

Writer's Direct Dial Number: (850) 521-1706 Writer's E-Mail Address: bkeating@gunster.com

May 29, 2024

BY E-FILING

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

Re: Docket No. 20240046-GU - Petition for rate increase by St. Joe Natural Gas Company, Inc.

Dear Mr. Teitzman:

Attached, for electronic filing, please find the Petition for Approval of Rate Increase by St. Joe Natural Gas Company, Inc. ("Petition").

The testimony and exhibits of the witnesses supporting the Company's request, are also being submitted today under separate cover, along with the Minimum Filing Requirement schedules. Order of Filed Documents:

Document 1 – Petition

Document 2 – Testimony and Exhibits of Witnesses Stuart Shoaf, Andy Shoaf, and Debbie Stitt

Document 3 – Minimum Filing Requirements ("MFRs")

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

(Document 1 of 3)

Sincerely,

Beth Keating

Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601

Tallahassee, FL 32301

(850) 521-1706

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Petition for rate increase by St. Joe Natural Gas | DOCKET NO. 20240046-GU Company, Inc.

DATED: May 29, 2024

PETITION FOR APPROVAL OF RATE INCREASE BY ST. JOE NATURAL GAS COMPANY, INC.

St. Joe Natural Gas Company, Inc. ("SJNG" or "Company"), by and through its undersigned counsel, and pursuant to Chapter 366, Florida Statutes, hereby respectfully petitions the Florida Public Service Commission ("FPSC" or "Commission") for approval to increase the Company's rates and charges to the extent necessary to generate additional gross annual revenues in the amount of \$1,043,838, which will enable the Company to continue to provide safe, reliable natural gas service at a level the customers have come to expect. The requested increase will provide SJNG with a reasonable opportunity to earn a fair rate of return of 6.05% on the Company's plant and property used to serve its customers and a 11.00% midpoint rate of return on SJNG's common equity. In support of this request, the Company hereby states:

St. Joe is a natural gas utility subject to the Commission's jurisdiction in accordance with 1) Chapter 366, Florida Statutes. Its principal business address is:

> St. Joe Natural Gas Company P. O. Box 549 Port St. Joe, FL 32457-0549

The name and mailing address of the persons authorized to receive notices are: 2)

> Beth Keating, Esquire bkeating@gunster.com Gunster Law Firm 215 South Monroe St., Ste. 601 Tallahassee, FL 32301 850) 521-1706

Stuart Shoaf, President Charles A. Shoaf, Vice President Debbie K. Stitt, Office Manager/Regulatory Analyst St. Joe Natural Gas Company, Inc. P.O. Box 549 Port St. Joe, FL 32457-0549 850-229-8216 andy@stjoegas.com

- 3) St. Joe Natural Gas Company is a Florida corporation incorporated in 1959. Its corporate offices are located at 301 Long Avenue, Port St. Joe, Florida 32456. SJNG is a gas utility subject to the regulatory jurisdiction of this Commission pursuant to Section 366.06, Florida Statutes (F.S.)
- SJNG's rates were last considered and established by the Commission in Order No. PSC-2008-0436-PAA-GU dated July 8, 2008 ("2008 Rate Order"). In that proceeding, the Commission established SJNG's rates based upon annual revenues of \$285,011 from Arizona Chemical Company ("Arizona") under SJNG's FTS-5 rate class. 2008 Rate Order at 30. In setting SJNG's rates and authorizing its revenues, the Commission recognized that Arizona was SJNG's only industrial customer in the FTS-5 rate class, and by far its largest customer. The Commission also recognized that the loss of Arizona could have a negative impact on SJNG's financial position and require an adjustment in rates. 2008 Rate Order at 31.
- 5) Unfortunately, a short time later, and for business reasons entirely outside of SJNG's control, Arizona permanently closed its operations in 2009. Consequently, SJNG lost its largest and only industrial- customer which left it with annual revenues at least \$285,011 below those authorized by the Commission in the 2008 Rate Order. Therefore, on February 12, 2016, SJNG filed a request for approval to restructure its rates to address the shortfall in revenues due to the permanent loss of its largest customer, the Arizona Chemical Company. Therein, SJNG did not request any changes to its total revenue requirement, operating expenses, rate base, or cost of capital as approved by the prior 2008 Rate Order. Rather, SJNG asked only to have its rates restructured so that it would be able to achieve the revenues that were authorized in that 2008 proceeding. The Commission approved SJNG's request and allowed the Company to reallocate the \$285,011 annual revenue deficiency to the remaining customer classes according to the ratio

that each class's revenues had to total revenues authorized in the 2008 rate case, minus Arizona's revenue contribution effective August 7, 2016. Order No. PSC-2016-0297-PAA-GU, issued July 27, 2016, in Docket No. 20160033-GU.

- 6) Just four years later, on October 10, 2018, the eye of Hurricane Michael targeted the heart of SJNG's service area, Mexico Beach and Port St. Joe, resulting in significant damage to SJNG's natural gas distribution system, along with the catastrophic damage to the homes and businesses of the Company's customers. In the wake of Hurricane Michael, SJNG shut off gas across its distribution system given the amount of damage incurred. The storm made landfall east of Panama City near Mexico Beach with wind speeds in excess of 160 mph. Michael's intense eyewall caused major structural damage in the Florida Panhandle, including to SJNG's facilities serving Mexico Beach and Port St. Joe. As a result, portions of SJNG's distribution system sustained significant damage.
- On January 24, 2020, SJNG filed a petition to recover \$381,512 in incremental storm restoration costs associated with Hurricane Michael. In the petition, the Company stated that it had incurred incremental costs of \$312,012 and projected \$60,500 in remaining costs to restore its gas system to pre-storm condition. By Order No. PSC-2020-0066-PCO-GU, issued March 2, 2020, the Office of Public Counsel's (OPC) intervention was acknowledged. On February 19, 2021, SJNG filed a request to approve final costs based on an actual amount of \$402,720 in incremental storm restoration costs. On March 25, 2021, SJNG and OPC (the Parties) filed a Joint Petition for Approval of Stipulation and Settlement (Settlement Agreement). The Settlement Agreement included adjustments to the recoverable storm amount, an adjustment to base rates after the storm surcharge terminates, and storm restoration cost process improvements to facilitate cost effective and timely storm damage recovery and service restoration. The

Settlement Agreement contemplates SJNG will be allowed to recover the \$330,115 in storm costs by applying the storm charge set by Order No. PSC-2020-0117-PCO-GU through December 2024. Any under or over-recovery is to be handled through the Natural Gas Conservation Cost Recovery Clause. The Parties also agreed that SJNG should be allowed to record \$77,761 associated with the remaining life value of lost capital assets in a regulatory asset and recover said amount over a period of 10 years through an increase to the Company's base rates. That increase would be implemented at the beginning of 2025. The Commission approved the Settlement Agreement by Order No. PSC-2021-0196-AS-GU, issued June 3, 2021, in Docket No. 20200039-GU.

8) As of December 2023, SJNG served 3,186 residential and commercial customers in Port St. Joe, Mexico Beach, and Wewahitchka, as well as unincorporated areas of Gulf County.

I. REQUEST FOR PERMANENT RATE RELIEF

9) As noted above, SJNG filed its last rate case in 2007. Its current rates were established by Order No. PSC-2016-0297-PAA-GU, issued July 27, 2016, using a revenue requirement established in 2008, Order No. PSC-2008-0436-PAA-GU. SJNG used a test year ending December 31, 2008. The case was handled as a Proposed Agency Action proceeding under Section 366.06(4), Florida Statutes. The outcome of that case was that the Commission determined that SJNG's rate base for the projected test year was \$3,024,656. The Commission then granted the Company a revenue increase of \$543,868 with an approved midpoint return on common equity ("ROE") midpoint of 11.00%, a portion of which was subsequently reallocated across SJNG's rate classes in accordance with Order No. PSC-2016-0297-PAA-GU.

- 10) Since that time, SJNG has maintained its focus on the customer as reflected by its service quality, while also effectively managing its costs such that it has been able to avoid seeking a base rate increase for over 16 years. As set forth in the testimony and exhibits of SJNG's witnesses, cost saving measures, such as limiting "cost of living" pay increases for employees, reducing fud as well as growth of its customer base, have helped the Company maintain its rates at the same level over this extended period. The Company has seen, however, an increase in its cost to serve customers, which has contributed to its declining rate of return. At present, the Company's current rates and charges no longer allow it to earn a fair and reasonable rate of return nor do they yield reasonable compensation for services provided, which SJNG is entitled to under Section 366.06(3), Florida Statutes. As of December 31, 2023, SJNG was earning an overall rate of return of -8.68% on a pro forma adjusted basis with an ROE of -1.44%. Without the requested revenue increase, SJNG projects that its overall rate of return will fall to -17.06% (for clarity, negative 17.06%), well below its currently authorized rate of return of 5.44%. As such, SJNG's ability to continue to provide consistent reliable service at the level to which our customers expect and deserve will be jeopardized. Moreover, SJNG's ability to attract capital at reasonable rates will be impaired, resulting in potentially even higher rates. The requested rate relief will ensure that SJNG can continue to provide the level of service to its customers that it currently provides as well as continued reliable access to natural gas supplies.
- 11) The Company has used the projected period ending December 31, 2024, as the projected test year for this filing, with the historic period being the 12-month period ended December 31, 2023. The year-ending December 31, 2024, represents the most relevant period upon which the Company's operations should be analyzed for purposes of establishing rates for the period new rates will be in effect. This test period will reflect actual conditions and be indicative of the

actual revenues, expenses, and investment during the first 12-months that new rates will be in effect. The proposed test year will, therefore, best match projected costs and investment with projected revenues for the Company for the period following the date new rates go into effect. As part of this Petition, the Company requests that the Commission approve the projected test year January 1, 2024 through December 31, 2024 as the appropriate projected test year and more representative of actual conditions for the Company's future operations than other periods.

- The Company's jurisdictional 13-month average rate base for the test year period is projected to be \$3,381,746. Without the requested rate increase, the jurisdictional net operating income for the Company in the same period is projected to be -\$576,971, reflecting projected revenues of \$1,554,112. The result is a projected rate of return of -17.06% in the test year. As such, SJNG asks that the Commission allow the Company an overall rate of return of 6.05%, including a mid-point ROE of 11.00%. The resulting revenue deficiency is \$1,043,838. The details regarding SJNG's rate base, O&M expense, and the key drivers, as noted below, are included in the testimony and exhibit of SJNG's witnesses and clearly demonstrate that the Company will be unable to recover the costs of providing safe and reliable natural gas service for its customers through current rates.
- As further set forth in the testimony and exhibits of SJNG's witnesses, there are three key drivers for SJNG's request in this proceeding: (1) the Company's current rates do not recover its property tax expense, which has increased by 120% since its last rate case, nor its property insurance expense, which has also increased significantly; (2) the Company has experienced increases to its rate base, not currently recovered in base rates, associated with extensions to serve new customers; (3) operating expenses have increased by approximately 68% since the Company's last rate case; and (4) the Company has experienced increases in regulatory costs,

particularly those associated with changes to the federal pipeline safety regulations, as well as overall operating costs, including almost 16 years' worth of inflation.

In order to continue to provide, in the face of these challenges, "reasonably sufficient, adequate, and efficient service," as required by Section 366.03, Florida Statutes, SJNG must be able to not only recover its cost to serve, but also attract capital at reasonable rates and offer a fair return for its owners. Without a rate increase, SJNG will be unable to provide the level of service required by statute nor will it be able to produce a fair return on investment, as also contemplated by statute. Thus, SJNG is asking that this Commission allow the Company to increase its rates and charges enough to provide a total increase in annual revenues of \$1,043,838.

II. ADDITIONAL RATE STRUCTURE AND TARIFF CHANGES

15) As explained in the testimony of Witness Stuart Shoaf, the Company is proposing to restructure its existing Residential Service class to reduce stratification within the residential classes. The Company stratified its rate classes in the prior rate case with the intent of grouping customers based on common usage characteristics and investment requirements. Since that time, however, the Company has reached the conclusion that, given the Company's small number of customers and its limited service area, the amount of stratification is not warranted and creates administrative inefficiencies.

III. MINIMUM FILING REQUIREMENT SCHEDULES

Simultaneously with this Petition, the Company is submitting the information required by Rule 25-7.039, Florida Administrative Code ("MFRs"), which has been compiled consistent with the Commission's rules and policies, as well as specific direction from the Company's last rate case, including, but not limited to appropriate adjustments to the Company's test year and rate

base. The testimony and exhibits of the Company's witnesses supporting this request have also been filed at this time. All of the information submitted in conjunction with this request is incorporated herein by reference. Here the Company notes that, in light of the expense of hiring experts, the size of the Company, and its current negative earnings, the Company has completed the MFRs in-house and provides supporting testimony of only Company personnel as witnesses. Specifically, the Company has not retained a cost of capital witness, nor a cost-of-service expert.

17) Among the MFRs submitted in accordance with the Commission's Rule are the updated tariff sheets designed to produce the additional revenue amount requested. These tariff sheets are included in MFR Schedule E-9, sponsored by Witness Charles A. Shoaf, and are also attached hereto as Attachment A. SJNG respectfully requests that the Commission approve the updated tariff sheets and allow them to be effective thirty days from the date the Commission's determination on new rates for SJNG is deemed final or by January 1, 2025, so that the Company can commence earning a fair rate of return.

IV. REQUEST FOR INTERIM RATE RELIEF

- 18) Pursuant to Section 366.071, Florida Statutes, SJNG seeks Commission approval to allow the Company to increase its retail rates and charges in an amount necessary to generate additional revenues in the amount of \$612,209, on an annualized basis, for the interim period before permanent rates and charges go into effect in accordance with the Commission's final determinations in this proceeding.
- 19) Attached hereto as Attachment B is the proposed tariff sheet revision designed to implement this requested interim revenue increase. The Company is also providing, simultaneous with this Petition, the required MFR schedules (F) to support SJNG's request for interim rate relief. In addition, the testimony of Company Witness Stitt also supports the request

for interim relief. The information and data supplied herewith demonstrates that SJNG has met the prima facie requirements for interim relief by showing that it is ". . . earning outside the range of reasonableness on rate of return calculated in accordance with subsection (5)." In accordance with subsection 366.071(5), the Commission shall, ". . .determine the revenue deficiency or excess by calculating the difference between the achieved rate of return of a public utility and its required rate of return applied to an average investment rate base or an end-of-period investment rate base."

- 20) Based on a thirteen-month average for the period ended December 31, 2023, the Company's annual revenue deficiency is \$612,209 based upon a historic test year-end rate base of \$3,186,787. The required rate of return for interim purposes is 5.46% as shown on MFR Schedule F-8. The interim operating income for the same period is -\$284,430, as shown on MFR Schedule F-4. The amount of the requested interim increase constitutes a 13 percent increase to the base charges during the interim period.
- The Company is currently earning well below its authorized range, as evidenced by its the surveillance reports and has been for some time. It is projected to continue to do so in the projected test year. Immediate relief pending the Commission's final determinations in this proceeding will enable the Company to continue to provide safe, reasonably priced, and reliable service to its customers. In addition, interim relief will ameliorate some of the negative effects of SJNG's current state of inadequate revenues on SJNG's customers, employees, and owners. The Company therefore asks that the Commission approve, as soon as possible, in accordance with Section 366.071, Florida Statutes, the interim relief requested. The Company will hold any revenues collected as a result of this interim increase subject to refund with interest at a rate

¹ Section 366.071(1), F.S.

determined in accordance with Rule 25-7.040, Florida Administrative Code. SJNG submits that it has the financial, capital, and managerial assets necessary to support a corporate undertaking, and therefore, asks that it be allowed to collect the interim increase subject to a corporate undertaking, instead of a bond.

V. REQUEST FOR USE OF PROPOSED AGENCY ACTION PROCEDURES

- 22) Pursuant to Section 366.06(4), Florida Statutes, the Company asks that the Commission proceed with this request using the Commission's proposed agency action ("PAA") procedures.
- Concurrent with this Petition and MFRs, the Company is filing the supporting testimony and exhibits of three witnesses in support of its request. In providing this prefiled testimony with its petition, the Company respectfully emphasizes that it is not and does not intend to waive its right to submit additional testimony later in this proceeding as may be necessary to address. any issues raised in a protest of the Commission's PAA Order by any party to this proceeding, including the Company.

WHEREFORE, St. Joe Natural Gas Company, Inc. respectfully petitions the Florida Public Service Commission to:

- 1) Accept this filing as complete and sufficient;
- 2) Schedule this matter for a review and a decision utilizing the Commission's Proposed Agency Action process;
- 3) Make a determination that SJNG is not currently earning a fair rate of return and that its current rates and charges are insufficient to provide the Company with just compensation;
- 4) Authorize the Company, pending the Commission's determination regarding final rates, to implement an interim increase sufficient to generate additional revenues in the amount of \$612,209 to be collected subject to refund under a corporate undertaking.

- 5) Authorize the Company to permanently increase its retail base rates and charges to generate additional gross revenues in the amount of \$1,043,838 on an annual basis to that the Company will have an opportunity to earn a fair overall rate of return of 6.05% with a return on common equity of 11.00% with an effective date thirty days from the date the Commission's decision on new rates becomes final and no later than January 1, 2025;
- 6) Approve the Company's allocation of the requested revenue increase across the rate classes as appropriate;
- 7) Allow the Company to amortize rate case expense over a 4-year period; and
- 8) Provide any other such relief as the Commission may deem appropriate.
 Respectfully submitted this 29th day of May, 2024, by:

Beth Keating, Esquire

Florida Bar No. 0022756

Gunster Law Firm

215 South Monroe Street

Suite 601

Tallahassee, FL 32301

(850) 521-1706

bkeating@gunster.com

Attorneys for St. Joe Natural Gas Company, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Petition has been served by

U.S. Mail this 29th day of May, 2024, upon the following:

Honorable Rex Buzzett, Mayor City of Port St. Joe P.O. Box 278 Port St. Joe, Florida 32456

Honorable Sandy Quinn, Chairman Gulf County Board of County Commissioners 1000 Cecil G. Costin, Sr. Blvd. Port St. Joe, Florida 32456

Honorable Phillip Gaskin, Mayor City of Wewahitchka P.O. Box 966 Wewahitchka, Florida 32465

Honorable Richard Wolff, Mayor City of Mexico Beach 201 Paradise Path Mexico Beach, Florida 32456

Honorable Tommy Hamm, Chairman Bay County Board of County Commissioners 840 West 11th Street Panama City, Florida 32401

Bv:

Beth Keating

Bar No. 0022756

Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601

Tallahassee, FL 32301

(850) 521-1706

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing filing has been served by U.S. Mail and/or Hand Delivery this 29th day of May, 2024, upon the following:

Walter Trierweiler, Public Counsel Office of the Public Counsel c/o The Florida Legislature 111 West Madison St., Rm 812 Tallahassee, FL 32399-1400 Trierweiler.walt@leg.state.fl.us

Keith Hetrick, General Counsel Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850 khetrick@psc.state.fl.us

Bv:

Beth Keating

Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601

Tallahassee, FL 32301

(850) 521-1706

AFFIDAVIT

STATE OF FLORIDA)

COUNTY OF GULF)

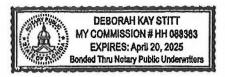
I hereby certify that on this 28 day of May, 2024, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Stuart Shoaf, who, being first duly sworn, states that he is President of St. Joe Natural Gas Company, Inc. ("SJNG"), is fully qualified and acting in that capacity, and is authorized to make this oath that the matters and things stated in SJNG's Petition for Approval of Rate Increase, in Docket No. 20240046-GU are true and correct to the best of his knowledge and belief, and that to the extent that information and statements therein are derived from or dependent upon the knowledge of other, he believes such to be true and accurate.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 28 day of May, 2024.

Notary Public

State of Florida, at Large

My Commission Expires: 4/20/25



ATTACHMENT A

PERMANENT INCREASE TARIFF SHEETS

(LEGISLATIVE AND ORIGINAL FORMAT)

RULES AND REGULATIONS

SECTION 7 – MISCELLANEOUS CHARGES AND FEES

7.1 Residential Connection

\$80.00

Residential Reconnection Charge

\$90.00

Each Applicant for Residential Gas Delivery Service shall pay to the Company a Connection Charge of eighty dollars (\$80) before Gas Delivery Service is activated by the Company at Customer's premises. Whenever a Residential Customer's Gas is turned off at Customer's request, or Customer's meter is disconnected by reason of non-compliance with these Rules and Regulations, a Reconnection Charge of ninety dollars (\$90) must be paid and other satisfactory arrangements made with the Company before the account is reactivated and Gas Delivery Service reconnected.

7.2 Non-Residential Connection and Reconnection Charge

\$120.00

Each Applicant for Non-Residential Gas Delivery Service shall pay to the Company a Connection Charge of one hundred twenty dollars (\$120) before Gas Delivery Service is activated by the Company at Customer's premises. Whenever a Non-Residential Customer's Gas is turned off at Customer's request, or Customer's meter is disconnected by reason of non-compliance with these Rules and Regulations, a Reconnection Charge of one hundred twenty dollars (\$120) must be paid and other satisfactory arrangements made with the Company before the account is reactivated and Gas Delivery Service reconnected.

7.3 Change of Account Charge

\$66.00

If a change of occupants in a premise with existing Gas Delivery Service occurs without a physical service disconnection, a Change of Account may occur. The Company shall bill to the Applicant a Change of Account Charge in the amount of sixty six dollars (\$66).

7.4 Late Payment Charge

Charges for services due and rendered which are unpaid as of the past due date are subject to a Late Payment Charge of thirteen (13) dollars or 1.5% of any unpaid balance, whichever is greater, except the accounts of federal, state and local governmental entities, agencies and instrumentalities. Unless otherwise agreed by contract, a Late Payment Charge shall be applied to the accounts of federal, state and local governmental entities, agencies and instrumentalities at a rate no greater than allowed and in a manner permitted by applicable law.

Issued By: Issued On:

Stuart L. Shoaf, President

Effective:

RULES AND REGULATIONS

(Continued)

7.5 Returned Check Charge

A service charge of \$35.00 or 5% of the amount of the check, whichever is greater, plus any bank charges, shall be added to the Customer's bill for gas Delivery service for each check dishonored by the bank upon which it is drawn. Termination of Gas Delivery Service shall not be made for failure to pay such Company Returned Check Charge.

7.6 After Normal Business Hours Service

Where Gas Delivery service is Connected or Reconnected outside of Normal Business Hours or by a special appointment, the Connection or Reconnection Charges set forth above shall be multiplied by 2.0.

7.7 Realtor Inspection Charge

\$105.00

Where Gas Delivery service is Activated for less than seven (7) days then Terminated for the sole purpose of an inspection to facilitate a real estate transaction.

Issued By:

Stuart L. Shoaf, President

Effective:

INDEX OF RATE SCHEDULES

<u>DESCRIPTION</u>	<u>NAME</u>	SHEET NO.
RESERVED FO	OR FUTURE USE	73
RS-2	Residential Service 2	75
RS-3	Residential Service 3	77
GS-1	General Service 1	79
GS-2	General Service 2	81
RESERVED FO	OR FUTURE USE	83
GS-4	General Service 4	85
GS-5	General Service 5	87
FTS-1	Firm Transportation Service 1	89
FTS-2	Firm Transportation Service 2	91
RESERVED FO	OR FUTURE USE	93
FTS-4	Firm Transportation Service 4	95
FTS-5	Firm Transportation Service 5	97
CTS	Contract Transportation Service Rider	99
AEP	Area Expansion Program Rider	102
BA	Billing Adjustments	103

RESERVED FOR FUTURE USE

Issued By:

Stuart L. Shoaf, President

Effective:

RESERVED FOR FUTURE USE

Issued By: Issued On:

Stuart L. Shoaf, President

Effective:

RATE SCHEDULE RESIDENTIAL SALES SERVICE – 2 (RS-2)

Availability:

Throughout the Company's service areas.

Applicability and Character of Service:

Firm Service provided to any individually metered Residential Customer whose annual Gas usage is equal to or greater than 150 therms but less than 300 therms.

Gas Delivery Service Rates and Charges:

The following non-fuel rates for the delivery of Gas to the Consumer's premises apply to all Customers served under this Rate Schedule for the respective monthly Billing Period.

Customer Charge:

\$20.00 per month

Gas Delivery Service Rate:

\$1.40959 per therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Issued By:

Stuart L. Shoaf, President

Effective:

RATE SCHEDULE RESIDENTIAL SALES SERVICE – 3 (RS-3)

Availability:

Throughout the Company's service areas.

Applicability and Character of Service:

Firm Service provided to any individually metered Residential Customer whose annual Gas usage is equal to or greater than 300 therms.

Gas Delivery Service Rates and Charges:

The following non-fuel rates for the delivery of Gas to the Consumer's premises apply to all Customers served under this Rate Schedule for the respective monthly Billing Period.

Customer Charge:

\$25.00 per month

Gas Delivery Service Rate:

\$1.24119 per therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Issued By:

Stuart L. Shoaf, President

Effective:

RATE SCHEDULE GENERAL SALES SERVICE – 1 (GS-1)

Availability:

Throughout the Company's Service Area

Applicability and Character of Service:

Firm Service provided to any individually metered non-residential Customer whose annual Gas usage is less than 2000 therms.

Gas Delivery Service Rates and Charges:

Customer Charge:

\$25.00 per month

Gas Delivery Service Rate

\$1.17458 per therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service and Purchase Gas Adjustment rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

Issued By:

Stuart L. Shoaf, President

Effective:

RATE SCHEDULE GENERAL SALES SERVICE – 2 (GS-2)

Availability:

Throughout the Company's Service Area

Applicability and Character of Service:

Firm Service provided to any individually metered non-residential Customer whose annual Gas usage is equal to or greater than 2,000 therms but less than 87,500 therms.

Gas Delivery Service Rates and Charges:

Customer Charge:

\$80.00 per month

Gas Delivery Service Rate

\$1.00539 per therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service and Purchase Gas Adjustment rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

Issued By:

RATE SCHEDULE GENERAL SALES SERVICE – 4 (GS-4)

Availability:

Throughout the Company's Service Area

Applicability and Character of Service:

Firm Service provided to any individually metered non-residential Customer whose annual Gas usage equal to or greater than 87,500 therms but less than 1,000,000 therms.

Gas Delivery Service Rates and Charges:

Customer Charge:

\$2,000.00 per month

Gas Delivery Service Rate

\$0.30690 per therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Service Agreement:

A Service Agreement accepted by the Company is a condition precedent for Service under this Rate Schedule. The term of the Service Agreement shall be set forth therein but shall not be less than one (1) year.

Issued By:

Stuart L. Shoaf, President

Effective:

RATE SCHEDULE FIRM TRANSPORTATION SERVICE -4 (FTS-4)

Availability:

Throughout the Company's Service Area.

Applicability and Character of Service:

Firm Transportation Service provided to any individually metered non-residential Customer whose annual Gas usage is equal to or greater than 87,500 therms but less than 1,000,000 therms, and for which the Company has received a Request for Transportation Service in compliance with the provisions of Section 14 of this Tariff.

Gas Delivery Service Rates and Charges:

Customer Charge:

\$2,000.00 per month

Gas Delivery Service Rate:

\$.30690 per therm

Minimum Bill:

The minimum monthly bill shall be the Customer Charge and any applicable terms and conditions contained in the Service Agreement.

Service Agreement:

A Service Agreement accepted by the Company is a condition precedent for Service under this Rate Schedule. The term of the Service Agreement shall be set forth therein but shall not be less than one (1) year.

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

Issued By:

Stuart L. Shoaf, President

Effective:

RATE SCHEDULE BILLING ADJUSTMENTS (Continued)

2. Tax and Fee Adjustment

The rates and charges contained in this Tariff may be increased by any tax and/or fee of assessment applicable to the sale or transportation of gas which shall be imposed on the Company after October 1, 1966. This increase shall be on a per therm basis and shall be applied for billing periods commencing on or during thirty (30) days following the effective date of such tax, fee or assessment.

3. Energy Conservation Cost Recovery Adjustment Clause

The Gas Delivery Service rates per therm applied in any billing period shall be adjusted by the Company's conservation recovery factor made pursuant to the Conservation Cost Recovery Clause in accordance with the revised methodology adopted by the Commission on May 10, 1993 in Order No. PSC-93-0709-FOF-EG. Docket No. 930002-EG, or as such methodology may be amended from time to time by further order of the Commission. The cost recovery factor for the period January 1, 2024 through December 31, 2024 is as follows:

RATE CLASS	ADJUSTMENT FACTOR	
RS-2	24.409 cents per therm	
RS-3	18.160 cents per therm	
GS-1	10.751 cents per therm	
GS-2	06.358 cents per therm	
FTS-4	03.877 cents per therm	

These factors were approved by the Commission on November 16, 2023 by Order No. PSC-2023-0346-FOF-GU.

4. Competitive Rate Adjustment Clause

The gas delivery service rate for gas supplied or transported after July 1, 1990 to customers other than those served under Company's Rate Schedules FTS-5 and CTS Rider is subject to adjustment, in accordance with the following provisions, for prior shortfalls or surpluses in Company's Contract Transportation Service revenues.

Issued By: Stuart L. Shoaf, President Effective:
Issued On:

RULES AND REGULATIONS

SECTION 7 - MISCELLANEOUS CHARGES AND FEES

7.1 Residential Connection and Reconnection Charge Residential Reconnection Charge

\$40.00 80.00 \$90.00

Each Applicant for Residential Gas Delivery Service shall pay to the Company a Connection Charge of forty eighty dollars (\$40 80) before Gas Delivery Service is activated by the Company at Customer's premises. Whenever a Residential Customer's Gas is turned off at Customer's request, or Customer's meter is disconnected by reason of non-compliance with these Rules and Regulations, a Reconnection Charge of forty ninety dollars (\$40 90) must be paid and other satisfactory arrangements made with the Company before the account is reactivated and Gas Delivery Service reconnected.

7.2 Non-Residential Connection and Reconnection Charge

\$60.00 120.00

Each Applicant for Non-Residential Gas Delivery Service shall pay to the Company a Connection Charge of sixty one hundred twenty dollars (\$60 120) before Gas Delivery Service is activated by the Company at Customer's premises. Whenever a Non-Residential Customer's Gas is turned off at Customer's request, or Customer's meter is disconnected by reason of non-compliance with these Rules and Regulations, a Reconnection Charge of sixty one hundred twenty dollars (\$60 120) must be paid and other satisfactory arrangements made with the Company before the account is reactivated and Gas Delivery Service reconnected.

7.3 Change of Account Charge

\$26.00 66.00

If a change of occupants in a premise with existing Gas Delivery Service occurs without a physical service disconnection, a Change of Account may occur. The Company shall bill to the Applicant a Change of Account Charge in the amount of twenty sixty six dollars (\$66).

7.4 Late Payment Charge

\$13.00

July 17, 2008

Charges for services due and rendered which are unpaid as of the past due date are subject to a Late Payment Charge of three thirteen (313) dollars or 1.5% of any unpaid balance, whichever is greater, except the accounts of federal, state and local governmental entities, agencies and instrumentalities. Unless otherwise agreed by contract, a Late Payment Charge shall be applied to the accounts of federal, state and local governmental entities, agencies and instrumentalities at a rate no greater than allowed and in a manner permitted by applicable law.

Effective:

Issued By: Stuart L. Shoaf, President

RULES AND REGULATIONS (Continued)

7.5 Returned Check Charge

\$35.00

A service charge of \$25.00 35.00 or 5% of the amount of the check, whichever is greater, plus any bank charges, shall be added to the Customer's bill for gas Delivery service for each check dishonored by the bank upon which it is drawn. Termination of Gas Delivery Service shall not be made for failure to pay such Company Returned Check Charge.

7.6 After Normal Business Hours Service

Where Gas Delivery service is Connected or Reconnected outside of Normal Business Hours or by a special appointment, the Connection or Reconnection Charges set forth above shall be multiplied by 2.0.

7.7 Realtor Inspection Charge

\$105.00

Where Gas Delivery service is Activated for less than seven (7) days then Terminated for the sole purpose of an inspection to facilitate a real estate transaction.

Issued By: Stuart L. Shoaf, President Effective: July 17, 2008

INDEX OF RATE SCHEDULES

DESCRIPTION	<u>NAME</u> <u>S</u>	HEET NO.
RS-1 RESERVI	ED FOR FUTURE USE Residential Service 1	73
RS-2	Residential Service 2	75
RS-3	Residential Service 3	77
GS-1	General Service 1	79
GS-2	General Service 2	81
BLANK GS-3 RE	ESERVED FOR FUTURE USE Use General Servi	ee 3 83
GS-4	General Service 4	85
GS-5	General Service 5	87
FTS-1	Firm Transportation Service 1	89
FTS-2	Firm Transportation Service 2	91
BLANK FTS- 3	RESEVED FOR FUTURE USE	93
FTS-4	Firm Transportation Service 4	95
FTS-5	Firm Transportation Service 5	97
CTS	Contract Transportation Service Rider	99
AEP	Area Expansion Program Rider	102
BA	Billing Adjustments	103

Issued By: Stuart L. Shoaf, President Effective: July 17, 2008

RESERVED FOR FUTURE USE

RATE SCHEDULE RESIDENTIAL SALES SERVICE -1 (RS-1)

Availability:

Throughout the Company's service areas.

Applicability and Character of Service:

Firm Service provided to any individually metered Residential Customer whose annual Gas usage is less than 150 therms.

Gas Delivery Service Rates and Charges:

The following non-fuel rates for the delivery of Gas to the Consumer's premises apply to all Customers served under this Rate Schedule for the respective monthly Billing Period.

Customer Charge: \$13.00 per month

Gas Delivery Service Rate: \$1.29614 per therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Issued By: Stuart L. Shoaf, President Effective: August 7, 2016

August 7, 2016

RESERVED FOR FUTURE USE

Rate Schedule RS-1 (Continued)

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service and Purchase Gas Adjustment rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.
- (3) In the event the Company agrees to provide for the installation costs associated with converting a Customer's premises, appliances or equipment to natural Gas, the Company and Customer shall enter into an agreement as to the terms and conditions governing recovery of such conversion costs from the Customer. Under such circumstances the initial term of Gas Delivery Service shall, at a minimum, be the same as the period of conversion cost recovery stated in the agreement. A conversion cost recovery charge will be listed as a separate line item on the customer's bill to collect costs incurred; including carrying costs at the Company's overall approved cost of capital, in providing such conversion to natural gas. At such time as the Company has recovered its installation cost, the conversion cost recovery charge will be removed from the customer's bill.

Issued By: Stuart L. Shoaf, President Effective:

RATE SCHEDULE RESIDENTIAL SALES SERVICE – 2 (RS-2)

Availability:

Throughout the Company's service areas.

Applicability and Character of Service:

Firm Service provided to any individually metered Residential Customer whose annual Gas usage is equal to or greater than 150 therms but less than 300 therms.

Gas Delivery Service Rates and Charges:

The following non-fuel rates for the delivery of Gas to the Consumer's premises apply to all Customers served under this Rate Schedule for the respective monthly Billing Period.

Customer Charge:

\$16.00 20.00 per month

Gas Delivery Service Rate:

\$0.87058 1.40959 per therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Issued By: Stuart L. Shoaf, President

Effective: At

August 7, 2016

RATE SCHEDULE RESIDENTIAL SALES SERVICE – 3 (RS-3)

Availability:

Throughout the Company's service areas.

Applicability and Character of Service:

Firm Service provided to any individually metered Residential Customer whose annual Gas usage is equal to or greater than 300 therms.

Gas Delivery Service Rates and Charges:

The following non-fuel rates for the delivery of Gas to the Consumer's premises apply to all Customers served under this Rate Schedule for the respective monthly Billing Period.

Customer Charge:

\$20.00 25.00 per month

Gas Delivery Service Rate:

\$0.72859 1.24119 per therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Issued By:

Stuart L. Shoaf, President

Effective:

August 7, 2016

Issued On:

July 7, 2016

RATE SCHEDULE GENERAL SALES SERVICE – 1 (GS-1)

Availability:

Throughout the Company's Service Area

Applicability and Character of Service:

Firm Service provided to any individually metered non-residential Customer whose annual Gas usage is less than 2000 therms.

Gas Delivery Service Rates and Charges:

Customer Charge:

\$20.00 **25.00** per month

Gas Delivery Service Rate

\$0.66605 1.17458 per therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service and Purchase Gas Adjustment rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

Issued By: Stuart L

Issued On:

Stuart L. Shoaf, President

July 7, 2016

Effective:

August 7, 2016

RATE SCHEDULE GENERAL SALES SERVICE – 2 (GS-2)

Availability:

Throughout the Company's Service Area

Applicability and Character of Service:

Firm Service provided to any individually metered non-residential Customer whose annual Gas usage is equal to or greater than 2,000 therms but less than 87,500 therms.

Gas Delivery Service Rates and Charges:

Customer Charge:

\$70.00 80.00 per month

Gas Delivery Service Rate

\$0.42319 1.00539 per therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service and Purchase Gas Adjustment rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

Issued By: Stuart L. Shoaf, President

Issued On: July 7, 2016

Effective: August 7, 2016

RATE SCHEDULE GENERAL SALES SERVICE – 4 (GS-4)

Availability:

Throughout the Company's Service Area

Applicability and Character of Service:

Firm Service provided to any individually metered non-residential Customer whose annual Gas usage equal to or greater than 87,500 therms but less than 1,000,000 therms.

Gas Delivery Service Rates and Charges:

Customer Charge:

\$2,000.00 per month

Gas Delivery Service Rate

\$0.15840 .30690 per therm

Purchase Gas Adjustment Rate:

In addition to the above Gas Delivery Service Rates and Charges, Customers served under this Rate Schedule shall purchase Gas supply from the Company and are subject to fuel charges pursuant to the Purchase Gas Adjustment included in the Billing Adjustment Section of this Tariff.

Minimum Bill:

The minimum monthly bill under this Rate Schedule is the Customer Charge.

Service Agreement:

A Service Agreement accepted by the Company is a condition precedent for Service under this Rate Schedule. The term of the Service Agreement shall be set forth therein but shall not be less than one (1) year.

Issued By:

Stuart L. Shoaf, President

Effective:

August 7, 2016

Issued On:

July 7, 2016

RATE SCHEDULE FIRM TRANSPORTATION SERVICE -4 (FTS-4)

Availability:

Throughout the Company's Service Area.

Applicability and Character of Service:

Firm Transportation Service provided to any individually metered non-residential Customer whose annual Gas usage is equal to or greater than 87,500 therms but less than 1,000,000 therms, and for which the Company has received a Request for Transportation Service in compliance with the provisions of Section 14 of this Tariff.

Gas Delivery Service Rates and Charges:

Customer Charge:

\$2,000.00 per month

Gas Delivery Service Rate:

\$0.15840 .30690 per therm

August 7, 2016

Effective:

Minimum Bill:

The minimum monthly bill shall be the Customer Charge and any applicable terms and conditions contained in the Service Agreement.

Service Agreement:

A Service Agreement accepted by the Company is a condition precedent for Service under this Rate Schedule. The term of the Service Agreement shall be set forth therein but shall not be less than one (1) year.

Special Terms and Conditions of Service:

- (1) Service under this Rate Schedule is subject to the Rules and Regulations contained in this Tariff, as such may be amended from time to time, under the authority of the Commission.
- (2) In addition to the above Gas Delivery Service rates and charges, Customers served under this Rate Schedule may be subject to other applicable Billing Adjustments.

Issued By: Stuart L. Shoaf, President

RATE SCHEDULE BILLING ADJUSTMENTS

(Continued)

2. Tax and Fee Adjustment

The rates and charges contained in this Tariff may be increased by any tax and/or fee of assessment applicable to the sale or transportation of gas which shall be imposed on the Company after October 1, 1966. This increase shall be on a per therm basis and shall be applied for billing periods commencing on or during thirty (30) days following the effective date of such tax, fee or assessment.

3. Energy Conservation Cost Recovery Adjustment Clause

The Gas Delivery Service rates per therm applied in any billing period shall be adjusted by the Company's conservation recovery factor made pursuant to the Conservation Cost Recovery Clause in accordance with the revised methodology adopted by the Commission on May 10, 1993 in Order No. PSC-93-0709-FOF-EG. Docket No. 930002-EG, or as such methodology may be amended from time to time by further order of the Commission. The cost recovery factor for the period January 1, 2024 through December 31, 2024 is as follows:

RATE CLASS	ADJUSTMENT FACTOR	
RS-1	33.922 cents per therm	
RS-2	24.409 cents per therm	
RS-3	18.160 cents per therm	
GS-1	10.751 cents per therm	
GS-2	06.358 cents per therm	
FTS-4	03.877 cents per therm	
RS-2 RS-3 GS-1 GS-2	24.409 cents per therm 18.160 cents per therm 10.751 cents per therm 06.358 cents per therm	

These factors were approved by the Commission on November 16, 2023 by Order No. PSC-2023-0346-FOF-GU.

4. Competitive Rate Adjustment Clause

The gas delivery service rate for gas supplied or transported after July 1, 1990 to customers other than those served under Company's Rate Schedules FTS-5 and CTS Rider is subject to adjustment, in accordance with the following provisions, for prior shortfalls or surpluses in Company's Contract Transportation Service revenues.

Issued By: Stuart L. Shoaf, President Effective: January 01, 2024

Issued On: 11/16/2023

ATTACHMENT B

INTERIM INCREASE TARIFF SHEETS

(LEGISLATIVE AND ORIGINAL FORMAT)

RESERVED FOR FUTURE USE

RATE SCHEDULE TEMPORARY INTERIM RATE INCREASE ADJUSTMENT

APPLICABILITY

Applicable to Customers receiving service under the following rate schedules pending establishment of new permanent per therm charges.

BASIS FOR INTERIM RATES

Calculated in accordance with Section 366.071. Florida Statutes, and Rule 25-7.040, Florida Administrative Code, the interim surcharges set forth below shall be added to the Gas Delivery Service Rate beginning with the effective date approved by the Florida Public Service Commission and shall terminate upon the effective date of new permanent Gas Delivery Service Rates for each rate class as set by the Florida Public Service Commission.

INTERIM RATE INCREASE SURCHARGES

Rate Class	Interim Increase Surcharge/ Cents	
	Per Therm	
<u>RS-1</u>	\$1.4630	
RS-2	\$1.0383	
RS-3	\$0.8000	
<u>GS-1</u>	\$0.4379	
GS-2	\$0.2713	
<u>GS-4</u>	\$0.1935	
FTS-4	\$0.1438	

Issued By:

Stuart L. Shoaf, President

Issued On:

July 26, 2011

Effective:

SEP 20 2011

RATE SCHEDULE TEMPORARY INTERIM RATE INCREASE ADJUSTMENT

APPLICABILITY

Applicable to Customers receiving service under the following rate schedules pending establishment of new permanent per therm charges.

BASIS FOR INTERIM RATES

Calculated in accordance with Section 366.071. Florida Statutes, and Rule 25-7.040, Florida Administrative Code, the interim surcharges set forth below shall be added to the Gas Delivery Service Rate beginning with the effective date approved by the Florida Public Service Commission and shall terminate upon the effective date of new permanent Gas Delivery Service Rates for each rate class as set by the Florida Public Service Commission.

INTERIM RATE INCREASE SURCHARGES

Rate Class	Interim Increase Surcharge/ Cents Per Therm
RS-1	\$1.4630
RS-2	\$1.0383
RS-3	\$0.8000
GS-1	\$0.4379
GS-2	\$0.2713
GS-4	\$0.1935
FTS-4	\$0.1438

Issued By:

Stuart L. Shoaf, President

Effective: