **Docket No.20250004-GU**

7

8 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

9 A. My name is Jerry H. Melendy, Jr. My business address is Sebring Gas
10 System, Inc., US Highway 27 South, Sebring, FL 33870.

11 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

12 A. I am President of Sebring Gas Company, Inc. (the "Company").

13 **Q. ARE YOU FAMILIAR WITH THE COMPANY'S APPROVED ENERGY**
14 **CONSERVATION PROGRAMS AND THE REVENUES AND COSTS**
15 **THAT ARE ASSOCIATED WITH THESE PROGRAMS?**

16 A. Yes.

17 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS DOCKET?**

18 A. My testimony will present actual and projected expenditures and
19 revenues related to promoting and administering the Company's energy
20 conservation programs in 2025 and 2026. I will provide the adjusted net
21 true-up amount associated with program administration for the January
22 2025 through December 2025 period. Projected program costs are
23 provided for the period January 1, 2025, through June 30, 2025, as well

1 as the costs the Company expects to incur from July 1, 2025, through
2 December 31, 2025. I will also include the total costs the Company
3 seeks to recover through its conservation factors during the period
4 January 1, 2026, through December 31, 2026. Finally, I will also
5 propose the energy conservation cost recovery factors which, when
6 applied to consumer bills during the period January 1, 2026, through
7 December 31, 2026, will permit recovery of the Company's total
8 conservation costs.

9 **Q. HAVE YOU PREPARED A SUMMARY OF THE COMPANY'S**
10 **CONSERVATION PROGRAMS AND THE COSTS ASSOCIATED**
11 **WITH THESE PROGRAMS?**

12 A. Yes. Summaries of the Company's seven approved programs are
13 included in Schedule C-4 of Exhibit JHM-2. Included are the Residential
14 New Construction Program, the Residential Appliance Replacement
15 Program, the Residential Appliance Retention Program, the Small
16 Commercial Food Service Program, the Large Commercial Food
17 Service Program, the Large Commercial Hospitality and Lodging
18 Program and the Commercial Large Cleaners and Laundromat
19 Program.

20 **Q. HAVE YOU PREPARED SCHEDULES THAT INCLUDE THE**
21 **COMPANY'S CONSERVATION PROGRAM EXPENDITURES FOR**
22 **THE CURRENT (2025) AND PROJECTED (2026) PERIODS?**

1 A. Yes. Schedule C-3, Exhibit JHM-2 provides actual conservation
2 expenses for the January 2025 through June 2025 period and projected
3 conservation expenses for the July 2025 through December 2025
4 period. Schedule C-2, Exhibit JHM-2 provides the projected 2026
5 conservation programs costs.

6 **Q. HAVE YOU PREPARED A SCHEDULE THAT INCLUDES THE**
7 **COMPANY'S CONSERVATION RELATED REVENUES FOR 2025?**

8 A. Yes. Schedule C-3 (page 4 of 5), Exhibit JHM-2, provides actual
9 conservation revenues for the January 2025 through June 2025 period,
10 and projected conservation revenues for the July 2025 through
11 December 2025 period.

12 **Q. WHAT IS THE COMPANY'S ESTIMATED TRUE-UP FOR THE**
13 **PERIOD JANUARY 1, 2025, THROUGH DECEMBER 31, 2025?**

14 A. The Company anticipates an under-recovery of \$2,500 for the year
15 2025, as calculated on Schedule C-3, Page 4, Line 11, Exhibit JHM-2.

16 **Q. WHAT IS THE TOTAL COST THE COMPANY SEEKS TO RECOVER**
17 **DURING THE PERIOD JANUARY 1, 2026, THROUGH DECEMBER**
18 **31, 2026?**

19 A. As indicated in Schedule C-1, Exhibit JHM-2, the Company seeks to
20 recover \$48,195 during the referenced period. This amount represents
21 the projected costs of \$45,695 to be incurred during 2026, plus the
22 estimated true-up of \$2,500 for calendar year 2025.

1 **Q. WHAT ARE THE COMPANY'S PROPOSED ENERGY**
2 **CONSERVATION COST RECOVERY FACTORS FOR EACH RATE**
3 **CLASS FOR JANUARY 2026 THROUGH DECEMBER 2026**
4 **PERIOD?**

5 A. Schedule C-1, Exhibit JHM-2, provides the calculation of the
6 Company's proposed ECCR factors for 2026.

7 The requested Conservation Adjustment Factors per therm for Sebring
8 Gas System are:

9	TS-1	\$.15845
10	TS-2	\$.07183
11	TS-3	\$.04550
12	TS-4	\$.04041

13 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

14 A. Yes.

ENERGY CONSERVATION ADJUSTMENT
SUMMARY OF COST RECOVERY CLAUSE CALCULATION
JANUARY 2026 THROUGH DECEMBER 2026

1. TOTAL INCREMENTAL COSTS (SCHEDULE C-2, PAGE 1)	\$ 45,695
2. TRUE-UP (SCHEDULE C-3, PAGE 4, LINE 11)	\$ 2,500
3. TOTAL (LINE 1 AND 2)	<u>\$ 48,195</u>

RATE			CUSTOMER		TOTAL		ECCR AS %			
SCHEDULE	BILLS	THERM	CHARGE	DELIVERY	CUST &	DELIVERY CHG	REVENUES	OF TOTAL	DOLLARS	TAX
		SALES	REVENUES	CHARGE	REVENUE			REVENUES	THERM	FACTOR
TS-1	7,697	56,518	\$97,430	\$41,569	\$138,999	\$8,911	6.41%	0.15766	1.00503	0.15845
TS-2	711	23,059	\$14,190	\$11,519	\$25,709	\$1,648	6.41%	0.07147	1.00503	0.07183
TS-3	1,262	412,577	\$88,324	\$203,043	\$291,367	\$18,678	6.41%	0.04527	1.00503	0.04550
TS-4	446	471,479	\$100,342	\$195,390	\$295,732	\$18,958	6.41%	0.04021	1.00503	0.04041
TOTAL	10,115	963,633	\$300,285	\$451,522	\$751,807	\$48,195				

-ESTIMATED CONSERVATION PROGRAM COSTS BY PROGRAM BY MONTH
JANUARY 2026 THROUGH DECEMBER 2026

[illegible]

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2026 THROUGH DECEMBER 2026

PROGRAM	CAPITAL INVESTMENT	PAYROLL	MATERIAL & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 RESIDENTIAL NEW CONSTRUCTION	\$0	\$1,800	\$0	\$0	\$1,600	\$360	\$0	\$0	\$3,760
2 RESIDENTIAL APPLIANCE REPLACEMENT	\$0	\$1,800	\$0	\$0	\$4,075	\$360	\$0	\$0	\$6,235
3 RESIDENTIAL APPLIANCE RETENTION	\$0	\$1,800	\$0	\$0	\$2,900	\$360	\$0	\$0	\$5,060
4 SMALL COMMERCIAL FOOD SERVICE	\$0	\$1,800	\$0	\$0	\$5,000	\$360	\$0	\$0	\$7,160
5 LARGE COMMERCIAL FOOD SERVICE	\$0	\$1,800	\$0	\$0	\$6,000	\$360	\$0	\$0	\$8,160
6 LARGE COMMERCIAL HOSPITALITY	\$0	\$1,800	\$0	\$0	\$6,000	\$360	\$0	\$0	\$8,160
7 COMMERCIAL LARGE CLEANERS	\$0	\$1,800	\$0	\$0	\$5,000	\$360	\$0	\$0	\$7,160
PROGRAM COSTS	\$0	\$12,600	\$0	\$0	\$30,575	\$2,520	\$0	\$0	\$45,695

ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2025 THROUGH DECEMBER 2025

PROGRAM	CAPITAL INVESTMENT	PAYROLL	MATERIAL & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
1 RESIDENTIAL NEW CONSTRUCTION									
A. ACTUAL	\$0	\$1,048	\$0	\$0	\$0	\$263	\$0	\$0	\$1,310
B. ESTIMATED	\$0	\$1,050	\$0	\$0	\$800	\$375	\$0	\$0	\$2,225
TOTAL	\$0	\$2,098	\$0	\$0	\$800	\$638	\$0	\$0	\$3,535
2 RESIDENTIAL APPLIANCE REPLACEMENT									
A. ACTUAL	\$0	\$1,048	\$0	\$0	\$1,500	\$263	\$0	\$0	\$2,810
B. ESTIMATED	\$0	\$1,050	\$0	\$0	\$1,025	\$375	\$0	\$0	\$2,450
TOTAL	\$0	\$2,098	\$0	\$0	\$2,525	\$638	\$0	\$0	\$5,260
3 RESIDENTIAL APPLIANCE RETENTION									
A. ACTUAL	\$0	\$1,048	\$0	\$0	\$100	\$263	\$0	\$0	\$1,410
B. ESTIMATED	\$0	\$1,050	\$0	\$0	\$1,500	\$375	\$0	\$0	\$2,925
TOTAL	\$0	\$2,098	\$0	\$0	\$1,600	\$638	\$0	\$0	\$4,335
4 SMALL FOOD SERVICE REBATE PROGRAM									
A. ACTUAL	\$0	\$1,048	\$0	\$0	\$2,648	\$263	\$0	\$0	\$3,958
B. ESTIMATED	\$0	\$1,050	\$0	\$0	\$12,944	\$375	\$0	\$0	\$14,369
TOTAL	\$0	\$2,098	\$0	\$0	\$15,592	\$638	\$0	\$0	\$18,327
SUB-TOTAL	\$0	\$8,392	\$0	\$0	\$20,517	\$2,550	\$0	\$0	\$31,459

COMPANY:

Sebring Gas System, Inc.
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ESTIMATED CONSERVATION PROGRAM COSTS PER PROGRAM
JANUARY 2025 THROUGH DECEMBER 2025

PROGRAM	CAPITAL INVESTMENT	PAYROLL	MATERIAL & SUPPLIES	ADVERTISING	INCENTIVES	OUTSIDE SERVICES	VEHICLE	OTHER	TOTAL
SUB-TOTAL - PREVIOUS PAGE	\$0	\$8,392	\$0	\$0	\$20,517	\$2,550	\$0	\$0	\$31,459
5 LARGE COMMERCIAL FOOD SERVICE									
A. ACTUAL	\$0	\$1,048	\$0	\$0	\$0	\$263	\$0	\$0	\$1,310
B. ESTIMATED	\$0	\$1,050	\$0	\$0	\$3,000	\$375	\$0	\$0	\$4,425
TOTAL	\$0	\$2,098	\$0	\$0	\$3,000	\$638	\$0	\$0	\$5,735
6 LARGE COMMERCIAL HOSPITALITY									
A. ACTUAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
B. ESTIMATED	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$10,490	\$0	\$0	\$23,517	\$3,188	\$0	\$0	\$37,194

CONSERVATION PROGRAM COSTS BY PROGRAM
ACTUAL / ESTIMATED
JANUARY 2025 THROUGH DECEMBER 2025

PROGRAM	JAN 2025	FEB 2025	MAR 2025	APR 2025	MAY 2025	JUN 2025	JUL 2025	AUG 2025	SEP 2025	OCT 2025	NOV 2025	DEC 2025	TOTAL
1 RESIDENTIAL NEW CONSTRUCTION	\$195	\$175	\$194	\$329	\$244	\$175	\$194	\$175	\$250	\$425	\$1,006	\$175	\$3,535
2 RESIDENTIAL APPLIANCE REPLACEMENT	\$195	\$850	\$194	\$329	\$1,069	\$175	\$194	\$375	\$250	\$425	\$1,031	\$175	\$5,260
3 RESIDENTIAL CUSTOMER RETENTION	\$195	\$175	\$194	\$329	\$344	\$175	\$194	\$175	\$250	\$725	\$756	\$825	\$4,335
4 SMALL COMMERCIAL FOOD SERVICE	\$195	\$175	\$194	\$329	\$2,892	\$175	\$9,138	\$175	\$2,250	\$425	\$2,206	\$175	\$18,327
5 LARGE COMMERCIAL FOOD SERVICE	\$195	\$175	\$194	\$329	\$244	\$175	\$194	\$175	\$250	\$1,425	\$1,206	\$1,175	\$5,735
6 LARGE COMMERCIAL HOSPITALITY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL ALL PROGRAMS	\$974	\$1,550	\$968	\$1,644	\$4,791	\$874	\$9,914	\$1,075	\$3,250	\$3,425	\$6,205	\$2,525	\$37,194

ENERGY CONSERVATION ADJUSTMENT
JANUARY 2025 THROUGH DECEMBER 2025

CONSERVATION REVENUES	JAN 2025	FEB 2025	MAR 2025	APR 2025	MAY 2025	JUN 2025	JUL 2025	AUG 2025	SEP 2025	OCT 2025	NOV 2025	DEC 2025	TOTAL
RCS AUDIT FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
OTHER PROGRAM REV	0	0	0	0	0	0	0	0	0	0	0	0	0
1. ECCR REVENUE	(4,548)	(3,542)	(3,632)	(3,428)	(3,148)	(2,927)	(3,004)	(2,882)	(2,963)	(3,103)	(3,103)	(2,602)	(38,881)
2. CONSERV. ADJ. REV. (NET OF REV. TAXES)	23	18	18	17	16	15	15	14	15	16	16	13	194
3. TOTAL REVENUES	(4,525)	(3,524)	(3,614)	(3,411)	(3,132)	(2,912)	(2,989)	(2,868)	(2,948)	(3,087)	(3,087)	(2,589)	(38,686)
4. PRIOR PERIOD TRUE-UP NOT APPLIC. TO PERIOD	335	335	335	335	335	335	335	335	335	335	335	335	4,020
5. CONSERV. REVS. APPLIC. TO PERIOD	(4,190)	(3,189)	(3,279)	(3,076)	(2,797)	(2,577)	(2,654)	(2,533)	(2,613)	(2,752)	(2,752)	(2,254)	(34,666)
6. CONSERVATION EXPS. (FORM C-3, PAGE 3)	974	1,550	968	1,644	4,791	874	9,914	1,075	3,250	3,425	6,205	2,525	37,194
7. TRUE-UP THIS PERIOD	(3,216)	(1,639)	(2,311)	(1,431)	1,993	(1,703)	7,260	(1,458)	637	673	3,453	271	2,528
8. INTEREST THIS PERIOD (C-3, PAGE 5)	8	(2)	(10)	(18)	18	(19)	(10)	(1)	(4)	(3)	4	9	(28)
9. TRUE-UP & INT BEGIN OF MONTH	4,018	475	(1,501)	(4,157)	(5,942)	(4,265)	(6,323)	592	(1,202)	(904)	(569)	2,553	
10. PRIOR TRUE-UP COLLECT / (REFUND)	(335)	(335)	(335)	(335)	(335)	(335)	(335)	(335)	(335)	(335)	(335)	(335)	
11. END OF PERIOD TOTAL NET TRUE-UP	475	(1,501)	(4,157)	(5,942)	(4,265)	(6,323)	592	(1,202)	(904)	(569)	2,553	2,498	2,500

COMPANY:

Sebring Gas System, Inc.
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CALCULATION OF TRUE-UP AND INTEREST PROVISION
JANUARY 2025 THROUGH DECEMBER 2025

INTEREST PROVISION	JAN 2025	FEB 2025	MAR 2025	APR 2025	MAY 2025	JUN 2025	JUL 2025	AUG 2025	SEP 2025	OCT 2025	NOV 2025	DEC 2025	TOTAL
BEGINNING TRUE-UP CT-3.2 Previous period	4,019	475	(1,501)	(4,157)	(5,942)	(4,265)	(6,323)	592	(1,202)	(904)	(569)	2,553	(17,224)
END. T-UP BEFORE INT. (C3,4)	467	(1,499)	(4,147)	(5,924)	(4,283)	(6,304)	603	(1,201)	(900)	(566)	2,549	2,489	
TOTAL BEG. & END. T-UP	4,485	(1,025)	(5,648)	(10,081)	(10,225)	(10,569)	(5,720)	(608)	(2,102)	(1,470)	1,981	5,042	
AVERAGE TRUE-UP	2,242	(512)	(2,824)	(5,040)	(5,113)	(5,284)	(2,860)	(304)	(1,051)	(735)	990	2,521	
INT. RATE-FIRST DAY OF REPORTING BUSINESS MTH.	4.36%	4.35%	4.35%	4.32%	4.28%	4.35%	4.35%	4.35%	4.35%	4.35%	4.35%	4.35%	
INT. RATE-FIRST DAY OF SUBSEQUENT BUSINESS MTH.	4.35%	4.35%	4.32%	4.28%	4.35%	4.35%	4.35%	4.35%	4.35%	4.35%	4.35%	4.35%	
TOTAL	8.71%	8.70%	8.67%	8.60%	8.63%	8.70%	8.70%	8.70%	8.70%	8.70%	8.70%	8.70%	
AVG INTEREST RATE	4.355%	4.35%	4.34%	4.30%	4.32%	4.35%	4.35%	4.35%	4.35%	4.35%	4.35%	4.35%	
MONTHLY AVG. INT. RATE	0.36%	0.36%	0.36%	0.36%	0.36%	0.36%	0.36%	0.36%	0.36%	0.36%	0.36%	0.36%	
INTEREST PROVISION	8	(2)	(10)	(18)	18	(19)	(10)	(1)	(4)	(3)	4	9	(28)

Sebring Gas System, Inc.
Program Description and Progress

Program Title

Residential New Construction Program

Program Description

This program is designed to increase the overall penetration of natural gas in the single family and multi-family residential construction markets of Sebring Gas System, Inc. (the Company)'s service territory by expanding consumer energy options in new homes. Incentives are offered to any home builder or developer who installs the below listed energy efficient appliances.

Current Approved Allowances

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

Program Projections for the year 2025:

For the twelve-month period of January through December 2025, the Company estimates that the following allowances will be paid for the Residential New Home Construction Program:

Tankless Water Heating: 1 allowance at \$550 each for a total of \$ 550.
Gas Cooking: 1 allowance at \$150 each for a total of \$ 150.
Gas Clothes Drying: 1 allowance at \$100 each for a total of \$ 100.

The total estimated 2025 allowances for the Residential New Home Construction Program are \$800.

Program Projections for the year 2026:

For the twelve-month period of January through December 2026, the Company estimates that the following allowances will be paid for the Residential New Home Construction Program:

Tankless Water Heating: 2 allowances at \$550 each for a total of \$ 1,100.
Gas Cooking: 2 allowances at \$150 each for a total of \$ 300.
Gas Clothes Drying: 2 allowances at \$100 each for a total of \$ 200.

Sebring Gas System, Inc.
Program Description and Progress

Residential New Home Construction Program (Continued)

The total estimated 2026 allowances for the Residential New Home Construction Program are \$1,600.

Program Fiscal Expenditures

For the twelve-month period of January through December 2026, the Company estimates expenses of the Residential New Home Construction Program to be \$3,760.

Sebring Gas System, Inc.
Program Description and Progress

Program Title

Residential Appliance Replacement Program

Program Description

This program is designed to encourage the replacement of inefficient non-natural gas residential appliances with energy efficient natural gas appliances. Incentives are offered for the replacement of non-gas appliances through the purchase of energy efficient natural gas appliances.

Current Approved Allowances

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

Program Projections for 2025:

For the twelve-month period of January through December 2025, the Company estimates that the following allowances will be paid for the Residential Appliance Replacement Program:

Tankless Water Heating: 3 allowances at \$550 each for a total of \$ 2,025.
Gas Cooking: 1 allowance at \$200 each for a total of \$ 200.
Gas Clothes Drying: 2 allowances at \$150 each for a total of \$ 300.

The total estimated 2025 allowances for the Residential Appliance Replacement Program are \$2,525.

Program Projections for the year 2026:

For the twelve-month period of January through December 2026, the Company estimates that the following allowances will be paid for the Residential New Home Construction Program:

Tankless Water Heating: 5 allowances at \$550 each for a total of \$ 3,375.
Gas Cooking: 2 allowances at \$200 each for a total of \$ 400.

Sebring Gas System, Inc.
Program Description and Progress

Residential Appliance Replacement Program (continued)

Gas Clothes Drying: 2 allowances at \$100 each for a total of \$ 200.
The total estimated 2026 allowances for the Residential Appliance Replacement Program are \$4,075.

Program Fiscal Expenditures

For the twelve-month period of January through December 2026, the Company estimates expenses of the Residential Appliance Replacement Program to be \$6,235.

Sebring Gas System, Inc.
Program Description and Progress

Program Title

Residential Retention Program

Program Description

This program is designed to encourage existing customers to continue to use natural gas in the home. As an incentive to continue to provide substantial benefits to the customer and utilize our county's resources effectively, this program offers cash allowances to the customer.

Current Approved Allowances

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

Program Projections for 2025

For the twelve-month period of January through December 2025, the Company estimates that the following allowances will be paid for Residential Retention Program:

Gas High Efficiency Storage Tank Water Heater: 0 allowance for \$ 00.
Tankless Water Heating: 2 allowances at \$550 each for a total of \$1,100.
Gas Cooking: 3 allowances at \$100 each for a total of \$ 300.
Gas Clothes Drying: 2 allowances at \$100 each for a total of \$ 200.
The total estimated allowances for the Residential Retention Program are \$1,600.

Program Projections for the year 2026:

For the twelve-month period of January through December 2026, the Company estimates that the following allowances will be paid for the Residential Retention Program:

Tankless Water Heating: 4 allowances at \$550 each for a total of \$ 2,200.
Gas Cooking: 5 allowances at \$100 each for a total of \$ 500.
Gas Clothes Drying: 2 allowances at \$100 each for a total of \$ 200.

Sebring Gas System, Inc.
Program Description and Progress

Residential Retention Program (continued)

The total estimated 2026 allowances for the Residential Retention Program are \$2,900.

Program Fiscal Expenditures

For the twelve-month period of January through December 2026, the Company estimates expenses of the Residential Retention Program to be \$5,060.

Sebring Gas System, Inc.
Program Description and Progress

Small Commercial Food Service

Program Description

This program is designed to encourage owners and operators of Small Commercial Food Service establishments to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates.

Current Approved Allowances

New Construction Retention: 50% of the purchase and installation cost up to the amounts below.

Tank W/H	\$1,000
Tankless W/H	\$2,000
Range/Oven	\$1,000
Fryer	\$3,000

Replacement: 100% of the purchase and installation cost up to the amounts below.

Tank W/H	\$1,500
Tankless W/H	\$2,500
Range/Oven	\$1,500
Fryer	\$3,000

Program Projections for 2025:

For the twelve-month period of January through December 2025, the Company estimates that the following allowances will be paid for Small Commercial Food Service

Program:

Gas High Efficiency Storage Tank Water Heater:	0 allowance for	\$ 00.
Tankless Water Heating:	3 allowances for a total of	\$ 6,000.
Gas Cooking:	4 allowances for a total of	\$ 4,000.
Fryer:	5 allowances for a total of	\$ 5,592.

The total estimated 2025 allowances for the Small Commercial Food Program are \$15,592

The total estimated 2026 allowances for the Small Commercial Food Service Program are \$5,000.

Sebring Gas System, Inc.
Program Description and Progress

Small Commercial Servicer Program (continued)

Program Fiscal Expenditures

For the twelve-month period of January through December 2026, the Company estimates expenses of the Small Commercial Service Program to be \$7,160.

Sebring Gas System, Inc.
Program Description and Progress

Program Title

Large Commercial Food Service Program

Program Description

This program is designed to encourage owners and operators of Large Commercial Food Service establishments to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates.

Current Approved Allowances

New Construction and Retention: 50% of the purchase and installation cost up to the amounts below.

Tank W/H	\$1,500
Tankless W/H	\$2,000
Range/Oven	\$1,500
Fryer	\$3,000

Replacement: 100% of the purchase and installation cost up to the amounts below.

Tank W/H	\$2,000
Tankless W/H	\$2,500
Range/Oven	\$1,500
Fryer	\$3,000

Program Projections for 2025:

For the twelve-month period of January through December 2025, the Company estimates that the following allowances will be paid for Large Commercial Food Service Program.

Program:

Gas High Efficiency Storage Tank Water Heater:	0 allowance for	\$ 00.
Tankless Water Heating:	0 allowances for a total of	\$ 00.
Gas Cooking:	1 allowance for a total of	\$ 1,000.

Sebring Gas System, Inc.
Program Description and Progress

Large Commercial Food Service Program (continued)

Fryer: 2 allowances for a total of \$ 2,000.

The total estimated 2025 allowances for the Large Commercial Food Service Program are \$3,000.

The total estimated 2026 allowances for the Large Commercial Food Service Program are \$6,000.

Program Fiscal Expenditures

For the twelve-month period of January through December 2026, the Company estimates expenses of the Large Commercial Food Service Program to be \$8,160.

**Sebring Gas System, Inc.
Program Description and Progress**

Program Title

Large Commercial Hospitality and Lodging Program

Program Description

This program is designed to encourage owners and operators of Large Commercial Hospitality and Lodging establishments to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates.

Current Approved Allowances

New Construction and Retention: 50% of the purchase and installation cost up to the amounts below.

Tank W/H	\$1,500
Tankless W/H	\$2,000
Range/Oven	\$1,500
Fryer	\$3,000
Dryer	\$1,500

Replacement: 100% of the purchase and installation cost up to the amounts below.

Tank W/H	\$2,000
Tankless W/H	\$2,500
Range/Oven	\$1,500
Fryer	\$3,000
Dryer	\$1,500

No estimates were made in 2025 for the Large Commercial Hospitality and Lodging Program.

The total estimated 2026 allowances for the Large Commercial Hospitality and Lodging Program are \$6,000.

Sebring Gas System, Inc.
Program Description and Progress

Large Commercial Hospitality and Lodging Program (continued)

Program Fiscal Expenditures

For the twelve-month period of January through December 2026, the Company estimates expenses of the Large Commercial Hospitality and Lodging Program to be \$8,160.

Sebring Gas System, Inc.
Program Description and Progress

Program Title

Large Commercial Cleaning and Laundromat Service

Program Description

This program is designed to encourage owners and operators of Large Commercial Hospitality establishments to purchase energy efficient natural gas appliances through the offering of commercial appliance rebates.

Current Approved Allowances

New Construction and Retention: 50% of the purchase and installation cost up to the amounts below.

Tank W/H	\$1,500
Tankless W/H	\$2,000
Dryer	\$1,500

Replacement: 100% of the purchase and installation cost up to the amounts below.

Tank W/H	\$2,000
Tankless W/H	\$2,500
Range/Oven	\$1,500

No estimates were made in 2025 for the Large Commercial Cleaning and Laundromat Service. The total estimated 2026 allowances for the Large Commercial Cleaning and Laundromat Service are \$5,000.

Program Fiscal Expenditures

For the twelve-month period of January through December 2026, the Company estimates expenses of the Large Commercial Cleaning and Laundromat Service to be \$7,160.

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

END OF PERIOD TRUE-UP

PRINCIPLE	\$4,000	
INTEREST	<u>\$19</u>	\$4,019

LESS PROJECTED TRUE-UP

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

ADJUSTED NET TRUE-UP (\$1,772)

() 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	\$12,811	\$12,594 C-3.2/5	\$217
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	\$33,664	\$32,208 C-3.2/5	\$1,456
PROGRAM REVENUES	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL PROGRAM COSTS	\$33,664	\$32,208 C-3.2/5	\$1,456
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	\$4000	\$5,949	<u>(\$1,949)</u>
INTEREST PROVISION	\$19	(\$158) C-3 p 4 line 8	\$177
END OF PERIOD TRUE-UP	<u>\$4,019</u>	<u>\$5,791</u>	<u>(\$1,772)</u>
() REFLECTS OVER-RECOVERY			

SCHEDULE CT-2

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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

SCHEDULE CT-2

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Company: Sebring Gas System, Inc.

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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

SCHEDULE CT-3

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Company, Sebring Gas System, Inc.

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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	\$5,070
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	\$33,664

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 RCSAUDIT 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	\$33,664
8 TRUE-UP THIS PERIOD	(\$1,926)	(\$1,590)	\$150	(\$1,555)	(\$808)	(\$727)	(\$974)	(\$419)	\$1,426	\$3,046	(\$867)	\$8,242	\$4000
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	\$4,019

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	<u>TOTAL</u>
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
BEGINNING OF PERIOD CUMULATIVE INVESTMENT	\$0
LESS: ACCUMULATED DEPRECIATION	<u>\$0</u>
NET INVESTMENT	\$0

[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	\$300.00
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	<u>\$0.00</u>
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 Comm. Small Food Svc. 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 Commercial Large Food Svc. 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
--	------------

Total Incentives	\$1,000.00
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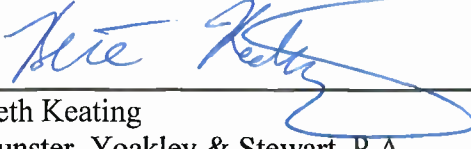
Program Fiscal Expenditures:

During 2024 expenditures for the Hospitality and Lodging Program totaled
\$3,654

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the Testimony of Jerry Melendy, along with his Exhibit JHM-2 and revised JHM-1 have been furnished by Electronic Mail to the following parties of record this 1st day of August, 2025:

Florida Public Utilities Company Michelle Napier Florida Public Utilities Company 1635 Meathe Drive West Palm Beach, FL 33411 Michelle_napier@chpk.com Brian Goff, Manager/Sustainability and Environmental Affairs Chesapeake Utilities Corporation 208 Wildlight Ave. Yulee, FL 32097 bgoff@chpk.com	J. Jeffry Wahlen Malcolm Means Virginia Ponder Ausley & McMullen P.O. Box 391 Tallahassee, FL 32302 jwahlen@ausley.com mmeans@ausley.com vponder@ausley.com mjones@ausley.com
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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
	Sebring Gas System, Inc. Jerry H. Melendy, Jr. 3515 U.S. Highway 27 South Sebring, FL 33870 jmelendy@floridasbestgas.com


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