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April 29, 2026

BY E-PORTAL

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

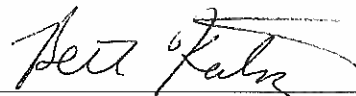
Re: Docket No. 20260004-GU – Natural Gas Conservation Cost Recovery

Dear Mr. Teitzman:

Attached for electronic filing, please find the Testimony and Exhibit of Jerry Melendy for Sebring Gas System.

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

Sincerely,



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

MEK
cc: Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DOCKET 20260004-GU

DIRECT TESTIMONY OF

JERRY H. MELENDY

ON BEHALF OF SEBRING GAS SYSTEM, INC.

April 29, 2026

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

2 **A.** My name is Jerry H. Melendy. My business address is Sebring Gas System, Inc., 3515
3 U.S. Highway 27 South, Sebring FL 33870

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

5 **A.** I am President of Sebring Gas System, Inc. (the “Company”).

6 **Q. ARE YOU FAMILIAR WITH THE COMPANY’S CURRENT ENERGY**
7 **CONSERVATION PROGRAMS?**

8 **A.** Yes.

9 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

10 **A.** My testimony presents data and summaries that describe the planned and actual
11 activities and expenses for the Company’s energy conservation programs incurred
12 during the period January 2025 through December 2025. I will also identify the final
13 conservation true-up amount for the above referenced period.

14 **Q. HAVE YOU PREPARED A SUMMARY OF THE COMPANY’S**
15 **CONSERVATION PROGRAMS AND THE COSTS ASSOCIATED WITH**
16 **THESE PROGRAMS?**

1 A. Yes. Summaries of the Company's seven approved programs for which costs were
2 incurred during the period January 2025 through December 2025 are included in
3 Schedule CT-6 of Exhibit JHM-1. Included are the Residential New Construction
4 Program, the Residential Appliance Replacement Program, the Residential Appliance
5 Retention Program, Commercial Small Food Service, Commercial Large Food Service,
6 Commercial Hospitality and Lodging and Commercial Cleaning Service.

7 **Q. HAVE YOU PREPARED SCHEDULES WHICH SHOW THE**
8 **EXPENDITURES ASSOCIATED WITH THE COMPANY'S ENERGY**
9 **CONSERVATION PROGRAMS FOR THE APPLICABLE PERIOD?**

10 A. Yes. Exhibit JHM-1 includes schedules CT-1, CT-2 and CT-3 detail the Company's
11 actual conservation related expenditures for the period, along with a comparison of the
12 actual program costs and true-up to the projected costs and true-up for the period.

13 **Q. WHAT WAS THE TOTAL COST INCURRED BY THE COMPANY TO**
14 **ADMINISTER ITS SEVEN CONSERVATION PROGRAMS FOR THE**
15 **TWELVEMONTH PERIOD ENDING DECEMBER 2025?**

16 A. As indicated on Schedule CT-2, page 2, of Exhibit JHM-1, the Company's total 2025
17 programs costs were \$41,214.

18 **Q. HAVE YOU PREPARED A SCHEDULE WHICH SHOWS THE VARIANCE**
19 **OF ACTUAL FROM PROJECTED COSTS BY CATEGORIES OF**
20 **EXPENSES?**

21 A. Yes. Schedule CT-2, page 3, of Exhibit JHM-1, displays these variances.

22 **Q. WHAT IS THE COMPANY'S FINAL TRUE-UP FOR THE TWELVE**
23 **MONTHS ENDING DECEMBER 2025?**

1 **A.** The final true-up amount as shown on Schedule CT-1, of Exhibit JHM-1 is an under
2 recovery of \$3,552.

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

4 **A.** Yes.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Sebring Gas System, Inc.'s Testimony and Exhibit JHM-1 of Jerry Melendy, filed in Docket No. 20260004-GU, has been furnished by Electronic Mail to the following parties of record this 29th day of April 2026:

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 Virginia Ponder Matt Jones Ausley & McMullen P.O. Box 391 Tallahassee, FL 32302 jwahlen@ausley.com vponder@ausley.com mjones@ausley.com
Florida Public Service Commission Saad Farooqi Timothy Sparks 2540 Shumard Oak Boulevard Tallahassee, FL 32399 sfarooqi@psc.state.fl.us tsparks@psc.state.fl.us discovery-gcl@psc.state.fl.us	Office of Public Counsel Walter Trierweiler/Charles Rehwinkel/Patricia Christensen/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 Trierweiler.walt@leg.state.fl.us Ponce.octavio@leg.state.fl.us Watrous.austin@leg.state.fl.us
Peoples Gas System Charles T.Morgan II Karen Bramley P.O. Box 111 Tampa, FL 33601-0111 klbramley@tecoenergy.com ctmorganii@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

<p>Kira I. Lake Florida Public Utilities Company 450 S. Charles Richard Beall Blvd Debary, FL 32713 klake@chpk.com</p>	<p>Sebring Gas System, Inc. Jerry H. Melendy, Jr. 3515 U.S. Highway 27 South Sebring, FL 33870 jmelendy@floridasbestgas.com</p>
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By:



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

ADJUSTED NET TRUE-UP
FOR MONTHS: JANUARY 2025 THROUGH DECEMBER 2025

END OF PERIOD TRUE-UP

PRINCIPLE	\$6,018	
INTEREST	<u>\$34</u>	\$6,052

LESS PROJECTED TRUE-UP

PRINCIPLE	\$2,528	
INTEREST	<u>(\$28)</u>	<u>\$2,500</u>

ADJUSTED NET TRUE-UP \$3,552
() REFLECTS OVER-RECOVERY

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VERSUS ESTIMATED

FOR MONTHS: JANUARY 2025 THROUGH DECEMBER 2025

	<u>ACTUAL</u>	<u>PROJECTED</u>	<u>DIFFERENCE</u>
CAPITAL INVESTMENT	\$0	\$0	\$0
PAYROLL & BENEFITS	\$13,912	\$10,490 c-3.2/5	\$3,422
MATERIALS & SUPPLIES	\$0	\$0	\$0
ADVERTISING	\$0	\$0	\$0
INCENTIVES	\$22,464	\$23,517 c-3.2/5	(\$1,053)
OUTSIDE SERVICES	\$4,838	\$3,188 c-3.2/5	\$1,650
VEHICLES	\$0	\$0	\$0
OTHER	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
SUB TOTAL	\$41,214	\$37,195 c-3.2/5	\$4,019
PROGRAM REVENUES	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL PROGRAM COSTS	\$41,214	\$37,195 c-3.2/5	\$4,019
LESS:			
CONSERVATION REVENUES APPLICABLE TO THE PERIOD	(\$35,196)	(\$34,666) c-3, p.4 line 5	(\$530)
ROUNDING ADJUSTMENTS	<u>\$0</u>	<u>(\$1)</u>	\$1
TRUE-UP BEFORE INTEREST	\$6,018	\$2,528	<u>\$3,490</u>
INTEREST PROVISION	\$34	(\$28) c-3 p 4 line 8	\$62
END OF PERIOD TRUE-UP	<u>\$6,052</u>	<u>\$2,500</u>	<u>\$3,552</u>
() REFLECTS OVER-RECOVERY			

Actual Conservation Program Costs per Program
FOR MONTHS: JANUARY 2025 THROUGH DECEMBER 2025

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	\$2,137	\$0	\$0	\$0	\$729	\$0	\$0	\$2,866
Program 2: Res. Appliance Replace	\$0	\$2,137	\$0	\$0	\$3,200	\$729	\$0	\$0	\$6,066
Program 3: Customer Retention	\$0	\$2,137	\$0	\$0	\$1,900	\$729	\$0	\$0	\$4,766
Program 4: Comm Small Food	\$0	\$2,137	\$0	\$0	\$9,716	\$729	\$0	\$0	\$12,582
Program 5: Comm Large Food	\$0	\$2,137	\$0	\$0	\$2,000	\$728	\$0	\$0	\$4,865
Program 6: Comm Hospitality	\$0	\$2,137	\$0	\$0	\$5,648	\$728	\$0	\$0	\$8,513
Program 7: Large Comm Cleaning Serv	\$0	\$1,090	\$0	\$0	\$0	\$466	\$0	\$0	\$1,556
TOTAL	\$0	\$13,912	\$0	\$0	\$22,464	\$4,838	\$0	\$0	\$41,214

Conservation Costs per Program - Variance Actual Versus Projected
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	\$39	\$0	\$0	(\$800)	\$91	\$0	\$0	(\$670)
Program 2: Res. Appliance Replace	\$0	\$39	\$0	\$0	\$675	\$91	\$0	\$0	\$805
Program 3: Customer Retention	\$0	\$39	\$0	\$0	\$300	\$91	\$0	\$0	\$430
Program 4: Comm Small Food	\$0	\$39	\$0	\$0	(\$5,876)	\$92	\$0	\$0	(\$5,745)
Program 5: Comm Large Food	\$0	\$39	\$0	\$0	(\$1,000)	\$91	\$0	\$0	(\$870)
Program 6: Comm Hospitality	\$0	\$2,137	\$0	\$0	\$5,648	\$728	\$0	\$0	\$8,513
TOTAL	\$0	\$2,332	\$0	\$0	(\$1,053)	\$1,184	\$0	\$0	\$2,463

Energy conservation Adjustment Calculation of True-Up and Interest Provision
Summary of Expenses By program By Month
FOR MONTHS: JANUARY 2025 THROUGH DECEMBER 2025

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.	\$194	\$175	\$194	\$329	\$244	\$175	\$352	\$228	\$219	\$280	\$253	\$223	\$2,866
Program 2: Res. Appliance Replace	\$194	\$850	\$194	\$329	\$1,069	\$175	\$1,702	\$228	\$219	\$280	\$603	\$223	\$6,066
Program 3: Customer Retention	\$194	\$175	\$194	\$329	\$344	\$175	\$1,302	\$228	\$219	\$280	\$1,103	\$223	\$4,766
Program 4 Comm Small Food	\$194	\$175	\$194	\$329	\$244	\$175	\$3,350	\$228	\$6,165	\$280	\$1,025	\$223	\$12,582
Program 5 Comm Large Food	\$194	\$175	\$194	\$329	\$244	\$175	\$352	\$228	\$219	\$280	\$2,253	\$223	\$4,866
Program 6 Comm Hospitality	\$194	\$175	\$194	\$329	\$2,891	\$175	\$3,352	\$228	\$219	\$280	\$253	\$223	\$8,513
Program 7: Large Comm Cleaning	\$0	\$0	\$0	\$0	\$0	\$0	\$352	\$228	\$219	\$280	\$253	\$223	1555
TOTAL	\$1,164	\$1,725	\$1,164	\$1,974	\$5,036	\$1,050	\$10,762	\$1,596	\$7,479	\$1,960	\$5,743	\$1,561	\$41,214

Energy conservation Adjustment Calculation of True-Up and Interest Provision
FOR MONTHS: JANUARY 2025 THROUGH DECEMBER 2025

Conservation Revenues	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
1 RCS AUDIT FEES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2 PSC REG ASSESS FEE	\$23	\$17	\$18	\$17	\$16	\$15	\$15	\$13	\$15	\$16	\$14	\$18	\$197
3 CONSERV. ADJ. REVS	(\$4,548)	(\$3,542)	(\$3,632)	(\$3,429)	(\$3,148)	(\$2,927)	(\$3,036)	(\$2,519)	(\$3,106)	(\$3,199)	(\$2,777)	(\$3,548)	(\$39,411)
4 TOTAL REVENUES	(\$4,525)	(\$3,525)	(\$3,614)	(\$3,412)	(\$3,132)	(\$2,912)	(\$3,021)	(\$2,506)	(\$3,091)	(\$3,183)	(\$2,763)	(\$3,530)	(\$39,214)
5 PRIOR PERIOD TRUE-UP NOT APPLICABLE TO THIS PERIOD	\$335	\$335	\$335	\$335	\$335	\$335	\$335	\$335	\$335	\$335	\$335	\$335	\$4,018
6 CONSERVATION REVS APPLICABLE TO THIS PERIOD	(\$4,190)	(\$3,190)	(\$3,279)	(\$3,077)	(\$2,797)	(\$2,577)	(\$2,687)	(\$2,171)	(\$2,756)	(\$2,848)	(\$2,428)	(\$3,195)	(\$35,196)
7 CONSERVATION EXPS (FROM CT-3, PAGE 1)	\$1,164	\$1,725	\$1,164	\$1,974	\$5,036	\$1,050	\$10,762	\$1,596	\$7,479	\$1,960	\$5,743	\$1,561	\$41,214
8 TRUE-UP THIS PERIOD	(\$3,026)	(\$1,465)	(\$2,115)	(\$1,103)	\$2,239	(\$1,527)	\$8,075	(\$575)	\$4,723	(\$888)	\$3,315	(\$1,634)	\$6,018
9 INT. PROV. THIS PERIOD (FROM CT-3, PAGE 3)	\$8	(\$1)	(\$8)	(\$16)	(\$15)	(\$15)	(\$4)	\$8	\$14	\$19	\$21	\$22	\$34
10 TRUE-UP & INT. PROV. BEGINNING OF MONTH.	\$4,018	\$665	(\$1,135)	(\$3,594)	(\$5,047)	(\$3,158)	(\$5,035)	\$2,701	\$1,800	\$6,202	\$4,998	\$7,999	
11 PRIOR TRUE-UP (COLLECTED) REFUNDED	(\$335)	(\$335)	(\$335)	(\$335)	(\$335)	(\$335)	(\$335)	(\$335)	(\$335)	(\$335)	(\$335)	(\$335)	
TOTAL NET TRUE-UP	\$665	(\$1,135)	(\$3,594)	(\$5,047)	(\$3,158)	(\$5,035)	\$2,701	\$1,800	\$6,202	\$4,998	\$7,999	\$6,052	\$6,052
12 (SUM LINES 8+9+10+11)	\$665	(\$1,135)	(\$3,594)	(\$5,047)	(\$3,158)	(\$5,035)	\$2,701	\$1,800	\$6,202	\$4,998	\$7,999	\$6,052	\$6,052

NOTE: Lines 19 + 31 were booked at \$334.84 for Jan-Nov. Dec was booked as \$334.80.

Calculation of True-Up and Interest Provision
FOR MONTHS: JANUARY 2025 THROUGH DECEMBER 2025

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Interest Provision													
1 BEGINNING TRUE-UP	\$4,018	\$665	(\$1,135)	(\$3,594)	(\$5,047)	(\$3,158)	(\$5,035)	\$2,701	\$1,800	\$6,202	\$4,998	\$7,999	
ENDING TRUE-UP BEFORE													
2 INTEREST	\$657	(\$1,135)	(\$3,585)	(\$5,032)	(\$3,143)	(\$5,020)	\$2,706	\$1,791	\$6,188	\$4,979	\$7,978	\$6,030	
TOTAL BEGINNING &													
3 ENDING TRUE-UP	\$4,675	(\$469)	(\$4,721)	(\$8,626)	(\$8,191)	(\$8,178)	(\$2,329)	\$4,493	\$7,987	\$11,180	\$12,976	\$14,030	
AVERAGE TRUE-UP													
4 (LINE 3 x 50%)	\$2,338	(\$235)	(\$2,360)	(\$4,313)	(\$4,095)	(\$4,089)	(\$1,165)	\$2,246	\$3,994	\$5,590	\$6,488	\$7,015	
INT. RATE - 1ST DAY													
5 OF REPORTING MONTH	4.36%	4.35%	4.35%	4.32%	4.28%	4.35%	4.31%	4.32%	4.26%	4.08%	3.96%	3.89%	
INT. RATE - 1ST DAY													
6 OF SUBSEQUENT MONTH	4.35%	4.35%	4.32%	4.28%	4.35%	4.31%	4.32%	4.26%	4.08%	3.96%	3.89%	3.66%	
7 TOTAL (LINES 5 + 6)	8.71%	8.70%	8.67%	8.60%	8.63%	8.66%	8.63%	8.58%	8.34%	8.04%	7.85%	7.55%	
AVG. INT. RATE													
8 (LINE 7 x 50%)	4.36%	4.35%	4.34%	4.30%	4.32%	4.33%	4.32%	4.29%	4.17%	4.02%	3.93%	3.78%	
MONTHLY AVG.													
9 INT. RATE	0.36%	0.36%	0.36%	0.36%	0.36%	0.36%	0.36%	0.36%	0.35%	0.34%	0.33%	0.31%	
10 INTEREST PROVISION (LINE 4 x LINE 9)	\$8.42	(\$0.84)	(\$8.50)	(\$15.53)	(\$14.74)	(\$14.72)	(\$4.19)	\$8.09	\$13.98	\$19.01	\$21.41	\$21.75	\$34

SEBRING GAS SYSTEM, INC.

Reconciliation and Explanation of differences between Filing and
PSC Audit Report for January 2025 through December 2025.

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, 2025 through December 31, 2025, 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 2025 through December 2025, 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 2025 expenditures for the Residential New Construction Program totaled \$2,866

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, 2025 through December 31, 2025, 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 2025 through December 2025, the amount of incentives paid by the Company under the Residential Appliance Replacement Program was:
\$3,200

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

0	Tank water heaters	@	\$550.00	\$0.00
4	Tankless water heaters	@	\$675.00	\$2,700.00
1	Gas ranges	@	\$200.00	\$200.00
2	Gas dryers	@	\$150.00	<u>\$300.00</u>
Total				\$3,200.00

Program Fiscal Expenditures:

During 2025 expenditures for the Resident Appliance Replacement Program totaled
\$6,066

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, 2025 through December 31, 2025, 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 2025 through December 2025, the amount of incentives paid by the Company under the Residential Appliance Retention Program was:
\$1,900

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

1	Tank water heater	@	\$400.00	\$400.00
2	Tankless water heaters	@	\$550.00	\$1,100.00
2	Gas ranges	@	\$100.00	\$200.00
2	Gas dryers	@	\$100.00	<u>\$200.00</u>
	Total			\$1,900.00

Program Fiscal Expenditures:

During 2025 expenditures for the Resident Appliance Retention Program totaled
\$4,766

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 2025 through December 2025, the amount of incentives paid by the Company under the Commercial Small Food Service Program was:

\$9,716

The following incentives were given as follows:

\$2,997.70 was given to a Sofie's restaurant for a new gas range and gryer.

\$5,945.96 was given to X-Urban for a tankless water heater, gas range and two fryers for a restaurant.

\$772.00 was given to The Panda Resturant to replace a gas fryer.

Program Fiscal Expenditures:

During 2025 expenditures for the Commercial Small Food Service Program totaled

\$12,582

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 2025 through December 2025, the amount of incentives paid by the Company under the Commercial Large Food Service Program was:

\$2,000

The following incentives were given as follows:

Exchanged old tankless water heater for Outback Steakhouse	\$2,000.00
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Total Incentives	\$2,000.00
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Program Fiscal Expenditures:

During 2025 expenditures for the Commercial Large Food Service Program totaled \$4,865

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 2025 through December 2025, the amount of incentives paid by the Company under the Hospitality and Lodging Conservation Program was
\$5,648

The following incentives were given as follows:

Replaced gas fryer for Dee's Place Resturant	\$647.53
Installed new tankless water heater for Sophie's Resturant	\$2,000.00
Replaced gas water heater for 360 LLC	<u>\$3,000.00</u>
 Total incentives	 \$5,647.53

Program Fiscal Expenditures:
During 2025 expenditures for the Commercial Hospitality and Lodging Service Program totaled
\$8,513

SEBRING GAS SYSTEM, INC.
Program Description and Progress

Program Title:

Large Commercial Cleaning Service

Program Description:

The Large Commercial Cleaning Service 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 2025 through December 2025, the amount of incentives paid by the Company under the Hospitality and Lodging Conservation Program was

\$0

Program Fiscal Expenditures:

During 2025 expenditures for the Large Commercial Cleaning Service was
\$1,556