

FLORIDA PUBLIC SERVICE COMMISSION

INVESTOR-OWNED NATURAL GAS UTILITY
EARNINGS SURVEILLANCE REPORT

REGULATION

07 MAR 19 11 9:25

PUBLIC SERVICE

PSC/AFA 13 (/96)

**SEBRING GAS SYSTEM, INC.
EARNINGS SURVEILLANCE REPORT SUMMARY
DECEMBER 2006**

SCHEDULE 1

	(1) ACTUAL PER BOOKS	(2) FPSC ADJUSTMENTS	(3) FPSC ADJUSTED	(4) PRO FORMA ADJUSTMENTS	(5) PRO FORMA ADJUSTED
I. AVERAGE RATE OF RETURN (JURISDICTIONAL)					
<u>NET OPERATING INCOME</u>	\$ <u>70,441</u>	\$ <u>1,457</u>	\$ <u>71,898</u>	\$ <u>71,898</u>	\$ <u>71,898</u>
AVERAGE RATE BASE	\$ <u>1,183,891</u>	\$ <u>0</u>	\$ <u>1,183,891</u>	\$ <u>1,183,891</u>	\$ <u>1,183,891</u>
AVERAGE RATE OF RETURN	<u>5.9500%</u>		<u>6.0730%</u>		<u>6.0730%</u>
II. YEAR END RATE BASE (JURISDICTIONAL)	\$ <u>1,214,516</u>	\$ <u>0</u>	\$ <u>1,214,516</u>		

III. REQUIRED RATES OF RETURN
AVERAGE CAPITAL STRUCTURE
(FPSC ADJUSTED BASIS)

LOW	<u>9.6722%</u>
MIDPOINT	<u>10.2178%</u>
HIGH	<u>10.7633%</u>

IV. EARNED RETURN ON EQUITY
(FPSC ADJUSTED BASIS)

A. INCLUDING FLEX RATE REVENUES	<u>3.9026%</u>
B. EXCLUDING FLEX RATE REVENUES	<u>3.9026%</u>

I am aware that Section 837.06, Florida Statutes, provides:

Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree punishable as provided in s. 775.082 or s. 775.083.

Jerry H. Melendy, Jr. VP

(Name and Title of Chief
Financial Officer)

[Signature]
(Signature)

03/14/07

(Date)

PSC/AFA13

**SEBRING GAS SYSTEM, INC.
AVERAGE RATE OF RETURN
RATE BASE
DECEMBER 2006**

SCHEDULE 2
PAGE 1 OF 2

	(1)	(2)	(3)	(4)	(5)	(7)	(8)	(9)
	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
PER BOOKS	<u>2,294,018</u>	<u>(1,152,535)</u>	<u>1,141,483</u>	<u>0</u>	<u>0</u>	<u>1,141,483</u>	<u>42,407</u>	<u>1,183,891</u>
<u>FPSC ADJUSTMENTS:</u>								
TOTAL FPSC ADJUSTMENTS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FPSC ADJUSTED	<u>2,294,018</u>	<u>(1,152,535)</u>	<u>1,141,483</u>	<u>0</u>	<u>0</u>	<u>1,141,483</u>	<u>42,407</u>	<u>1,183,891</u>
<u>FLEX RATE REVENUES</u>								
ADJUSTED FOR FLEX RATE REVENUES	<u>2,294,018</u>	<u>(1,152,535)</u>	<u>1,141,483</u>	<u>0</u>	<u>0</u>	<u>1,141,483</u>	<u>42,407</u>	<u>1,183,891</u>
<u>PRO FORMA REVENUE INCREASE AND ANNUALIZATION ADJUSTMENTS:</u>								
TOTAL PRO FORMA ADJUSTME	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
PRO FORMA ADJUSTED	<u>2,294,018</u>	<u>(1,152,535)</u>	<u>1,141,483</u>	<u>0</u>	<u>0</u>	<u>1,141,483</u>	<u>42,407</u>	<u>1,183,891</u>

**SEBRING GAS SYSTEM, INC.
AVERAGE RATE OF RETURN
INCOME STATEMENT
DECEMBER 2006**

SCHEDULE 2
PAGE 2 OF 2

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	OPERATING REVENUES	O & M GAS EXPENSE	O & M OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	GAIN/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
PER BOOKS, as adjusted Jan 2006 thru Dec 2006	393,013	213,868	29,864	64,929	13,911	0	0	0	0	322,572	70,441
<u>FPSC ADJUSTMENTS:</u>											
Reduction to office supplies (921) by 15%		(1,457)								(1,457)	1,457
TOTAL FPSC ADJUSTMENTS	<u>0</u>	<u>-1,457</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>-1,457</u>	<u>1,457</u>
FPSC ADJUSTED	<u>393,013</u>	<u>212,411</u>	<u>29,864</u>	<u>64,929</u>	<u>13,911</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>321,115</u>	<u>71,898</u>
<u>FLEX RATE REVENUES ADJUSTED FOR FLEX RATE REVENUES</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FLEX RATE REVENUES	<u>393,013</u>	<u>212,411</u>	<u>29,864</u>	<u>64,929</u>	<u>13,911</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>321,115</u>	<u>71,898</u>
<u>PRO FORMA REVENUE INCREASE AND ANNUALIZATION ADJUSTMENTS:</u>											
TOTAL PRO FORMA ADJUSTMENTS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
PRO FORMA ADJUSTED	<u>393,013</u>	<u>212,411</u>	<u>29,864</u>	<u>64,929</u>	<u>13,911</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>321,115</u>	<u>71,898</u>
PER BOOKS CURRENT MONTH AMOUNT	<u>33,144</u>	<u>32,867</u>	<u>2,148</u>	<u>5,631</u>	<u>805</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>41,451</u>	<u>(8,307)</u>

Sebring Gas System, Inc.
Schedule 2 Worksheet - Average Rate of Return
Dec-06

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Plant in	Accumulated	Net	Property	Construction	Net	Working	Total
<u>13 Month Average</u>	<u>Service</u>	<u>Depreciation</u>	<u>Plant in</u>	<u>Held for</u>	<u>Work in</u>	<u>Utility</u>	<u>Capital</u>	<u>Rate Base</u>
		<u>Amortization</u>	<u>Service</u>	<u>Future Use</u>	<u>Progress</u>	<u>Plant</u>		
Dec-05	2,187,566	(1,120,619)	1,066,947	0	0	1,066,947	0	1,066,947
Jan-06	2,191,557	(1,125,587)	1,065,970	0	0	1,065,970	0	1,065,970
Feb-06	2,220,978	(1,130,705)	1,090,273	0	0	1,090,273	0	1,090,273
Mar-06	2,252,947	(1,136,003)	1,116,944	0	0	1,116,944	0	1,116,944
Apr-06	2,253,392	(1,141,337)	1,112,055	0	0	1,112,055	0	1,112,055
May-06	2,323,910	(1,146,754)	1,177,156	0	0	1,177,156	0	1,177,156
Jun-06	2,324,276	(1,152,263)	1,172,013	0	0	1,172,013	0	1,172,013
Jul-06	2,335,307	(1,157,763)	1,177,544	0	0	1,177,544	0	1,177,544
Aug-06	2,338,459	(1,163,278)	1,175,181	0	0	1,175,181	0	1,175,181
Sep-06	2,347,785	(1,168,817)	1,178,968	0	0	1,178,968	0	1,178,968
Oct-06	2,348,318	(1,174,367)	1,173,951	0	0	1,173,951	0	1,173,951
Nov-06	2,348,490	(1,179,917)	1,168,573	0	0	1,168,573	0	1,168,573
Dec-06	2,349,255	(1,185,548)	1,163,707	0	0	1,163,707	0	1,163,707
Thirteen month totals	<u>29,822,240</u>	<u>(14,982,958)</u>	<u>14,839,282</u>	<u>0</u>	<u>0</u>	<u>14,839,282</u>	<u>0</u>	<u>14,839,282</u>
Thirteen month averag	<u>2,294,018</u>	<u>(1,152,535)</u>	<u>1,141,483</u>	<u>0</u>	<u>0</u>	<u>1,141,483</u>	<u>0</u>	<u>1,141,483</u>

**SEBRING GAS SYSTEM, INC.
YEAR END RATE BASE
DECEMBER 2006**

SCHEDULE 3

	(1)	(2)	(3)	(4)	(5)	(7)	(8)	(9)
	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
PER BOOKS	<u>2,349,255</u>	<u>(1,185,548)</u>	<u>1,163,707</u>	<u>0</u>	<u>0</u>	<u>1,163,707</u>	<u>50,809</u>	<u>1,214,516</u>
FPSC ADJUSTMENTS:								
TOTAL FPSC ADJUSTMENTS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FPSC ADJUSTED	<u><u>2,349,255</u></u>	<u><u>(1,185,548)</u></u>	<u><u>1,163,707</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>1,163,707</u></u>	<u><u>50,809</u></u>	<u><u>1,214,516</u></u>

SEBRING GAS SYSTEMS, INC.
 CAPITAL STRUCTURE
 FPSC ADJUSTED BASIS
 DECEMBER 2006

SCHEDULE 4

AVERAGE	PER BOOKS	ADJUSTMENTS		ADJUSTED	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
		SPECIFIC	PRO RATA			COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	452,138			452,138	37.8604%	8.8754%	3.3425%	8.8754%	3.3425%	8.8754%	3.3425%
SHORT TERM DEBT	27,543			27,543	2.2942%	8.8949%	0.2041%	8.8949%	0.2041%	8.8949%	0.2041%
PREFERRED STOCK	0	0		0	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
CUSTOMER DEPOSITS	65,920			65,920	5.4908%	7.2381%	0.3974%	7.2381%	0.3974%	7.2381%	0.3974%
COMMON EQUITY	654,984	0		654,984	54.5547%	10.5000%	5.7282%	11.5000%	6.2738%	12.5000%	6.8193%
DEFERRED INCOME TAXES	0			0	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
TAX CREDITS - ZERO COST	0			0	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
TAX CREDITS - WEIGHTED COST TOTAL	0			0	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
	<u>1,200,566</u>	<u>0</u>	<u>0</u>	<u>1,200,566</u>	<u>100.0000%</u>		<u>9.6722%</u>		<u>10.2178%</u>		<u>10.7633%</u>

YEAR END	PER BOOKS	ADJUSTMENTS		ADJUSTED	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
		SPECIFIC	PRO RATA			COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	441,272			441,272	38.4106%	9.1948%	3.3479%	9.1948%	3.3479%	9.1948%	3.3479%
SHORT TERM DEBT	28,683			28,683	2.3667%	9.1948%	0.2176%	9.1948%	0.2176%	9.1948%	0.2176%
PREFERRED STOCK	0			0	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
CUSTOMER DEPOSITS	69,455			69,455	5.7309%	7.2381%	0.4148%	7.2381%	0.4148%	7.2381%	0.4148%
COMMON EQUITY	672,524			672,524	55.4918%	10.5000%	5.8266%	11.5000%	6.3816%	12.5000%	6.9365%
DEFERRED INCOME TAXES	0			0	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
TAX CREDITS - ZERO COST	0			0	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
TAX CREDITS - WEIGHTED COST TOTAL	0			0	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
	<u>1,211,934</u>	<u>0</u>	<u>0</u>	<u>1,211,934</u>	<u>100.0000%</u>		<u>9.8069%</u>		<u>10.3618%</u>		<u>10.9168%</u>

Sebring Gas System, Inc.
 Schedule 4 Worksheet - Capital Structure
 12/31/06

13 Month Average	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Average Per Books
Long-term Debt	447,637	445,803	465,101	462,654	460,154	457,653	455,152	453,265	450,871	448,475	446,077	443,675	441,272	452,138
Short-term Debt	22,020	22,020	28,458	28,430	28,458	28,486	28,514	28,542	28,570	28,598	28,626	28,655	28,683	27,543
Preferred Stock	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Customer Deposits	64,205	65,655	66,105	65,755	64,855	64,855	64,705	65,405	65,405	65,455	67,405	67,705	69,455	65,920
Common Stock	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Paid-in Capital	859,880	834,880	834,880	834,880	834,880	914,880	914,880	844,880	834,880	834,880	834,880	834,880	834,880	849,880
Current Year Profit (Loss)	94,794	(29,816)	(29,770)	(11,614)	(9,255)	(3,430)	12,499	13,079	21,079	24,078	32,582	53,974	43,140	16,257
Retained Earnings (Deficit)	(299,090)	(204,296)	(204,298)	(204,296)	(204,296)	(204,296)	(204,296)	(207,296)	(207,296)	(207,296)	(207,296)	(207,296)	(207,296)	(212,972)
Common Equity	657,384	602,568	602,614	620,770	623,129	708,954	724,883	652,463	650,463	653,462	661,966	683,358	672,524	654,964
Deferred Income Taxes	0	2	0	0	0	0	0	2	0	0	0	0	0	0
Tax Crs-Zero Crs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tx Crs-Weighted Cst	0	0	0	0	0	0	0	0	0	0	0	0	0	0
				8						8				
Total	1,191,246	1,136,048	1,162,278	1,177,609	1,176,596	1,259,946	1,273,254	1,199,677	1,195,309	1,195,990	1,204,074	1,223,393	1,211,934	1,200,566

Sebring Gas System, Inc.
Schedule 4 Worksheet - Average Interest Rates
12/31/06

13 Month Average	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Average Per Books
WSB #57692 Balance	422,997	421,998	420,998	419,997	418,998	417,998	416,998	415,998	414,998	413,998	412,998	411,998	410,998	416,998
WSB #57692 Rate	8.25%	8.25%	8.50%	8.50%	8.75%	9.00%	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%	9.05%
	2,977	3,004	2,792	3,081	3,073	3,219	3,133	3,326	3,310	3,196	3,295	3,182	3,281	40,869
WSB loan	46,680	45,825	44,990	44,155	43,320	42,485	41,650	40,815	39,980	39,145	38,310	37,475	36,640	41,650
WSB rate	8.25%	8.25%	8.50%	8.50%	8.75%	9.00%	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%	9.15%
	324	333	315	300	335	323	330	323	326	319	304	307	291	4,130
Mid Florida FCU	0	0	27,571	26,932	26,294	25,656	25,018	24,994	24,463	23,930	23,395	22,857	22,317	21,033
	0.00%	0.00%	5.16%	5.16%	5.16%	5.16%	5.16%	5.16%	5.16%	5.16%	5.16%	5.16%	5.16%	5.16%
	0	0	0	162	117	114	112	109	107	105	103	101	98	1,128
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
			0						0					0
Total Debt	469,657	467,823	493,559	491,084	488,612	486,139	483,666	481,807	479,441	477,073	474,703	472,330	469,955	479,681
	8.28%	8.40%	8.21%	8.49%	8.78%	8.85%	8.99%	9.18%	9.19%	9.23%	9.18%	9.25%	9.19%	8.88%
	3,301	3,337	3,107	3,543	3,525	3,656	3,575	3,758	3,743	3,620	3,702	3,590	3,670	46,127
Long-term Portion	447,637	445,803	465,101	462,654	460,154	457,653	455,152	453,265	450,871	448,475	446,077	443,675	441,272	452,138
	8.28%	8.40%	8.21%	8.49%	8.78%	8.85%	8.99%	9.18%	9.19%	9.23%	9.18%	9.25%	9.19%	8.8754%
	3,146	3,180	2,928	3,338	3,320	3,442	3,364	3,535	3,520	3,403	3,479	3,372	3,446	43,473
Short-term Portion	22,020	22,020	28,458	28,430	28,458	28,486	28,514	28,542	28,570	28,598	28,626	28,655	28,683	27,543
	8.28%	8.40%	8.21%	8.49%	8.78%	8.85%	8.99%	9.18%	9.19%	9.23%	9.18%	9.25%	9.19%	8.8949%
	155	157	179	205	205	214	211	223	223	217	223	218	224	2,654
Customer Deposits														
Residential	13,980	13,330	13,580	13,530	13,630	13,630	13,480	13,580	13,580	13,630	13,580	13,930	14,080	13,657
	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
	70	67	68	68	68	68	67	68	68	68	68	70	70	888
Commercial	50,225	52,325	52,525	52,225	51,225	51,225	51,225	51,825	51,825	51,825	53,825	53,775	55,375	52,263
	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
	293	305	306	305	299	299	299	302	302	302	314	314	323	3963
Total	64,205	65,655	66,105	65,755	64,855	64,855	64,705	65,405	65,405	65,455	67,405	67,705	69,455	65,920
	7.53%	8.14%	6.41%	6.92%	7.18%	6.90%	7.23%	9.17%	6.48%	6.95%	6.91%	6.61%	6.74%	7.24%
	403	500	353	379	388	373	390	500	353	379	388	373	390	5,169

SEBRING GAS SYSTEM, INC.
EARNED RETURN ON COMMON EQUITY
FPSC ADJUSTED BASIS
DECEMBER 2006

SCHEDULE 5

A. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY
INCLUDING FLEX RATE REVENUES

FPSC ADJUSTED AVERAGE EARNED RATE OF RETURN	<u>6.0730%</u>	(Schedule 1)
LESS: RECONCILED AVERAGE JURISDICTIONAL WEIGHTED COST RATES FOR:		
LONG TERM DEBT	3.3425%	
SHORT TERM DEBT	0.2041%	
PREFERRED STOCK	0.0000%	
CUSTOMER DEPOSITS	0.3974%	
TAX CREDITS-WEIGHTED COST(MIDPOINT)	<u>0.0000%</u>	
SUBTOTAL	<u>3.9440%</u>	
 TOTAL	 2.1290%	
 DIVIDED BY RECONCILED COMMON EQUITY RATIO	 <u>54.5547%</u>	
 JURISDICTIONAL RETURN ON COMMON EQUITY	 <u><u>3.9026%</u></u>	

B. FPSC ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY
EXCLUDING FLEX RATE REVENUES

NET OPERATING REVENUE EXCLUDING FLEX RATE REVENUES	\$ 71,898	(Schedule 2, p. 2 of 2)
RATE BASE EXCLUDING FLEX RATE REVENUES	<u>\$ 1,183,891</u>	(Schedule 2, p. 1 of 2)
 FPSC ADJUSTED AVERAGE EARNED RATE OF RETURN	 <u>6.0730%</u>	
LESS: RECONCILED AVERAGE JURISDICTIONAL WEIGHTED COST RATES FOR:		
LONG TERM DEBT	3.3425%	
SHORT TERM DEBT	0.2041%	
PREFERRED STOCK	0.0000%	
CUSTOMER DEPOSITS	0.3974%	
TAX CREDITS-WEIGHTED COST(MIDPOINT)	<u>0.0000%</u>	
SUBTOTAL	<u>3.9440%</u>	
 TOTAL	 2.1290%	
 DIVIDED BY RECONCILED COMMON EQUITY RATIO	 <u>54.5547%</u>	
 JURISDICTIONAL RETURN ON COMMON EQUITY	 <u><u>3.9026%</u></u>	

SAS SYSTEM, INC.

Location of Files and Procedures

All print on Schedules 1-4 is Landscape, Schedule 5 and Cover are Portrait.

Cover - A10.L69

Schedule 1 - A81.O123

Schedule 2 - Pg 1 of 2 - A127.Q174

Schedule 2 - Pg 2 of 2 - A177.V230

Schedule 3 - A232.Q263

Schedule 4 - A266.V321

Schedule 5 - A323.K376

SAS SYSTEM, INC.

Procedures

- 1 Obtain copies of the last six months of financial statements. (FERC)
- 2 The first six months are in the previous report file.
- 3 Use the previous report to produce the current report.
Begin with Sch 2 Worksheet . Move last seven months up. Enter last six months.
- 4 Transfer the last six months from the previous report to the first six months in this report.
- 5 Obtain interest rate on any new notes.
- 6 Input monthly asset and accumulated depreciation amounts in Schedule 2 Worksheet.
- 7 Input loan balances and interest rate in Schedule 4 Worksheet-Average Interest Rates.
- 8 Step 7 transfers to Schedule 4 Worksheet - Capital Structure
- 9 Input Equity balances on Schedule 4 Worksheet Capital Structure.
Obtain Loan Amortization Schedule for loans from current file. For each month's ending balance, subtract out next year's balance-record amount in long term and short term debt.
- 10 Input the residential and commercial deposits on the Average Interest Rate schedule.
- 11 Check the different schedules for proper flow.
- 12 Schedule 4 has days of the month in the computatons that need to be changed.
- 13 Schedule 4 rates should be consistent from month to month unless there is a change.
Look for changes that do not make any sense.

Sebring Gas System, Inc.
 Schedule 2 Worksheet - Working Capital
 Dec-06

Does not need to attached to filing

Acct No.	Description	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	13 Month Average
Current Assets															
130.00	Petty Cash	50	50	50	50	50	50	50	50	50	50	50	50	50	50
130.01	Cash -Bank	29,291	14,029	99,817	1,130	64,894	11,701	19,715	14,233	23,534	765	23,288	21,470	8,876	25,596
142.00	Accounts Receivable	180,791	136,908	138,914	133,508	106,421	103,991	85,752	87,026	94,963	102,012	90,613	106,721	113,126	113,904
154.00	Plant Materials & Supplies	34,078	38,760	38,760	38,760	38,760	38,760	39,245	39,245	39,245	39,245	39,245	39,245	39,245	38,661
184.00	Payroll Clearing Acct	-	-	-	-	-	-	-	-	-	-	-	-	-	-
186.00	Rate Case - long term not working c	-	-	-	-	-	-	-	-	-	-	-	-	-	-
191.00	Unrecovered purchased gas costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		<u>244,210</u>	<u>189,747</u>	<u>277,541</u>	<u>173,448</u>	<u>210,125</u>	<u>154,502</u>	<u>144,762</u>	<u>140,554</u>	<u>157,792</u>	<u>142,072</u>	<u>153,196</u>	<u>167,486</u>	<u>161,297</u>	<u>178,210</u>
Current Liabilities															
232.00	Accounts Payable - Trade	103,959	117,117	201,296	106,996	139,201	69,486	59,893	56,238	64,319	50,820	47,641	36,171	64,791	85,994
231.00	Current long-term debt	22,020	22,020	28,458	28,430	28,458	28,486	28,514	28,542	28,570	28,598	28,626	28,655	28,683	27,543
234.00	A/P Coker	-	-	-	-	-	-	-	-	-	-	-	-	-	-
234.01	A/P JHM, JR.	-	-	-	-	-	-	-	-	-	10,000	10,000	10,000	-	-
232.02	Accounts Payable - Rate Case	27,000	27,000	27,000	27,000	27,000	27,000	-	-	-	-	-	-	-	12,462
236.04	Utility Tax Gross Receipts	2,389	1,413	1,850	2,144	1,587	1,591	1,418	1,439	1,553	1,445	1,557	1,667	1,662	1,670
236.05	Regulatory Assessment	4,340	1,917	2,362	2,821	3,161	3,513	3,811	4,148	4,477	4,780	5,088	5,432	5,797	3,973
236.08	Tangible Taxes	3,744	(2,687)	(2,247)	(1,807)	(1,368)	(929)	2,571	3,011	3,450	3,890	4,329	4,789	5,208	1,687
238.09	Intangible Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
237.01	Interest Payable Customer Payable	3,894	333	682	1,054	1,421	1,788	2,154	2,523	2,893	3,264	3,645	3,977	4,270	2,454
241.00	Sales Tax Payable	11	6	23	3	1	6	-	8	24	10	74	13	77	20
241.01	County/Local Utilities Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		<u>167,357</u>	<u>167,119</u>	<u>259,424</u>	<u>166,641</u>	<u>199,461</u>	<u>130,941</u>	<u>98,361</u>	<u>95,909</u>	<u>105,286</u>	<u>102,807</u>	<u>100,960</u>	<u>90,664</u>	<u>110,488</u>	<u>135,803</u>
	Total Assets Less Liabilities	<u><u>76,853</u></u>	<u><u>22,628</u></u>	<u><u>18,117</u></u>	<u><u>6,807</u></u>	<u><u>10,664</u></u>	<u><u>23,561</u></u>	<u><u>46,401</u></u>	<u><u>44,645</u></u>	<u><u>52,506</u></u>	<u><u>39,265</u></u>	<u><u>52,236</u></u>	<u><u>76,802</u></u>	<u><u>50,809</u></u>	<u><u>42,407</u></u>