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August 5, 2026

VIA E-PORTAL

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

Re: Docket No. 20260063-EG – Joint petition for approval of updates to residential conservation programs, by Florida Public Utilities Company and Florida City Gas.

Dear Mr. Teitzman:

Attached for electronic filing on behalf of Florida Public Utilities Company and Florida City Gas, please find the Companies' Responses to Staff's Second Set of Data Requests.

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

Cc:// (Sparks, Sanchez)
(discovery-gcl)

Re: Docket No. 20260063- EG - Joint petition for approval of updates to residential conservation programs, by Florida Public Utilities Company and Florida City Gas.

**FLORIDA PUBLIC UTILITIES COMPANY'S AND FLORIDA CITY GAS'S RESPONSES
TO STAFF'S FIRST DATA REQUESTS**

1. Please refer to the Companies' joint amended petition, paragraphs 8 through 9. For the proposed Residential Customer Survey Program modifications, specifically the kits provided to participants, provide the following:

- a. Describe any differences between the existing Residential Customer Survey Program and the modified program proposed in the Companies' petition.

FPUC RESPONSE:

The proposed Efficiency First Residential Survey Program differs significantly from the Company's historical residential survey program. Rather than relying on an in-home survey conducted by utility personnel or contractors, the proposed program utilizes an online customer survey as the initial point of engagement. The survey serves as the first step in a broader customer participation process designed to educate customers regarding natural gas conservation opportunities while encouraging additional conservation actions.

Upon completion of the survey, participating customers receive a weatherization kit containing qualifying natural gas conservation measures for self-installation. Customers who subsequently confirm installation of the measures receive a smart home kit as an additional participation incentive. This staged approach is intended to increase customer engagement, improve installation rates, and provide measurable participation milestones while reducing overall program delivery costs.

- b. Provide the results of the Participants Test and G-RIM Test and any assumptions used in the calculation, including estimated savings. If the program fails to achieve a ratio of 1.0, explain why.

FPUC RESPONSE:

The Company is providing the attached cost-effectiveness analyses for the proposed Efficiency First program, including both the Weatherization Kit and Smart Home Energy Kit components, prepared using the Commission's load reduction methodology and C.B. Forms 1, 4, and 5. The analyses indicate that neither component passes the Gas Rate Impact Measure (RIM) Test, primarily due to the relatively low avoided cost associated with natural gas conservation. Consistent with the sensitivity analyses performed, substantially higher avoided cost values than the Company's preliminary avoided cost assumption of approximately \$0.30 per therm would be required for either component to achieve a passing Gas RIM Test.

Efficiency First is intended primarily as a customer education and engagement program rather than a traditional load reduction program. The residential survey serves as the initial point of customer engagement, helping identify conservation opportunities and guiding customers toward practical energy-saving actions. Customers may then receive either a Weatherization Kit or Smart Home Energy Kit containing self-installed conservation measures that reinforce the survey recommendations, encourage long-term conservation behaviors, and increase awareness of energy efficiency opportunities. Similar educational initiatives have long been included within the Company's electric conservation portfolio because they promote customer participation, strengthen engagement, and foster informed energy use, even when the resulting energy savings are not sufficient to satisfy the Gas Rate Impact Measure under the Commission's prescribed cost-effectiveness methodology.

c. Provide a list of the contents to be included in each weatherization kit and Smart Home Energy Kit.

FPUC RESPONSE:

The proposed Efficiency First program includes two educational conservation kits designed to encourage customers to implement practical, low-cost energy-saving measures identified through the residential survey. The Weatherization Kit contains self-installed weatherization and water conservation measures, including a high-efficiency showerhead, kitchen and bathroom faucet aerators, pipe insulation, window insulating film, low-pressure spray foam, foam weatherstripping, door sweep, rope caulk, switch and outlet gaskets, furnace filter whistle, and wool dryer balls. The Smart Home Energy Kit builds upon these conservation efforts by providing customers with smart energy technologies and educational devices, including an Emerson Sensi Lite smart thermostat, a high-efficiency showerhead, a five-minute shower timer, a hot water gauge card, and wool dryer balls. Together, these kits are intended to reinforce the recommendations provided through the residential survey by increasing customer awareness of energy conservation opportunities and encouraging long-term energy-efficient behaviors through the installation of practical conservation measures

2. Please refer to the Companies' joint amended petition, paragraphs 10 through 12. For the proposed Efficiency For All Program, provide the following:
 - a. Provide the results of the Participants Test and G-RIM Test and any assumptions used in the calculation, including estimated savings. If the program fails to meet a ratio of 1.0, explain why.

FPUC RESPONSE:

The Company is providing the attached cost-effectiveness analyses for the proposed Efficiency for All Program, including both the Weatherization Kit and Smart Home Energy Kit components, prepared using the Commission's load reduction methodology and C.B. Forms 1, 4, and 5. The analyses indicate that neither component passes the Gas Rate Impact Measure (RIM) Test, primarily due to the relatively low avoided cost associated Efficiency for All is intended primarily as a targeted low-income customer education and direct-install program rather than a traditional load reduction program. with natural gas conservation. Consistent with the sensitivity analyses performed, substantially higher avoided cost values than the Company's preliminary avoided cost assumption of approximately \$0.30 per therm would be required for either component to achieve a passing Gas RIM Test. The submitted analyses reflect the program assumptions and estimated savings used in the evaluation.

The program is designed to leverage the Company's existing relationships with participating communities, local partners, and qualified installation contractors to efficiently deliver weatherization measures and customer education to households that may otherwise face financial or logistical barriers to participation. By building upon existing program infrastructure and implementation capacity, the Company can expand conservation opportunities to eligible natural gas customers while minimizing administrative costs. Similar low-income education and direct-install initiatives have long been included within the Company's electric conservation portfolio because they improve customer engagement, increase participation among underserved customers, and promote long-term conservation behaviors, even when the resulting energy savings are

not sufficient to satisfy the Gas Rate Impact Measure under the Commission's prescribed cost-effectiveness methodology.

- b. Provide an estimated cost of each weatherization kit and Smart Home energy kit to be provided to eligible customers. If the cost of either kit is different than the kits being provided as part of the Residential Customer Survey Program, explain why.

FPUC RESPONSE:

The estimated costs of the proposed Weatherization Kit and Smart Home Energy Kit are based on the attached quotation provided by AM Conservation Group. These are the same kit configurations and costs proposed for both the Efficiency First Residential Survey Program and the Efficiency for All Program. The delivered kit costs shown below were used as the utility incentive/program costs in the Participant Test and Gas Rate Impact Measure (G-RIM) Test analyses. Participant equipment cost was assumed to be \$0 because the kits are provided to eligible customers at no charge.

Weatherization (Therm Saving) Kit	
Components	Quantity
Evolve 1.5 GPM Showerhead	1
1.5 GPM Kitchen Swivel Aerator	1
1.0 GPM Bathroom Aerators	2
Foam Tape	2
Self-Stick Door Sweep	1
Fingertip Rope Caulk	2
Furnace Filter Whistle	1
Pipe Insulation (3-ft pieces)	2
Switch/Outlet Gaskets	1 pack
Wool Dryer Balls (2-pack)	1

Weatherization (Therm Saving) Kit	
Window Insulating Film Kit	1
Low-Pressure Spray Foam	1
Cost Summary	
Kit Price	\$60.16
Direct-to-Customer Shipping	\$11.53
Delivered Kit Cost	\$71.69

Screening Assumptions: 19.40 annual Therms; 92.62 annual kWh.

Smart Home Energy Kit	
Components	Quantity
Evolve 1.5 GPM Showerhead	1
Emerson Sensi Lite Smart Thermostat	1
Hot Water Gauge Card	1
5-Minute Shower Timer	1
Wool Dryer Balls (2-pack)	1
Cost Summary	
Kit Price	\$121.92
Direct-to-Customer Shipping	\$9.44
Delivered Kit Cost	\$131.36

Screening Assumptions: 7.17 annual Therms; 382.62 annual kWh.

The delivered kit costs above are supported by the attached AM Conservation Group quotation and correspond directly to the utility incentive/program costs used in the Participant Test and Gas Rate Impact Measure (G-RIM) Test analyses. The same kit configurations, pricing, and implementation approach are proposed for both the Efficiency First Residential Survey Program and the Efficiency for All Program.

- c. Provide a list of the contents to be included in each weatherization kit and Smart Home Energy Kit.

FPUC RESPONSE

The proposed Efficiency for All Program utilizes the same Weatherization Kit and Smart Home Energy Kit configurations as the proposed Efficiency First Residential Survey Program. Accordingly, the complete list of kit contents is provided in the Company's response to Item No. 2(b) above and is incorporated herein by reference. The attached AM Conservation Group quotation reflects the final kit configurations proposed for both programs.

3. For each program proposed in the Companies' joint amended petition, provide the estimated annual incremental rate impact on a residential non-participating customer.

FPUC RESPONSE

The Company is providing Exhibit 3, Illustrative Incremental Residential ECCR Impact Analysis, in response to this request. The exhibit evaluates the estimated annual incremental residential rate impact associated with the proposed natural gas conservation programs using the Companies' 2025 ECCR baseline reflected in the 2026 true-up docket. The analysis assumes an approximate 30% increase in incentive expenditures, partially offset by administrative efficiencies achieved through leveraging the existing Efficiency First and Efficiency for All program delivery platforms, including shared administration, marketing, contractor networks, workflows, and customer engagement infrastructure. Under the illustrative scenarios presented, the estimated incremental residential ECCR impact ranges from approximately \$1.65 to \$2.10 per residential customer annually (approximately \$0.14 to \$0.17 per month), depending on the level of administrative efficiencies achieved. As explained in Exhibit 3, the analysis is

intended as an illustrative sensitivity analysis, and actual ECCR impacts will depend on Commission-approved program budgets, participation levels, and future annual ECCR filings.

4. Please refer to the Companies' joint amended petition, paragraph 8. Explain why Franklin Energy Services (Franklin) was chosen to manage verification of a customer's self-installation of provided weatherization and smart home energy kits. As part of this response, indicate if Franklin will also provide installation service through the Efficiency For All program.

FPUC RESPONSE:

Franklin Energy Services was selected based on the Companies' existing contractual relationship supporting the 2025 electric conservation portfolio. Under the Efficiency First program, Franklin coordinates customer enrollment, verification of required self-installation activities, and participation reporting, while AM Conservation supplies and ships the weatherization and smart home energy kits. Franklin was originally selected through Chesapeake Utilities' comprehensive procurement, technical, IT, cybersecurity, and contracting review process and provides an established, scalable platform for program administration.

Franklin Energy Services will not provide installation services under the proposed Efficiency for All program. That program will continue to utilize qualified installation contractors selected through the Companies' established screening and approval process to perform neighborhood "blitz-style" installations for eligible low-income participants. Franklin's role is limited to administration and verification of the Efficiency First program and does not include installation activities for Efficiency for All.

5. Please refer to the Companies' response to Staff's First Data Request, No. 1(c) and 2(c). Explain how the projected annual participation levels were determined. As part of this response,

indicate if there will be a maximum annual number of customers allowed to participate in either program.

FPUC RESPONSE:

The projected annual participation levels were developed using a conservative forecasting methodology based on recent residential program participation trends. Projected full-year 2025 participation was derived by annualizing year-to-date participation through October. For each residential program, the average of the 2024 actual participation and projected full-year 2025 participation was used as the baseline, with participation increasing at a conservative annual growth rate of 1.5 percent beginning in 2026. This methodology was used to develop the participation projections included in the Company's filing.

Because the proposed Efficiency First and Efficiency for All programs are new offerings, no program-specific historical participation data exists. Accordingly, participation estimates were also developed based on anticipated implementation capacity, customer demand, available funding, and the Company's ability to leverage existing implementation contractors and community partnerships.

Participation in both programs must be consistent with the applicable Program Standards. While the Company does not propose a fixed enrollment cap, implementation is subject to the contractual capacity of the program implementation vendors. The current implementation agreements provide sufficient capacity to achieve the proposed participation goals, together with approximately 100 additional kits beyond the annual program targets before additional implementation capacity would be required. Should participation exceed that level, the Company would work with its implementation contractors to expand capacity or otherwise manage participation consistent with the approved Program Standards.

Exhibit 1-B
First Weatherization and Smart Energy Kits

C.B. FORM 1 – GENERAL ASSUMPTIONS

FPSC Natural Gas DSM Manual / Load Reduction Weatherization Kit

PSC GENERAL ASSUMPTIONS – PER KIT / PER PARTICIPANT BASIS

PSC Item	Assumption	Input	Units	Source / Treatment
1	Life of program	20.00	years	PSC manual specifies 20 years
4	Kits installed per year	200.00	kits/year	Known initial program quantity
5	Average participants per year	200.00	participants/year	Assumed equal to kits installed
6	Avoided electricity per kit	660.99	kWh/year	FPUC weatherization-kit support
7	Avoided natural gas per kit	19.40	therms/year	FPUC weatherization-kit support
8	Utility incentive / delivered kit cost	\$71.69	\$/kit	\$60.16 kit + \$11.53 shipping
9	Other utility program cost	-	\$/kit	Enter only documented incremental cost
9	Participant equipment cost	-	\$/participant	Free-kit assumption
9	Participant incremental O&M cost	-	\$/participant-year	No supported incremental O&M
10	Gas commodity escalation rate	3.74%	%	Editable assumption
10	Energy-charge escalation rate	3.74%	%	Editable assumption
10	Program-cost escalation rate	4.43%	%	Editable assumption
11	Discount rate	6.02%	%	After-tax incremental cost of capital
Rate	Current cost of gas	\$0.82	\$/therm	Commodity / PGA component
Rate	Current energy charge	\$0.60	\$/therm	Distribution and related charge
Benefit	Avoided non-fuel supply/capacity value	\$0.30	\$/therm saved	Enter only if supported by utility data

ANNUAL PRESENT-VALUE DISCLOSURE

Item	Value	Units	Explanation	Location
Annual calculations shown		20 years	Each year is displayed separately rather than only as a single NPV	Annual NPV Detail
Form totals	Linked		Forms 4 and 5 sum the annual present values from the detail sheet	Forms 4 and 5

C.B. FORM 4 – PARTICIPANTS TEST

Load Reduction Scenario | Per Participant

BENEFITS

PSC Item	Benefit	Present Value	Calculation
1A	Gas Bill Savings – Cost of Gas	\$246.02	Sum of annual PV values shown on Annual NPV Detail
1B	Gas Bill Savings – Energy Charge	\$181.30	Sum of annual PV values shown on Annual NPV Detail
2	Incentive Payment Received	\$67.62	Year 1 Incentive present value shown on Annual NPV Detail
	TOTAL BENEFITS	\$494.94	Sum of benefit categories

COSTS

PSC Item	Cost	Present Value	Calculation
1A	Incremental Participant Equipment Cost		- Participant equipment cost
1B	Incremental Participant O&M Cost		- Annual O&M input; currently zero
	TOTAL COSTS		- Sum of participant cost categories

PARTICIPANT TEST RESULT

Metric	Result	Interpretation
Net Present Value		\$494.94 Benefits minus costs
Benefit-Cost Ratio	N/A – No Participant Cost	Benefits divided by costs
Result	PASS	PASS when NPV is positive
PSC Manual Form	C.B. Form 4	Load Reduction Participant Test

C.B. FORM 5 – GAS RIM TEST

Load Reduction Scenario | Per Participant

BENEFITS

PSC Item	Benefit	Present Value	Calculation
1A	Decreased Gas Commodity Costs	\$246.02	Sum of annual PV values shown on Annual NPV Detail
2A-D	Avoided Non-Fuel Supply / Capacity Costs	\$90.01	Sum of annual PV values shown on Annual NPV Detail
	TOTAL BENEFITS	\$336.03	Sum of utility benefit categories

COSTS

PSC Item	Cost	Present Value	Calculation
1A	Revenue Decrease – Cost of Gas	\$246.02	Sum of annual PV values shown on Annual NPV Detail
1B	Revenue Decrease – Energy Charge	\$181.30	Sum of annual PV values shown on Annual NPV Detail
2	Incentive Payments and Other Utility Costs	\$67.62	Year 1 present value shown on Annual NPV Detail
	TOTAL COSTS	\$494.94	Sum of utility cost categories

GAS RIM TEST RESULT

Metric	Result	Interpretation
Net Present Value	(\$158.91)	Benefits minus costs
Benefit-Cost Ratio	0.679x	Benefits divided by costs
Result	FAIL	PASS when NPV is nonnegative and ratio is at least 1.0
Break-even avoided non-fuel value	\$1.12	\$/therm saved needed for G-RIM ratio of 1.0
Current avoided non-fuel input	\$0.30	Linked to C.B. Form 1
PSC Manual Form	C.B. Form 5	Load Reduction Gas RIM Test

ANNUAL NE

Twenty-year annual calcul

Year	Avoided Therms	Gas Commodity Rate	Energy Charge	Avoided Non-Fuel Value	Discount Factor	Participant Commodity Savings – Nominal	Participant Energy-Charge Savings – Nominal	Participant Incentive – Nominal
1	19.40	\$0.82	\$0.60	\$0.30	0.943218	\$15.91	\$11.72	\$71.69
2	19.40	\$0.85	\$0.63	\$0.31	0.889661	\$16.50	\$12.16	-
3	19.40	\$0.88	\$0.65	\$0.32	0.839144	\$17.12	\$12.62	-
4	19.40	\$0.92	\$0.67	\$0.33	0.791496	\$17.76	\$13.09	-
5	19.40	\$0.95	\$0.70	\$0.35	0.746554	\$18.42	\$13.58	-
6	19.40	\$0.99	\$0.73	\$0.36	0.704163	\$19.11	\$14.09	-
7	19.40	\$1.02	\$0.75	\$0.37	0.664179	\$19.83	\$14.61	-
8	19.40	\$1.06	\$0.78	\$0.39	0.626466	\$20.57	\$15.16	-
9	19.40	\$1.10	\$0.81	\$0.40	0.590894	\$21.34	\$15.73	-
10	19.40	\$1.14	\$0.84	\$0.42	0.557342	\$22.14	\$16.31	-
11	19.40	\$1.18	\$0.87	\$0.43	0.525695	\$22.97	\$16.92	-
12	19.40	\$1.23	\$0.91	\$0.45	0.495846	\$23.82	\$17.56	-
13	19.40	\$1.27	\$0.94	\$0.47	0.467691	\$24.72	\$18.21	-
14	19.40	\$1.32	\$0.97	\$0.48	0.441134	\$25.64	\$18.89	-
15	19.40	\$1.37	\$1.01	\$0.50	0.416086	\$26.60	\$19.60	-
16	19.40	\$1.42	\$1.05	\$0.52	0.392460	\$27.59	\$20.33	-
17	19.40	\$1.48	\$1.09	\$0.54	0.370175	\$28.63	\$21.10	-
18	19.40	\$1.53	\$1.13	\$0.56	0.349156	\$29.70	\$21.88	-
19	19.40	\$1.59	\$1.17	\$0.58	0.329330	\$30.81	\$22.70	-
20	19.40	\$1.65	\$1.21	\$0.60	0.310630	\$31.96	\$23.55	-

TOTAL
NPV

T PRESENT VALUE DETAIL

itions supporting C.B. Form 4 and C.B. Form 5

Participant Commodity Savings – PV	Participant Energy-Charge Savings – PV	Participant Incentive – PV	G-RIM Commodity Benefit – PV	G-RIM Avoided Non-Fuel Benefit – PV	G-RIM Commodity Revenue Loss – PV	G-RIM Energy-Charge Revenue Loss – PV	G-RIM Incentive / Utility Cost – PV
\$15.00	\$11.06	\$67.62	\$15.00	\$5.49	\$15.00	\$11.06	\$67.62
\$14.68	\$10.82	-	\$14.68	\$5.37	\$14.68	\$10.82	-
\$14.37	\$10.59	-	\$14.37	\$5.26	\$14.37	\$10.59	-
\$14.06	\$10.36	-	\$14.06	\$5.14	\$14.06	\$10.36	-
\$13.76	\$10.14	-	\$13.76	\$5.03	\$13.76	\$10.14	-
\$13.46	\$9.92	-	\$13.46	\$4.92	\$13.46	\$9.92	-
\$13.17	\$9.71	-	\$13.17	\$4.82	\$13.17	\$9.71	-
\$12.89	\$9.50	-	\$12.89	\$4.71	\$12.89	\$9.50	-
\$12.61	\$9.29	-	\$12.61	\$4.61	\$12.61	\$9.29	-
\$12.34	\$9.09	-	\$12.34	\$4.51	\$12.34	\$9.09	-
\$12.07	\$8.90	-	\$12.07	\$4.42	\$12.07	\$8.90	-
\$11.81	\$8.71	-	\$11.81	\$4.32	\$11.81	\$8.71	-
\$11.56	\$8.52	-	\$11.56	\$4.23	\$11.56	\$8.52	-
\$11.31	\$8.34	-	\$11.31	\$4.14	\$11.31	\$8.34	-
\$11.07	\$8.16	-	\$11.07	\$4.05	\$11.07	\$8.16	-
\$10.83	\$7.98	-	\$10.83	\$3.96	\$10.83	\$7.98	-
\$10.60	\$7.81	-	\$10.60	\$3.88	\$10.60	\$7.81	-
\$10.37	\$7.64	-	\$10.37	\$3.79	\$10.37	\$7.64	-
\$10.15	\$7.48	-	\$10.15	\$3.71	\$10.15	\$7.48	-
\$9.93	\$7.32	-	\$9.93	\$3.63	\$9.93	\$7.32	-
\$246.02	\$181.30	\$67.62	\$246.02	\$90.01	\$246.02	\$181.30	\$67.62

C.B. FORM 1 – GENERAL ASSUMPTIONS

FPSC Natural Gas DSM Manual / Load Reduction Weatherization Kit

PSC GENERAL ASSUMPTIONS – PER KIT / PER PARTICIPANT BASIS

PSC Item	Assumption	Input	Units	Source / Treatment
1	Life of program	20.00	years	PSC manual specifies 20 years
4	Kits installed per year	200.00	kits/year	Known initial program quantity
5	Average participants per year	200.00	participants/year	Assumed equal to kits installed
6	Avoided electricity per kit	592.00	kWh/year	FPUC weatherization-kit support
7	Avoided natural gas per kit	7.17	therms/year	FPUC weatherization-kit support
8	Utility incentive / delivered kit cost	\$131.36	\$/kit	\$60.16 kit + \$11.53 shipping
9	Other utility program cost	-	\$/kit	Enter only documented incremental cost
9	Participant equipment cost	-	\$/participant	Free-kit assumption
9	Participant incremental O&M cost	-	\$/participant-year	No supported incremental O&M
10	Gas commodity escalation rate	3.74%	%	Editable assumption
10	Energy-charge escalation rate	3.74%	%	Editable assumption
10	Program-cost escalation rate	4.43%	%	Editable assumption
11	Discount rate	6.02%	%	After-tax incremental cost of capital
Rate	Current cost of gas	\$0.82	\$/therm	Commodity / PGA component
Rate	Current energy charge	\$0.60	\$/therm	Distribution and related charge
Benefit	Avoided non-fuel supply/capacity value	\$0.30	\$/therm saved	Enter only if supported by utility data

ANNUAL PRESENT-VALUE DISCLOSURE

Item	Value	Units	Explanation	Location
Annual calculations shown		20 years	Each year is displayed separately rather than only as a single NPV	Annual NPV Detail
Form totals	Linked		Forms 4 and 5 sum the annual present values from the detail sheet	Forms 4 and 5

C.B. FORM 4 – PARTICIPANTS TEST

Load Reduction Scenario | Per Participant

BENEFITS

PSC Item	Benefit	Present Value	Calculation
1A	Gas Bill Savings – Cost of Gas	\$90.93	Sum of annual PV values shown on Annual NPV Detail
1B	Gas Bill Savings – Energy Charge	\$67.01	Sum of annual PV values shown on Annual NPV Detail
2	Incentive Payment Received	\$123.90	Year 1 incentive present value shown on Annual NPV Detail
	TOTAL BENEFITS	\$281.83	Sum of benefit categories

COSTS

PSC Item	Cost	Present Value	Calculation
1A	Incremental Participant Equipment Cost		- Participant equipment cost
1B	Incremental Participant O&M Cost		- Annual O&M input; currently zero
	TOTAL COSTS		- Sum of participant cost categories

PARTICIPANT TEST RESULT

Metric	Result	Interpretation
Net Present Value		\$281.83 Benefits minus costs
Benefit-Cost Ratio	N/A – No Participant Cost	Benefits divided by costs
Result	PASS	PASS when NPV is positive
PSC Manual Form	C.B. Form 4	Load Reduction Participant Test

C.B. FORM 5 – GAS RIM TEST

Load Reduction Scenario | Per Participant

BENEFITS

PSC Item	Benefit	Present Value	Calculation
1A	Decreased Gas Commodity Costs	\$90.93	Sum of annual PV values shown on Annual NPV Detail
2A-D	Avoided Non-Fuel Supply / Capacity Costs	\$33.27	Sum of annual PV values shown on Annual NPV Detail
	TOTAL BENEFITS	\$124.19	Sum of utility benefit categories

COSTS

PSC Item	Cost	Present Value	Calculation
1A	Revenue Decrease – Cost of Gas	\$90.93	Sum of annual PV values shown on Annual NPV Detail
1B	Revenue Decrease – Energy Charge	\$67.01	Sum of annual PV values shown on Annual NPV Detail
2	Incentive Payments and Other Utility Costs	\$123.90	Year 1 present value shown on Annual NPV Detail
	TOTAL COSTS	\$281.83	Sum of utility cost categories

GAS RIM TEST RESULT

Metric	Result	Interpretation
Net Present Value		(\$157.64) Benefits minus costs
Benefit-Cost Ratio		0.441x Benefits divided by costs
Result	FAIL	PASS when NPV is nonnegative and ratio is at least 1.0
Break-even avoided non-fuel value		\$2.33 \$/therm saved needed for G-RIM ratio of 1.0
Current avoided non-fuel input		\$0.30 Linked to C.B. Form 1
PSC Manual Form	C.B. Form 5	Load Reduction Gas RIM Test

ANNUAL NE

Twenty-year annual calcula

Year	Avoided Therms	Gas Commodity Rate	Energy Charge	Avoided Non-Fuel Value	Discount Factor	Participant Commodity Savings – Nominal	Participant Energy-Charge Savings – Nominal	Participant Incentive – Nominal
1	7.17	\$0.82	\$0.60	\$0.30	0.943218	\$5.88	\$4.33	\$131.36
2	7.17	\$0.85	\$0.63	\$0.31	0.889661	\$6.10	\$4.49	-
3	7.17	\$0.88	\$0.65	\$0.32	0.839144	\$6.33	\$4.66	-
4	7.17	\$0.92	\$0.67	\$0.33	0.791496	\$6.56	\$4.84	-
5	7.17	\$0.95	\$0.70	\$0.35	0.746554	\$6.81	\$5.02	-
6	7.17	\$0.99	\$0.73	\$0.36	0.704163	\$7.06	\$5.21	-
7	7.17	\$1.02	\$0.75	\$0.37	0.664179	\$7.33	\$5.40	-
8	7.17	\$1.06	\$0.78	\$0.39	0.626466	\$7.60	\$5.60	-
9	7.17	\$1.10	\$0.81	\$0.40	0.590894	\$7.89	\$5.81	-
10	7.17	\$1.14	\$0.84	\$0.42	0.557342	\$8.18	\$6.03	-
11	7.17	\$1.18	\$0.87	\$0.43	0.525695	\$8.49	\$6.25	-
12	7.17	\$1.23	\$0.91	\$0.45	0.495846	\$8.81	\$6.49	-
13	7.17	\$1.27	\$0.94	\$0.47	0.467691	\$9.13	\$6.73	-
14	7.17	\$1.32	\$0.97	\$0.48	0.441134	\$9.48	\$6.98	-
15	7.17	\$1.37	\$1.01	\$0.50	0.416086	\$9.83	\$7.24	-
16	7.17	\$1.42	\$1.05	\$0.52	0.392460	\$10.20	\$7.52	-
17	7.17	\$1.48	\$1.09	\$0.54	0.370175	\$10.58	\$7.80	-
18	7.17	\$1.53	\$1.13	\$0.56	0.349156	\$10.98	\$8.09	-
19	7.17	\$1.59	\$1.17	\$0.58	0.329330	\$11.39	\$8.39	-
20	7.17	\$1.65	\$1.21	\$0.60	0.310630	\$11.81	\$8.70	-

TOTAL
NPV

T PRESENT VALUE DETAIL

tations supporting C.B. Form 4 and C.B. Form 5

Participant Commodity Savings – PV	Participant Energy-Charge Savings – PV	Participant Incentive – PV	G-RIM Commodity Benefit – PV	G-RIM Avoided Non-Fuel Benefit – PV	G-RIM Commodity Revenue Loss – PV	G-RIM Energy-Charge Revenue Loss – PV	G-RIM Incentive / Utility Cost – PV
\$5.55	\$4.09	\$123.90	\$5.55	\$2.03	\$5.55	\$4.09	\$123.90
\$5.43	\$4.00	-	\$5.43	\$1.99	\$5.43	\$4.00	-
\$5.31	\$3.91	-	\$5.31	\$1.94	\$5.31	\$3.91	-
\$5.20	\$3.83	-	\$5.20	\$1.90	\$5.20	\$3.83	-
\$5.08	\$3.75	-	\$5.08	\$1.86	\$5.08	\$3.75	-
\$4.97	\$3.67	-	\$4.97	\$1.82	\$4.97	\$3.67	-
\$4.87	\$3.59	-	\$4.87	\$1.78	\$4.87	\$3.59	-
\$4.76	\$3.51	-	\$4.76	\$1.74	\$4.76	\$3.51	-
\$4.66	\$3.43	-	\$4.66	\$1.70	\$4.66	\$3.43	-
\$4.56	\$3.36	-	\$4.56	\$1.67	\$4.56	\$3.36	-
\$4.46	\$3.29	-	\$4.46	\$1.63	\$4.46	\$3.29	-
\$4.37	\$3.22	-	\$4.37	\$1.60	\$4.37	\$3.22	-
\$4.27	\$3.15	-	\$4.27	\$1.56	\$4.27	\$3.15	-
\$4.18	\$3.08	-	\$4.18	\$1.53	\$4.18	\$3.08	-
\$4.09	\$3.01	-	\$4.09	\$1.50	\$4.09	\$3.01	-
\$4.00	\$2.95	-	\$4.00	\$1.46	\$4.00	\$2.95	-
\$3.92	\$2.89	-	\$3.92	\$1.43	\$3.92	\$2.89	-
\$3.83	\$2.82	-	\$3.83	\$1.40	\$3.83	\$2.82	-
\$3.75	\$2.76	-	\$3.75	\$1.37	\$3.75	\$2.76	-
\$3.67	\$2.70	-	\$3.67	\$1.34	\$3.67	\$2.70	-
\$90.93	\$67.01	\$123.90	\$90.93	\$33.27	\$90.93	\$67.01	\$123.90

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Exhibit 2

All Weatherization and Smart Energy Kits

Exhibit 3, Illustrative Incremental Residential ECCR Impact Analysis

C.B. FORM 1 – GENERAL ASSUMPTIONS

FPSC Natural Gas DSM Manual | Load Reduction Weatherization Kit

PSC GENERAL ASSUMPTIONS – PER KIT / PER PARTICIPANT BASIS

PSC Item	Assumption	Input	Units	Source / Treatment
1	Life of program	20.00	years	PSC manual specifies 20 years
4	Kits installed per year	200.00	kits/year	Known initial program quantity
5	Average participants per year	200.00	participants/year	Assumed equal to kits installed
6	Avoided electricity per kit	592.00	kWh/year	FPUC weatherization-kit support
7	Avoided natural gas per kit	7.17	therms/year	FPUC weatherization-kit support
8	Utility incentive / delivered kit cost	\$131.36	\$/kit	\$60.16 kit + \$11.53 shipping
9	Other utility program cost	\$200.00	\$/kit	Enter only documented incremental cost
9	Participant equipment cost	-	\$/participant	Free-kit assumption
9	Participant incremental O&M cost	-	\$/participant-year	No supported incremental O&M
10	Gas commodity escalation rate	3.74%	%	Editable assumption
10	Energy-charge escalation rate	3.74%	%	Editable assumption
10	Program-cost escalation rate	4.43%	%	Editable assumption
11	Discount rate	6.02%	%	After-tax incremental cost of capital
Rate	Current cost of gas	\$0.82	\$/therm	Commodity / PGA component
Rate	Current energy charge	\$0.60	\$/therm	Distribution and related charge
Benefit	Avoided non-fuel supply/capacity value	\$0.30	\$/therm saved	Enter only if supported by utility data

ANNUAL PRESENT-VALUE DISCLOSURE

Item	Value	Units	Explanation	Location
Annual calculations shown		20-years	Each year is displayed separately rather than only as a single NPV	Annual NPV Detail
Form totals	Linked		Forms 4 and 5 sum the annual present values from the detail sheet	Forms 4 and 5

C.B. FORM 4 – PARTICIPANTS TEST

Load Reduction Scenario | Per Participant

BENEFITS

PSC Item	Benefit	Present Value	Calculation
1A	Gas Bill Savings – Cost of Gas	\$90.93	Sum of annual PV values shown on Annual NPV Detail
1B	Gas Bill Savings – Energy Charge	\$67.01	Sum of annual PV values shown on Annual NPV Detail
2	Incentive Payment Received	\$123.90	Year 1 Incentive present value shown on Annual NPV Detail
	TOTAL BENEFITS	\$281.83	Sum of benefit categories

COSTS

PSC Item	Cost	Present Value	Calculation
1A	Incremental Participant Equipment Cost		- Participant equipment cost
1B	Incremental Participant O&M Cost		- Annual O&M Input; currently zero
	TOTAL COSTS		- Sum of participant cost categories

PARTICIPANT TEST RESULT

Metric	Result	Interpretation
Net Present Value		\$281.83 Benefits minus costs
Benefit-Cost Ratio	N/A – No Participant Cost	Benefits divided by costs
Result	PASS	PASS when NPV is positive
PSC Manual Form	C.B. Form 4	Load Reduction Participant Test

C.B. FORM 5 – GAS RIM TEST

Load Reduction Scenario | Per Participant

BENEFITS

PSC Item	Benefit	Present Value	Calculation
1A	Decreased Gas Commodity Costs	\$90.93	Sum of annual PV values shown on Annual NPV Detail
2A-D	Avoided Non-Fuel Supply / Capacity Costs	\$33.27	Sum of annual PV values shown on Annual NPV Detail
	TOTAL BENEFITS	\$124.19	Sum of utility benefit categories

COSTS

PSC Item	Cost	Present Value	Calculation
1A	Revenue Decrease – Cost of Gas	\$90.93	Sum of annual PV values shown on Annual NPV Detail
1B	Revenue Decrease – Energy Charge	\$67.01	Sum of annual PV values shown on Annual NPV Detail
2	Incentive Payments and Other Utility Costs	\$312.54	Year 1 present value shown on Annual NPV Detail
	TOTAL COSTS	\$470.48	Sum of utility cost categories

GAS RIM TEST RESULT

Metric	Result	Interpretation
Net Present Value		(\$346.29) Benefits minus costs
Benefit-Cost Ratio		0.264x Benefits divided by costs
Result	FAIL	PASS when NPV is nonnegative and ratio is at least 1.0
Break-even avoided non-fuel value		\$4.62 \$/therm saved needed for G-RIM ratio of 1.0
Current avoided non-fuel input		\$0.30 Linked to C.B. Form 1
PSC Manual Form	C.B. Form 5	Load Reduction Gas RIM Test

ANNUAL NE

Twenty-year annual calcul

Year	Avoided Therms	Gas Commodity Rate	Energy Charge	Avoided Non-Fuel Value	Discount Factor	Participant Commodity Savings – Nominal	Participant Energy-Charge Savings – Nominal	Participant Incentive – Nominal
1	7.17	\$0.82	\$0.60	\$0.30	0.943218	\$5.88	\$4.33	\$131.36
2	7.17	\$0.85	\$0.63	\$0.31	0.889661	\$6.10	\$4.49	-
3	7.17	\$0.88	\$0.65	\$0.32	0.839144	\$6.33	\$4.66	-
4	7.17	\$0.92	\$0.67	\$0.33	0.791496	\$6.56	\$4.84	-
5	7.17	\$0.95	\$0.70	\$0.35	0.746554	\$6.81	\$5.02	-
6	7.17	\$0.99	\$0.73	\$0.36	0.704163	\$7.06	\$5.21	-
7	7.17	\$1.02	\$0.75	\$0.37	0.664179	\$7.33	\$5.40	-
8	7.17	\$1.06	\$0.78	\$0.39	0.626466	\$7.60	\$5.60	-
9	7.17	\$1.10	\$0.81	\$0.40	0.590894	\$7.89	\$5.81	-
10	7.17	\$1.14	\$0.84	\$0.42	0.557342	\$8.18	\$6.03	-
11	7.17	\$1.18	\$0.87	\$0.43	0.525695	\$8.49	\$6.25	-
12	7.17	\$1.23	\$0.91	\$0.45	0.495846	\$8.81	\$6.49	-
13	7.17	\$1.27	\$0.94	\$0.47	0.467691	\$9.13	\$6.73	-
14	7.17	\$1.32	\$0.97	\$0.48	0.441134	\$9.48	\$6.98	-
15	7.17	\$1.37	\$1.01	\$0.50	0.416086	\$9.83	\$7.24	-
16	7.17	\$1.42	\$1.05	\$0.52	0.392460	\$10.20	\$7.52	-
17	7.17	\$1.48	\$1.09	\$0.54	0.370175	\$10.58	\$7.80	-
18	7.17	\$1.53	\$1.13	\$0.56	0.349156	\$10.98	\$8.09	-
19	7.17	\$1.59	\$1.17	\$0.58	0.329330	\$11.39	\$8.39	-
20	7.17	\$1.65	\$1.21	\$0.60	0.310630	\$11.81	\$8.70	-

TOTAL
NPV

T PRESENT VALUE DETAIL

tations supporting C.B. Form 4 and C.B. Form 5

Participant Commodity Savings – PV	Participant Energy-Charge Savings – PV	Participant Incentive – PV	G-RIM Commodity Benefit – PV	G-RIM Avoided Non-Fuel Benefit – PV	G-RIM Commodity Revenue Loss – PV	G-RIM Energy-Charge Revenue Loss – PV	G-RIM Incentive / Utility Cost – PV
\$5.55	\$4.09	\$123.90	\$5.55	\$2.03	\$5.55	\$4.09	\$312.54
\$5.43	\$4.00	-	\$5.43	\$1.99	\$5.43	\$4.00	-
\$5.31	\$3.91	-	\$5.31	\$1.94	\$5.31	\$3.91	-
\$5.20	\$3.83	-	\$5.20	\$1.90	\$5.20	\$3.83	-
\$5.08	\$3.75	-	\$5.08	\$1.86	\$5.08	\$3.75	-
\$4.97	\$3.67	-	\$4.97	\$1.82	\$4.97	\$3.67	-
\$4.87	\$3.59	-	\$4.87	\$1.78	\$4.87	\$3.59	-
\$4.76	\$3.51	-	\$4.76	\$1.74	\$4.76	\$3.51	-
\$4.66	\$3.43	-	\$4.66	\$1.70	\$4.66	\$3.43	-
\$4.56	\$3.36	-	\$4.56	\$1.67	\$4.56	\$3.36	-
\$4.46	\$3.29	-	\$4.46	\$1.63	\$4.46	\$3.29	-
\$4.37	\$3.22	-	\$4.37	\$1.60	\$4.37	\$3.22	-
\$4.27	\$3.15	-	\$4.27	\$1.56	\$4.27	\$3.15	-
\$4.18	\$3.08	-	\$4.18	\$1.53	\$4.18	\$3.08	-
\$4.09	\$3.01	-	\$4.09	\$1.50	\$4.09	\$3.01	-
\$4.00	\$2.95	-	\$4.00	\$1.46	\$4.00	\$2.95	-
\$3.92	\$2.89	-	\$3.92	\$1.43	\$3.92	\$2.89	-
\$3.83	\$2.82	-	\$3.83	\$1.40	\$3.83	\$2.82	-
\$3.75	\$2.76	-	\$3.75	\$1.37	\$3.75	\$2.76	-
\$3.67	\$2.70	-	\$3.67	\$1.34	\$3.67	\$2.70	-
\$90.93	\$67.01	\$123.90	\$90.93	\$33.27	\$90.93	\$67.01	\$312.54

C.B. FORM 1 – GENERAL ASSUMPTIONS

FPSC Natural Gas DSM Manual | Load Reduction Weatherization Kit

PSC GENERAL ASSUMPTIONS – PER KIT / PER PARTICIPANT BASIS

PSC Item	Assumption	Input	Units	Source / Treatment
1	Life of program	20.00	years	PSC manual specifies 20 years
4	Kits installed per year	200.00	kits/year	Known initial program quantity
5	Average participants per year	200.00	participants/year	Assumed equal to kits installed
6	Avoided electricity per kit	690.99	kWh/year	FPUC weatherization-kit support
7	Avoided natural gas per kit	19.40	therms/year	FPUC weatherization-kit support
8	Utility incentive / delivered kit cost	\$71.69	\$/kit	\$60.16 kit + \$11.53 shipping
9	Other utility program cost	\$200.00	\$/kit	Enter only documented incremental cost
9	Participant equipment cost	-	\$/participant	Free-kit assumption
9	Participant incremental O&M cost	-	\$/participant-year	No supported incremental O&M
10	Gas commodity escalation rate	3.74%	%	Editable assumption
10	Energy-charge escalation rate	3.74%	%	Editable assumption
10	Program-cost escalation rate	4.43%	%	Editable assumption
11	Discount rate	6.02%	%	After-tax incremental cost of capital
Rate	Current cost of gas	\$0.82	\$/therm	Commodity / PGA component
Rate	Current energy charge	\$0.60	\$/therm	Distribution and related charge
Benefit	Avoided non-fuel supply/capacity value	\$0.30	\$/therm saved	Enter only if supported by utility data

ANNUAL PRESENT-VALUE DISCLOSURE

Item	Value	Units	Explanation	Location
Annual calculations shown		20 years	Each year is displayed separately rather than only as a single NPV	Annual NPV Detail
Form totals	Linked		Forms 4 and 5 sum the annual present values from the detail sheet	Forms 4 and 5

C.B. FORM 4 – PARTICIPANTS TEST

Load Reduction Scenario | Per Participant

BENEFITS

PSC Item	Benefit	Present Value	Calculation
1A	Gas Bill Savings – Cost of Gas	\$246.02	Sum of annual PV values shown on Annual NPV Detail
1B	Gas Bill Savings – Energy Charge	\$181.30	Sum of annual PV values shown on Annual NPV Detail
2	Incentive Payment Received	\$67.62	Year 1 Incentive present value shown on Annual NPV Detail
	TOTAL BENEFITS	\$494.94	Sum of benefit categories

COSTS

PSC Item	Cost	Present Value	Calculation
1A	Incremental Participant Equipment Cost		- Participant equipment cost
1B	Incremental Participant O&M Cost		- Annual O&M input; currently zero
	TOTAL COSTS		- Sum of participant cost categories

PARTICIPANT TEST RESULT

Metric	Result	Interpretation
Net Present Value	\$494.94	Benefits minus costs
Benefit-Cost Ratio	N/A – No Participant Cost	Benefits divided by costs
Result	PASS	PASS when NPV is positive
PSC Manual Form	C.B. Form 4	Load Reduction Participant Test

C.B. FORM 5 – GAS RIM TEST

Load Reduction Scenario | Per Participant

BENEFITS

PSC Item	Benefit	Present Value	Calculation
1A	Decreased Gas Commodity Costs	\$246.02	Sum of annual PV values shown on Annual NPV Detail
2A-D	Avoided Non-Fuel Supply / Capacity Costs	\$90.01	Sum of annual PV values shown on Annual NPV Detail
	TOTAL BENEFITS	\$336.03	Sum of utility benefit categories

COSTS

PSC Item	Cost	Present Value	Calculation
1A	Revenue Decrease – Cost of Gas	\$246.02	Sum of annual PV values shown on Annual NPV Detail
1B	Revenue Decrease – Energy Charge	\$181.30	Sum of annual PV values shown on Annual NPV Detail
2	Incentive Payments and Other Utility Costs	\$256.26	Year 1 present value shown on Annual NPV Detail
	TOTAL COSTS	\$683.58	Sum of utility cost categories

GAS RIM TEST RESULT

Metric	Result	Interpretation
Net Present Value		(\$347.56) Benefits minus costs
Benefit-Cost Ratio		0.492x Benefits divided by costs
Result	FAIL	PASS when NPV is nonnegative and ratio is at least 1.0
Break-even avoided non-fuel value		\$1.97 \$/therm saved needed for G-RIM ratio of 1.0
Current avoided non-fuel input		\$0.30 Linked to C.B. Form 1
PSC Manual Form	C.B. Form 5	Load Reduction Gas RIM Test

ANNUAL NE

Twenty-year annual calcul

Year	Avoided Therms	Gas Commodity Rate	Energy Charge	Avoided Non-Fuel Value	Discount Factor	Participant Commodity Savings – Nominal	Participant Energy-Charge Savings – Nominal	Participant Incentive – Nominal
1	19.40	\$0.82	\$0.60	\$0.30	0.943218	\$15.91	\$11.72	\$71.69
2	19.40	\$0.85	\$0.63	\$0.31	0.889661	\$16.50	\$12.16	-
3	19.40	\$0.88	\$0.65	\$0.32	0.839144	\$17.12	\$12.62	-
4	19.40	\$0.92	\$0.67	\$0.33	0.791496	\$17.76	\$13.09	-
5	19.40	\$0.95	\$0.70	\$0.35	0.746554	\$18.42	\$13.58	-
6	19.40	\$0.99	\$0.73	\$0.36	0.704163	\$19.11	\$14.09	-
7	19.40	\$1.02	\$0.75	\$0.37	0.664179	\$19.83	\$14.61	-
8	19.40	\$1.06	\$0.78	\$0.39	0.626466	\$20.57	\$15.16	-
9	19.40	\$1.10	\$0.81	\$0.40	0.590894	\$21.34	\$15.73	-
10	19.40	\$1.14	\$0.84	\$0.42	0.557342	\$22.14	\$16.31	-
11	19.40	\$1.18	\$0.87	\$0.43	0.525695	\$22.97	\$16.92	-
12	19.40	\$1.23	\$0.91	\$0.45	0.495846	\$23.82	\$17.56	-
13	19.40	\$1.27	\$0.94	\$0.47	0.467691	\$24.72	\$18.21	-
14	19.40	\$1.32	\$0.97	\$0.48	0.441134	\$25.64	\$18.89	-
15	19.40	\$1.37	\$1.01	\$0.50	0.416086	\$26.60	\$19.60	-
16	19.40	\$1.42	\$1.05	\$0.52	0.392460	\$27.59	\$20.33	-
17	19.40	\$1.48	\$1.09	\$0.54	0.370175	\$28.63	\$21.10	-
18	19.40	\$1.53	\$1.13	\$0.56	0.349156	\$29.70	\$21.88	-
19	19.40	\$1.59	\$1.17	\$0.58	0.329330	\$30.81	\$22.70	-
20	19.40	\$1.65	\$1.21	\$0.60	0.310630	\$31.96	\$23.55	-

TOTAL
NPV

T PRESENT VALUE DETAIL

tations supporting C.B. Form 4 and C.B. Form 5

Participant Commodity Savings – PV	Participant Energy-Charge Savings – PV	Participant Incentive – PV	G-RIM Commodity Benefit – PV	G-RIM Avoided Non-Fuel Benefit – PV	G-RIM Commodity Revenue Loss – PV	G-RIM Energy-Charge Revenue Loss – PV	G-RIM Incentive / Utility Cost – PV
\$15.00	\$11.06	\$67.62	\$15.00	\$5.49	\$15.00	\$11.06	\$256.26
\$14.68	\$10.82	-	\$14.68	\$5.37	\$14.68	\$10.82	-
\$14.37	\$10.59	-	\$14.37	\$5.26	\$14.37	\$10.59	-
\$14.06	\$10.36	-	\$14.06	\$5.14	\$14.06	\$10.36	-
\$13.76	\$10.14	-	\$13.76	\$5.03	\$13.76	\$10.14	-
\$13.46	\$9.92	-	\$13.46	\$4.92	\$13.46	\$9.92	-
\$13.17	\$9.71	-	\$13.17	\$4.82	\$13.17	\$9.71	-
\$12.89	\$9.50	-	\$12.89	\$4.71	\$12.89	\$9.50	-
\$12.61	\$9.29	-	\$12.61	\$4.61	\$12.61	\$9.29	-
\$12.34	\$9.09	-	\$12.34	\$4.51	\$12.34	\$9.09	-
\$12.07	\$8.90	-	\$12.07	\$4.42	\$12.07	\$8.90	-
\$11.81	\$8.71	-	\$11.81	\$4.32	\$11.81	\$8.71	-
\$11.56	\$8.52	-	\$11.56	\$4.23	\$11.56	\$8.52	-
\$11.31	\$8.34	-	\$11.31	\$4.14	\$11.31	\$8.34	-
\$11.07	\$8.16	-	\$11.07	\$4.05	\$11.07	\$8.16	-
\$10.83	\$7.98	-	\$10.83	\$3.96	\$10.83	\$7.98	-
\$10.60	\$7.81	-	\$10.60	\$3.88	\$10.60	\$7.81	-
\$10.37	\$7.64	-	\$10.37	\$3.79	\$10.37	\$7.64	-
\$10.15	\$7.48	-	\$10.15	\$3.71	\$10.15	\$7.48	-
\$9.93	\$7.32	-	\$9.93	\$3.63	\$9.93	\$7.32	-
\$246.02	\$181.30	\$67.62	\$246.02	\$90.01	\$246.02	\$181.30	\$256.26

Docket No. 20260063-EG

Exhibit 3

Illustrative Incremental Residential ECCR Impact Analysis

Exhibit Response to Data Request No. 3

Response:

This illustrative analysis uses the Companies' 2025 ECCR baseline reflected in the 2026 true-up docket as the reference point and evaluates the incremental residential ECCR impact of the proposed natural gas programs. The analysis assumes approximately a 30% increase in incentive expenditures, partially offset through administrative efficiencies achieved by leveraging the existing Efficiency First and Efficiency for All delivery platforms, including consolidated administration, marketing, contractor networks, workflows, and customer engagement infrastructure.

Illustrative Scenario Summary

Scenario	Annual Increment	Monthly Increment	Discussion
0% efficiency gains	\$2.10	\$0.17	Full 30% incentive increase with no administrative offset.
5% efficiency gains	\$1.88	\$0.16	Moderate administrative efficiencies partially offset higher incentives.
10% efficiency gains	\$1.65	\$0.14	Greater consolidation efficiencies further reduce the ECCR impact.

Supporting Discussion

The efficiency assumptions are based on reuse of existing Commission-approved program infrastructure, standardized program design, shared outreach, consolidated administration, and existing contractor networks. These factors are expected to reduce duplicative administrative, marketing, onboarding, and implementation costs as the portfolio expands.

Accordingly, while incentive expenditures increase to improve participation, the overall residential ECCR impact is substantially moderated by these operational efficiencies. Under the illustrative scenarios, the estimated incremental residential ECCR impact ranges from approximately \$1.65 to \$2.10 per residential customer annually (approximately \$0.14 to \$0.17 per month).

Basis

This exhibit is intended as an illustrative sensitivity analysis using the 2025 ECCR baseline together with the proposed participation and administrative efficiency assumptions. Actual

ECCR impacts will depend on Commission-approved program budgets, participation levels, and future annual ECCR filings.