

INDIANTOWN

Gas company, inc.



CLEAN AND EFFICIENT NATURAL GAS AND PROPANE GAS FOR ALL YOUR ENERGY NEEDS

January 16, 1996

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
101 E. Gaines St.
Tallahassee, Fl. 32301

ORIGINAL
FILE COPY

RE: Purchased Gas Adjustment (PGA) True-up
Docket No. 960003-GU

Dear Ms. Bayo:

Enclosed for filing in the above docket on behalf of Indiantown Gas Co., please find an original and fifteen (15) copies of the following:

- 00574-96 {
1. Schedules E-1, E-2, E-3, E-4 and E-5.
 2. Direct Testimony of Brian J. Powers
 3. Petition for Approval of Purchased Gas Adjustment Factor
 4. Statement of Issues and Positions.
- 00573-96

Thank you for your assistance.

Sincerely,

Brian J. Powers
General Manager
Indiantown Gas Co.

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FLORIDA PUBLIC
SERVICE COMMISSION
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INDIANTOWN GAS COMPANY
DOCKET NO. 960003-GU

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DIRECT TESTIMONY

OF

BRIAN J. POWERS

Q. Please state your name, business address, by whom you are employed, and in what capacity.

A. My name is Brian J. Powers and my business address is 16600 S.W. Warfield Blvd., Indiantown, Florida 34956. I am General Manager of Indiantown Gas Company.

Q. What are your responsibilities in that position?

A. I am responsible for the general operation of the company including: rates, regulatory matters, budget preparation, gas management, E.D.P., billing and service department.

Q. What is the purpose of your testimony.

A. To briefly summarize the projected levelized maximum purchased gas cost recovery factor (LPGCR) calculations for the period April 1996 through March 1997.

Q. Have you prepared any exhibits in conjunction with your testimony?

A. Yes. Schedules E-1, E-2, E-3, E-4 and E-5 were filed on January 16, 1995.

DOCUMENT NUMBER-DATE

00574 JAN 17 95

FPSC-RECORDS/REPORTING

1

2 Q. Please explain the calculation for the total true-up amount to be
3 collected or refunded during the April 1996 through March 1997
4 period.

5 A. We have projected that at the end of March 1996, based on eight
6 months actual, we will have under-recovered \$3,001 for the
7 April 1995 through March 1996 period. Also at the end of
8 March 1996, we will have over-recovered \$24,576 for the
9 April 1994 through March 1995 period. The total net over-
10 recovery to be refunded during the April 1996 through March
11 1997 period is \$23945. Based on estimated sales for the period
12 April 1996 through March 1997, it will be necessary to deduct
13 .437 cents per therm to refund this over-recovery. See Schedule
14 E-4 for details of this computation.

15 Q. What (LPCGR) Factor does Indiantown Gas Company seek approval
16 through its petition for the period April 1, 1996 through
17 March 31, 1997?

18 A. \$0.35806 per therm.

19 Q. Does this conclude your testimony?

20 A. Yes

21

22

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25

COMPANY: Indiantown Gas Company

PURCHASED GAS ADJUSTMENT
COST RECOVERY CLAUSE CALCULATIONSCHEDULE E-1
(REVISED 6/78/94)

ORIGINAL ESTIMATE FOR THE PROJECTED PERIOD:

APRIL 96 Through MARCH 97

COST OF GAS PURCHASED	PROJECTION												TOTAL
	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	
1 COMMODITY (Pipeline) Includes No Notice Commodity	0	0	0	0	0	0	0	0	0	0	0	0	0
2 NO NOTICE RESERVATION	0	0	0	0	0	0	0	0	0	0	0	0	0
3 SWING SERVICE	0	0	0	0	0	0	0	0	0	0	0	0	0
4 COMMODITY (Other)	244,672	188,488	151,790	77,165	72,875	72,648	72,389	153,253	178,202	246,185	247,809	244,487	1,949,962
5 DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0
6 OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0
LESS END-USE CONTRACT													
7 COMMODITY (Pipeline)	0	0	0	0	0	0	0	0	0	0	0	0	0
8 DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0
9	0	0	0	0	0	0	0	0	0	0	0	0	0
10	0	0	0	0	0	0	0	0	0	0	0	0	0
11 TOTAL (1+2+3+4+5+6)-(7+8+9+10)	244,672	188,488	151,790	77,165	72,875	72,648	72,389	153,253	178,202	246,185	247,809	244,487	1,949,962
12 NET UNBILLED	0	0	0	0	0	0	0	0	0	0	0	0	0
13 COMPANY USE	0	0	0	0	0	0	0	0	0	0	0	0	0
14 THERM SALES REVENUES	244,672	188,488	151,790	77,165	72,875	72,648	72,389	153,253	178,202	246,185	247,809	244,487	1,949,962
THERMS PURCHASED													
15 COMMODITY (Pipeline) Billing Determinants On	0	0	0	0	0	0	0	0	0	0	0	0	0
16 NO NOTICE RESERV Billing Determinants On	0	0	0	0	0	0	0	0	0	0	0	0	0
17 SWING SERVICE Commodity	0	0	0	0	0	0	0	0	0	0	0	0	0
18 COMMODITY (Other) Commodity	662,833	517,633	441,083	224,233	224,833	224,133	223,333	445,333	517,833	666,933	671,333	662,333	5,481,850
19 DEMAND Billing Determinants On	0	0	0	0	0	0	0	0	0	0	0	0	0
20 OTHER Commodity	0	0	0	0	0	0	0	0	0	0	0	0	0
LESS END-USE CONTRACT													
21 COMMODITY (Pipeline)	0	0	0	0	0	0	0	0	0	0	0	0	0
22 DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0
23	0	0	0	0	0	0	0	0	0	0	0	0	0
24 TOTAL PURCHASES (+17+18+20)-(21+23)	662,833	517,633	441,083	224,233	224,833	224,133	223,333	445,333	517,833	666,933	671,333	662,333	5,481,850
25 NET UNBILLED	0	0	0	0	0	0	0	0	0	0	0	0	0
26 COMPANY USE	0	0	0	0	0	0	0	0	0	0	0	0	0
27 TOTAL THERM SALES (24-26)	662,833	517,633	441,083	224,233	224,833	224,133	223,333	445,333	517,833	666,933	671,333	662,333	5,481,850
CENTS PER THERM													
28 COMMODITY (Pipeline) (1/15)	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR
29 NO NOTICE RESERVA (2/16)	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR
30 SWING SERVICE (3/17)	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR
31 COMMODITY (Other) (4/18)	0.36913	0.36413	0.34413	0.34413	0.32413	0.32413	0.32413	0.34413	0.34413	0.36913	0.36913	0.36913	0.35571
32 DEMAND (5/19)	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR
33 OTHER (6/20)	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR
LESS END-USE CONTRACT													
34 COMMODITY Pipeline (7/21)	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR
35 DEMAND (8/22)	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR
36 (9/23)	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR
37 TOTAL COST OF PURCHASES (11/24)	0.36913	0.36413	0.34413	0.34413	0.32413	0.32413	0.32413	0.34413	0.34413	0.36913	0.36913	0.36913	0.35571
38 NET UNBILLED (12/25)	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR
39 COMPANY USE (13/26)	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR	ERR
40 TOTAL COST OF THERMS SOI (11/27)	0.36913	0.36413	0.34413	0.34413	0.32413	0.32413	0.32413	0.34413	0.34413	0.36913	0.36913	0.36913	0.35571
41 TRUE-UP (E-2)	-0.00437	-0.00437	-0.00437	-0.00437	-0.00437	-0.00437	-0.00437	-0.00437	-0.00437	-0.00437	-0.00437	-0.00437	-0.00437
42 TOTAL COST OF GAS (40+41)	0.36476	0.35976	0.33976	0.33976	0.31976	0.31976	0.31976	0.33976	0.33976	0.36476	0.36476	0.36476	0.35134
43 REVENUE TAX FACTOR	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911
44 PGA FACTOR ADJUSTED FOR (42x43)	37.1733	36.6837	34.6255	34.6255	32.5873	32.5873	32.5873	34.6255	34.6255	37.1733	37.1733	37.1733	35.8058
45 PGA FACTOR ROUNDED TO NEAREST .001	37.173	36.684	34.625	34.625	32.587	32.587	32.587	34.625	34.625	37.173	37.173	37.173	35.806

COMPANY: Indiantown Gas Company

CALCULATION OF TRUE-UP AMOUNT

SCHEDULE E-2
(REVISED 8/19/93)

FOR THE CURRENT PERIOD:

APRIL 95

Through

MARCH 96

	ACTUAL								REVISED PROJECTION				TOTAL PERIOD
	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	
TRUE-UP CALCULATION													
1 PURCHASED GAS COST													\$0
2 TRANSPORTATION COST	\$216,441	\$264,714	\$96,332	\$132,564	\$274,336	\$87,069	\$55,593	\$215,417	\$415,000	\$350,000	\$350,000	\$350,000	\$2,907,466
3 TOTAL	\$216,441	\$264,714	\$96,332	\$132,564	\$274,336	\$87,069	\$55,593	\$215,417	\$415,000	\$350,000	\$350,000	\$350,000	\$2,907,466
4 FUEL REVENUES (NET OF REVENUE TAX)	\$209,467	\$256,552	\$110,396	\$134,299	\$267,481	\$82,157	\$72,068	\$189,537	\$415,000	\$350,000	\$350,000	\$350,000	\$2,786,957
5 TRUE-UP COLLECTED OR (REFUNDED)	\$1,459	\$1,459	\$1,459	\$1,459	\$1,459	\$1,459	\$1,459	\$1,459	\$1,459	\$1,459	\$1,459	\$1,459	\$17,508
6 FUEL REVENUE APPLICABLE TO PERIOD (LINE 4 (+ or -) LINE 5)	\$210,928	\$258,011	\$111,855	\$135,768	\$268,940	\$83,616	\$73,527	\$190,986	\$416,459	\$351,459	\$351,459	\$351,459	\$2,804,465
7 TRUE-UP PROVISION - THIS PERIOD (LINE 6 - LINE 3)	(\$8,515)	(\$8,703)	\$15,523	\$3,194	(\$5,396)	(\$3,463)	\$17,934	(\$24,421)	\$1,459	\$1,459	\$1,459	\$1,459	(\$3,001)
8 INTEREST PROVISION-THIS PERIOD (21)	\$202	\$164	\$180	\$217	\$201	\$175	\$203	\$179	\$120	\$122	\$123	\$124	\$2,010
9 BEGINNING OF PERIOD TRUE-UP AND INTEREST	\$43,241	\$36,469	\$28,471	\$42,715	\$44,667	\$38,013	\$33,276	\$49,954	\$24,253	\$24,372	\$24,495	\$24,618	\$414,543
** TRUE-UP COLLECTED OR (REFUNDED) (REVERSE OF LINE 5)	(\$1,459)	(\$1,459)	(\$1,459)	(\$1,459)	(\$1,459)	(\$1,459)	(\$1,459)	(\$1,459)	(\$1,459)	(\$1,459)	(\$1,459)	(\$1,459)	(\$17,508)
10 FLEX RATE REFUND (if applicable)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
** TOTAL ESTIMATED/ACTUAL TRUE-UP (7+8+9+10+10a)	\$36,469	\$28,471	\$42,715	\$44,667	\$38,013	\$33,276	\$49,954	\$24,253	\$24,372	\$24,495	\$24,618	\$24,742	\$24,742
INTEREST PROVISION													
** BEGINNING TRUE-UP AND INTEREST PROVISION (9)	\$43,241	\$36,469	\$28,471	\$42,715	\$44,667	\$38,013	\$33,276	\$49,954	\$24,253	\$24,372	\$24,495	\$24,618	\$414,543
** ENDING TRUE-UP BEFORE INTEREST (12+7-5)	\$36,267	\$28,307	\$42,535	\$44,450	\$37,812	\$33,101	\$49,751	\$24,074	\$24,253	\$24,372	\$24,495	\$24,618	\$394,034
** TOTAL (12+13)	\$79,508	\$64,776	\$71,005	\$87,165	\$82,479	\$71,114	\$83,026	\$74,028	\$48,506	\$48,745	\$48,990	\$49,236	\$808,576
** AVERAGE (50% OF 14)	\$39,754	\$32,388	\$35,503	\$43,582	\$41,239	\$35,557	\$41,513	\$37,014	\$24,253	\$24,372	\$24,495	\$24,618	\$404,288
** INTEREST RATE - FIRST DAY OF MONTH	6.12	6.07	6.07	6.10	5.86	5.84	5.94	5.81	5.80	6.03	6.03	6.03	
** INTEREST RATE - FIRST DAY OF SUBSEQUENT MONTH	6.07	6.07	6.10	5.86	5.84	5.94	5.81	5.80	6.03	6.03	6.03	6.03	0.00
** TOTAL (16+17)	12.19	12.14	12.17	11.96	11.70	11.78	11.75	11.61	1.83	12.06	12.06	12.06	0.00
** AVERAGE (50% OF 16)	6.10	6.07	6.09	5.98	5.85	5.89	5.88	5.81	5.92	6.03	6.03	6.03	
** MONTHLY AVERAGE (19/12 Months)	0.51	0.51	0.51	0.50	0.49	0.49	0.49	0.48	0.49	0.50	0.50	0.50	
** INTEREST PROVISION (15x20)	202	164	180	217	201	175	203	179	120	122	123	124	2010

COMPANY: Indiantown Gas Company

**CALCULATION OF TRUE-UP AMOUNT
PROJECTED PERIOD**

SCHEDULE E-4
(REVISED 8/19/93)

ESTIMATED FOR THE PROJECTED PERIOD: APRIL 96 Through MARCH 97

	PRIOR PERIOD: APRIL 94 - MARCH 95			CURRENT PERIOD: APRIL 95 - MARCH 96		
	(1) EIGHT MONTHS ACTUAL PLUS FOUR MONTHS REVISED ESTIMATE	(2) ACTUAL	(3) (2)-(1) DIFFERENCE	(4) EIGHT MONTHS ACTUAL PLUS FOUR MONTHS REVISED ESTIMATE	(5) (3)+(4) TOTAL TRUE-UP	
1 TOTAL THERM SALES \$	1482662	1528399	45737	2804465	2850202	
2 TRUE-UP PROVISION FOR THIS PERIOD OVER (UNDER) COLLECTION	36094	60670	24576	-3001.00	21575	
3 INTEREST PROVISION FOR THIS PERIOD	710	1070	360	2010	2370	
4 END OF PERIOD TOTAL NET TRUE-UP	36804	61740	24936	-391	23945	

NOTE: EIGHT MONTHS ACTUAL FOUR MONTHS REVISED ESTIMATE DATA OBTAINED FROM SCHEDULE (E-2).

COLUMN (1)	DATA OBTAINED FROM SCHEDULE (E-2)	<u>\$23,945</u>	equals	\$0.00437 PER THERM
COLUMN (2)	DATA OBTAINED FROM SCHEDULE (A-2)	5,481,850		TRUE UP REFUND
LINE 4 COLUMN (3)	SAME AS LINE 7 SCHEDULE (A-7)			
LINE 4 COLUMN (1)	SAME AS LINE 8 SCHEDULE (A-7)			
LINE 2 COLUMN (4)	SAME AS LINE 7 SCHEDULE (E-2)			
LINE 3 COLUMN (4)	SAME AS LINE 8 SCHEDULE (E-2)			

