

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for a rate) DOCKET NO. 940276-GU
increase by CITY GAS COMPANY OF) ORDER NO. PSC-94-1455-PHO-GU
FLORIDA.) ISSUED: November 28, 1994

Pursuant to Notice, a Prehearing Conference was held on November 9, 1994, in Tallahassee, Florida, before Commissioner Diane K. Kiesling, as Prehearing Officer.

APPEARANCES:

Joseph A. McGlothlin, Esquire, and Vicki Gordon Kaufman, Esquire, McWhirter, Reeves, McGlothlin, Davidson and Bakas, 315 South Calhoun Street, Suite 716, Tallahassee, Florida 32301
On behalf of City Gas Company of Florida.

M. Robert Christ, Esquire, and Vicki D. Johnson, Esquire, Florida Public Service Commission, 101 E. Gaines Street, Tallahassee, Florida 32399-0863
On behalf of the Commission Staff.

Richard C. Bellak, Esquire, Florida Public Service Commission, 101 E. Gaines Street, Tallahassee, Florida 32399-0862
On behalf of the Commissioners.

PREHEARING ORDER

I. CASE BACKGROUND

Pursuant to the provisions of Section 366.06, Florida Statutes, City Gas Company of Florida ("City Gas" or the "Company") an operating division of NUI Corporation (NUI), filed its petition for an increase in rates. A hearing, set for November 29, 1994, will address the issues set forth in the body of this order.

II. PROCEDURE FOR HANDLING CONFIDENTIAL INFORMATION

A. Any information provided pursuant to a discovery request for which proprietary confidential business information status is requested shall be treated by the Commission and the parties as confidential. The information shall be exempt from Section

DOCUMENT NUMBER-DATE

11950 NOV 28 3

FPSC-RECORDS/REPORTING

119.07(1), Florida Statutes, pending a formal ruling on such request by the Commission, or upon the return of the information to the person providing the information. If no determination of confidentiality has been made and the information has not been used in the proceeding, it shall be returned expeditiously to the person providing the information. If a determination of confidentiality has been made and the information was not entered into the record of the proceeding, it shall be returned to the person providing the information within the time periods set forth in Section 366.093(2), Florida Statutes.

B. It is the policy of the Florida Public Service Commission that all Commission hearings be open to the public at all times. The Commission also recognizes its obligation pursuant to Section 366.093, Florida Statutes, to protect proprietary confidential business information from disclosure outside the proceeding.

In the event it becomes necessary to use confidential information during the hearing, the following procedures will be observed:

- 1) Any party wishing to use any proprietary confidential business information, as that term is defined in Section 366.093, Florida Statutes, shall notify the Prehearing Officer and all parties of record by the time of the Prehearing Conference, or if not known at that time, no later than seven (7) days prior to the beginning of the hearing. The notice shall include a procedure to assure that the confidential nature of the information is preserved as required by statute.
- 2) Failure of any party to comply with 1) above shall be grounds to deny the party the opportunity to present evidence which is proprietary confidential business information.
- 3) When confidential information is used in the hearing, parties must have copies for the Commissioners, necessary staff, and the Court Reporter, in envelopes clearly marked with the nature of the contents. Any party wishing to examine the confidential material that is not subject to an order granting confidentiality shall be provided a copy in the same fashion as provided to the Commissioners, subject to execution of any appropriate protective agreement with the owner of the material.

- 4) Counsel and witnesses are cautioned to avoid verbalizing confidential information in such a way that would compromise the confidential information. Therefore, confidential information should be presented by written exhibit when reasonably possible to do so.
- 5) At the conclusion of that portion of the hearing that involves confidential information, all copies of confidential exhibits shall be returned to the proffering party. If a confidential exhibit has been admitted into evidence, the copy provided to the Court Reporter shall be retained in the Commission Clerk's confidential files.

Post-hearing procedures

Rule 25-22.056(3), Florida Administrative Code, requires each party to file a post-hearing statement of issues and positions. A summary of each position of no more than 50 words, set off with asterisks, shall be included in that statement. If a party's position has not changed since the issuance of the prehearing order, the post-hearing statement may simply restate the prehearing position; however, if the prehearing position is longer than 50 words, it must be reduced to no more than 50 words. The rule also provides that if a party fails to file a post-hearing statement in conformance with the rule, that party shall have waived all issues and may be dismissed from the proceeding.

A party's proposed findings of fact and conclusions of law, if any, statement of issues and positions, and brief, shall together total no more than 60 pages, and shall be filed at the same time. The prehearing officer may modify the page limit for good cause shown. Please see Rule 25-22.056, Florida Administrative Code, for other requirements pertaining to post-hearing filings.

III. PREFILED TESTIMONY AND EXHIBITS; WITNESSES

Testimony of all witnesses to be sponsored by the parties and Staff has been prefiled. All testimony which has been prefiled in this case will be inserted into the record as though read after the witness has taken the stand and affirmed the correctness of the

testimony and associated exhibits. All testimony remains subject to appropriate objections. Each witness will have the opportunity to orally summarize his or her testimony at the time he or she takes the stand. Upon insertion of a witness' testimony, exhibits appended thereto may be marked for identification. After all parties and Staff have had the opportunity to object and cross-examine, the exhibit may be moved into the record. All other exhibits may be similarly identified and entered into the record at the appropriate time during the hearing.

Witnesses are reminded that, on cross-examination, responses to questions calling for a simple yes or no answer shall be so answered first, after which the witness may explain his or her answer.

The Commission frequently administers the testimonial oath to more than one witness at a time. Therefore, when a witness takes the stand to testify, the attorney calling the witness is directed to ask the witness to affirm whether he or she has been sworn.

IV. ORDER OF WITNESSES

The Company has agreed with Staff's position as to all issues, therefore witnesses are not listed in the Prehearing Order and are not required to appear at the hearing.

V. BASIC POSITIONS

CITY GAS: In the interests of settlement, City Gas has agreed to the stipulated issues set forth herein. The Company's agreement to the issues stipulated herein is for the purposes of settlement only. The Company reserves the right to present different positions in future cases as its interests warrant. Also, since the Company's agreement to the positions herein represents a compromise for the purposes of settlement, the Company reserves the right, in the event that the Commission does not accept the stipulated issues herein in their entirety, to withdraw its agreement to the stipulated issues and proceed to hearing.

STAFF: City Gas has not fully supported its initially requested increase of \$8,594,727. The company has not fully supported its request as modified by supplemental testimony filed November 16, 1994, which reduced the

request by approximately \$1.097 million. Based upon extensive discovery conducted on both the initial filing and the supplemental changes, Staff's position is that the company has met its burden of proof supporting an increase of \$1,667,316 and recommends that the Commission grant the increase.

VI. ISSUES AND POSITIONS

ISSUE 1: Are the Company's test year forecasts for customers and therm sales by revenue class appropriate? (McNulty, Makin)

CITY GAS: The Company agrees with Staff's position.

STAFF: The customer and therm forecasts are as shown on Attachment 6.

ISSUE 2: Has City Gas Company utilized a formal budget and planning process as ordered by the Commission in Order 24013 in Docket 891175-GU? (Mills, McNulty)

CITY GAS: The Company agrees with Staff's position.

STAFF: Without comment as to completeness of compliance with Order No. 24013, the Company should be required to formalize and file within 60 days of the date of the final order in this case a detailed and thoroughly documented description of its budget and planning process.

ISSUE 3: Should City Gas be required to develop and adhere to a formal bidding procedure? (Audit Disclosure No. 5) (Mills)

CITY GAS: The Company agrees with Staff's position.

STAFF: City Gas has stated its intent to implement prospectively for all purposes a request for proposals procedure similar to the one it used recently to bid the NASA project. The Company should be required to adopt formal written bidding procedures, with internal control and oversight, and to file the bidding procedures with the Commission within 60 days of the date of the final order in this case.

ISSUE 4: Has City Gas Company documented and made cost comparison analyses on contracting and lease/purchase decisions as ordered by the Commission in Order 24013 in Docket 891175-GU? (Mills)

CITY GAS: The Company agrees with Staff's position.

STAFF: The Company has partially complied with Commission Order 24013 with regard to lease/purchase decisions. However, the Company has failed to make the contracting comparative analyses required by the Commission's Order. The Company should be required to file within 60 days of the date of the final order in this case its methodology for performing cost comparison analyses of contracting and lease/purchase decisions.

ISSUE 5: Has City Gas Company implemented and enforced a comprehensive conflict of interest policy as ordered by the Commission in Order 24013 in Docket 891175-GU? (Mills)

CITY GAS: The Company agrees with Staff's position.

STAFF: NUI is in the process of developing a comprehensive conflict of interest policy which will apply to all employees. The Company should be required to file within 60 days of the date of the final order in this case a detailed and complete conflict of interest policy, including enforcement provisions for violation of the policy.

ISSUE 6: Has City Gas Company used the criteria in its feasibility tariff to make all system expansion and planning decisions? (Mills)

CITY GAS: The Company agrees with Staff's position.

STAFF: The Company has not used its tariffed feasibility criteria in all system expansions decisions. The Company should be required to file within 60 days of the date of the final order in this case, its revised tariff updating its feasibility criteria and clearly setting out any provisions for exemptions.

ISSUE 7: Should an adjustment be made to Plant, Accumulated Depreciation, Depreciation Expense, and Property Taxes to reflect the addition of the Treasure Coast gate station land and distribution system? (Mills, Merta, C. Romig)

CITY GAS: It is the Company's understanding that the effect of the adjustments agreed to in this issue is to place approximately \$2.2 million of the Treasure Coast infrastructure investment in rate base at this time. This amount includes the essential gate station, the portion of primary feeders justified by current economic feasibility criteria, and the portion of the residential services connections corresponding to the Company's average embedded cost per service. The Company's agreement on this issue is for the purpose of settlement only and is without prejudice to request inclusion of additional portions of the investment in the future as development continues and as circumstances warrant.

STAFF: Based on projected revenues, the Treasure Coast expansion is not fully justified at this time. The Company's statement of its understanding of what is currently justified accurately reflects Staff's position. Plant should be reduced by \$1,106,298, accumulated depreciation by \$69,255, and depreciation expense by \$43,185. The plant amount not included at this time can be recovered when justified and approved by the Commission.

Rate Base Amount

Gate Station	\$ 487,000
St. Lucie River Crossing	130,897
6" Village Green Main	173,463
6" U.S. 1 South To Port	
St. Lucie	110,000
6" St. Lucie Blvd.	677,022
572 Residential Services*	587,444
Fort Pierce Acquisition	<u>115,000</u>
	\$2,289,542

*572 Services at \$1027 each developed by staff using the average imbedded investment in plant for services.

ISSUE 8: Should an adjustment be made to Plant, Accumulated Depreciation, and Depreciation Expense to recognize the purchase of assets from the Ft. Pierce Utilities Authority (FPUA)? (L. Romig, Makin)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. City Gas paid \$149,800 to Ft. Pierce in settlement of a territorial dispute of which \$34,800 was for lost revenues. Staff's position is to allow the \$115,000 purchase price for the assets in rate base. Before the Company's next rate case or depreciation study, the Company should perform an engineering valuation study, to determine the appropriate original cost and accumulated depreciation of the purchased assets, as well as to determine the appropriate plant account classifications for those assets. Plant should be increased by \$97,307, Accumulated Depreciation by \$1,601, and Depreciation Expense by \$3,201.

ISSUE 9: This issue has been deleted.

ISSUE 10: Should an adjustment be made to Plant, Accumulated Depreciation and Depreciation Expense to remove the cost to construct a compressed natural gas fill station at the Miami Airport? (Staff Engineer Report, Exhibit 2, p. 7, account 394) (L. Romig, Mills)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. Since the CNG Plant is considered non-utility, Plant should be decreased by \$300,000, Accumulated Depreciation by \$9,300, and Depreciation by \$18,600.

ISSUE 11: Should an adjustment be made to Plant and Property Taxes to remove land for a Melbourne Gate Station that will not be purchased in FY 1995? (Staff Engineer Report, Exhibit 2, p. 1, Account 374) (Merta, C. Romig)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. Plant should be reduced by \$25,000. Property taxes have been addressed in Issue 69.

ISSUE 12: Should an adjustment be made to Plant, Accumulated Depreciation and Depreciation Expense to remove overprojected costs of a new gate station in the Brevard Division at I 95 & Wickham Rd? (Staff Engineer Report, Exhibit 3, p. 2, Account 379) (L. Romig, Mills)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. Plant should be reduced by \$300,000, Accumulated Depreciation by \$4,650 and Depreciation Expense by \$9,300.

ISSUE 13: This issue has been deleted.

ISSUE 14: Should an adjustment be made to Plant, Accumulated Depreciation and Depreciation Expense to remove unsupported minimums in the 1994 construction budget? (Staff Engineer Memo, p. 4) (Brand)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. Rate Base should be reduced by \$451,553, Accumulated Depreciation by \$30,739, and Depreciation Expense by \$40,819.

ISSUE 15: Should an adjustment be made to Plant, Accumulated Depreciation and Depreciation Expense to remove the cost of service regulators that will not be replaced? (Staff Engineer Report, Exhibit 3, p. 3, account 383) (Merta, Mills)

CITY GAS: The Company agrees with Staff's position.

STAFF: No adjustment is necessary. The particular regulators in question have been in service since the 1960's and have been specifically targeted for replacement in conjunction with the periodic meter change-out program.

ISSUE 16: Should an adjustment be made to plant additions for the projected test year? (Mills, Brand)

CITY GAS: The Company agrees with Staff's position.

STAFF: Plant additions should be reduced by \$3,671,000, Accumulated Depreciation by \$57,004 and Depreciation Expense by \$111,188 due to the Company's budget revisions.

ISSUE 17: What is the appropriate ratemaking treatment for free appliances since 1991? (Audit Disclosure No. 10) (Brand)

CITY GAS: The Company agrees with Staff's position.

STAFF: To be consistent with Order No. 24013, Docket No. 891175, GU, free appliances should be removed from rate base. Account 186.1 should be reduced by \$748,550 in 1995, net of amortization, and amortization expense should be reduced by \$89,928.

ISSUE 18: What is the appropriate amount of the NUI acquisition adjustment and should it be amortized above the line? (McCormick, L. Romig, Merta, C. Romig)

CITY GAS: The Company's agreement on this issue is for the purpose of settlement only. The Company reserves the right to seek recovery of the acquisition adjustment and related amortization expense in the future if warranted.

STAFF: For ratemaking purposes, the appropriate amount of the NUI acquisition adjustment is zero. Any acquisition adjustment should be amortized below the line and depreciation and amortization expense should be reduced by \$985,092.

ISSUE 19: What is the appropriate amount of the Miller Gas acquisition adjustment and should it be included in rate base? (Audit Disclosures No. 1, 7) (L. Romig, Merta, McCormick, C. Romig)

CITY GAS: The Company agrees with Staff's position.

STAFF: The appropriate amount of the Miller Gas acquisition adjustment is (\$221,067) (negative acquisition adjustment). It should be included in rate base.

ISSUE 20: What is the appropriate ratemaking treatment for the purchase of Consolidated Gas, a liquid propane system, which was acquired with the intent to convert to natural gas? (Audit Disclosure No. 2) (L. Romig, Merta, McCormick, C. Romig)

CITY GAS: The Company agrees with Staff's position.

STAFF: No adjustment is necessary. Before the Company's next rate case or depreciation study, the Company should perform an engineering valuation study, to determine the appropriate original cost and accumulated depreciation of the purchased assets, as well as to determine the appropriate plant account classifications for those assets.

ISSUE 21: What is the appropriate ratemaking treatment for the purchase of a liquid propane system from Western Energy in January, 1993, which was acquired with the intent to convert to natural gas? (Audit Disclosure No. 3) (L. Romig, Merta, McCormick, C. Romig)

CITY GAS: The Company's agreement on this issue is for the purpose of settlement only and is without prejudice to request inclusion of additional portions of the investment in the future as circumstances warrant.

STAFF: Rate base should be reduced by \$566,411, Accumulated Depreciation by \$35,455 and Depreciation Expense by \$22,109. The rate base amount for this case of \$212,589 was developed by staff using the average imbedded plant per service of \$1027 X the 207 active services on the Western Energy system. The plant amount not included at this time can be recovered when justified and approved by the Commission. Before the Company's next rate case or depreciation study, the Company should perform an engineering valuation study, to determine the appropriate original cost and accumulated depreciation of the purchased assets, as well as to determine the appropriate plant account classifications for those assets.

ISSUE 22: Should an adjustment be made for the buildings and land on East 25th Street that were purchased from Essel? (Audit Disclosure No. 4) (Brand)

CITY GAS: The Company agrees with Staff's position.

STAFF: No adjustment is necessary.

ISSUE 23: What adjustments should be made to rate base and NOI to account for corrections related to computer equipment purchases in the test year? (L. Romig, McCormick)

CITY GAS: The Company agrees with Staff's position.

STAFF: Plant should be reduced by \$105,300, Accumulated Depreciation by \$32,552 and Depreciation Expense by \$16,637.

ISSUE 24: Should an adjustment be made to rate base and NOI for the allocation of nonutility operations? (Staff Engineer Memo, p. 3; Audit Disclosure No. 12) (Merta, McCormick)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. Plant should be reduced by \$247,282, Accumulated Depreciation by \$85,138, Depreciation Expense by \$12,266, Working Capital by \$26,946, A&G expense by \$129,055 and Taxes Other by \$2,500.

ISSUE 25: Should leased appliances be excluded from rate base and NOI? (Makin)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. An adjustment should be made to remove \$22,929,238 from Plant, \$7,802,308 from Accumulated Depreciation, \$60,000 from working capital, \$1,869,094 from Depreciation Expense, and \$234,779 from O&M expense. Leased appliances are nonjurisdictional.

ISSUE 26: What is the appropriate projected test year Plant-In-Service?

CITY GAS: The Company agrees with Staff's position.

STAFF: The resolution of this issue depends upon the resolution of other issues. The appropriate projected test year Plant-In-Service is \$120,623,753.

ISSUE 27: What are the appropriate depreciation rates to be used?
(Bingham)

CITY GAS: The Company agrees with Staff's position.

STAFF: The appropriate depreciation rates are those noticed in
Order No. PSC-94-1292-FOF-GU issued October 17, 1994.

ISSUE 28: Should an adjustment be made to rate base to correct an
overamortization of a prospective deficit addressed in
Commission Orders No. 13538 and 21108? (Audit Exception
No. 1) (Bingham)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes, test year Depreciation Reserve should be decreased
by \$5,448.

ISSUE 29: What is the appropriate projected test year Depreciation
Reserve? (Bingham)

CITY GAS: The Company agrees with Staff's position.

STAFF: The 13-month average test year Depreciation Reserve
should be increased by \$191,470 to reflect new
depreciation rates approved in Order No. PSC-94-1292-FOF-
GU. Therefore, the appropriate projected test year
Depreciation Reserve is \$42,711,890. This is a
calculation based upon the decisions in preceding issues.

ISSUE 30: Was conservation properly removed from working capital?
(L. Romig)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. No adjustment is necessary.

ISSUE 31: Was fuel properly removed from rate base and NOI? (L.
Romig)

CITY GAS: The Company agrees with Staff's position.

STAFF: No. Working capital should be reduced by \$323,327 to
account for over-recovery.

ISSUE 32: What is the appropriate ratemaking treatment for \$839,951 of hurricane costs? (Audit Disclosure No. 9) (L. Romig, McCormick)

CITY GAS: For purposes of settlement, the Company agrees with Staff's position.

STAFF: The hurricane costs should be amortized monthly over 5 years beginning in the fiscal year ending September 30, 1992, and ending September 30, 1996. The annual amount of amortization is \$179,042. The unamortized amount should not be included in rate base. Projected test year expenses should be reduced by \$119,364, and Working Capital should be reduced by \$745,998. It should be noted that the Company should have requested an order from the Commission before it deferred the hurricane costs. On a prospective basis, deferrals of current expense creating a regulatory asset should not be booked unless an order is issued by the Commission specific to City Gas. Each deferral should be analyzed on a case-by-case basis.

ISSUE 33: Should an adjustment be made to working capital and expenses to remove a portion of American Gas Association (AGA) dues? (Audit Disclosure No. 8) (Merta, McCormick)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. Working capital should be reduced by \$2,829 and expenses by \$18,389 to disallow 40.48% of AGA dues which were related to lobbying and advertising that did not meet the criteria of being informational or education in nature.

ISSUE 34: What is the appropriate projected test year Working Capital Allowance? This is a calculation based upon the decisions in preceding issues.

CITY GAS: The Company agrees with Staff's position.

STAFF: In addition to other specific adjustments, Working Capital should be reduced by \$41,904 to correct an error in projecting Materials & Supplies. The appropriate projected test year Working Capital Allowance is \$4,726,356. (See Attachment 1A)

ISSUE 35: What is the appropriate projected test year Rate Base? This is a calculation based upon the decisions on preceding issues.

CITY GAS: The Company agrees with Staff's position.

STAFF: The resolution of this issue depends upon the resolution of other issues. The appropriate projected test year Rate Base is \$82,638,219. (See Attachment 1)

CAPITAL STRUCTURE

ISSUE 36: What is the appropriate capital structure for ratemaking purposes? (Geiger)

CITY GAS: The Company's agreement on this issue is for the purpose of settlement only and is without prejudice to advocate a different capital structure in the future.

STAFF: Because City Gas is an operating division of NUI, staff recommends using the relative ratio of investor sources of capital reflected in NUI's consolidated capital structure for rate making purposes. The balances of customer deposits, deferred income taxes, and investment tax credits should be specifically identified at the City Gas divisional level.

ISSUE 37: Should an adjustment be made to investment tax credits (ITCs) or their cost rate? (C. Romig)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. ITCs should be increased by \$494,345 to reverse the Company's pro rata reconciliation adjustment. They should also be decreased by \$59,310 to remove the ITCs related to the leased appliances which staff recommends be excluded in Issue 25. No adjustment should be made to the zero cost rate.

ISSUE 38: Should an adjustment be made to accumulated deferred taxes? (C. Romig)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. Accumulated deferred taxes should be increased by \$3,503,034 to reverse the Company's pro rata reconciliation adjustment. They should also be decreased by \$11,658,606 (SFAS 109 - \$8,674,086; leased appliances - \$2,703,801; Hurricane Andrew - \$280,719)

ISSUE 39: Is the utility in compliance with Rule 25-14.013, Accounting for Deferred Income Taxes under SFAS 109, and is the implementation revenue neutral, including the gross-up for the NUI acquisition adjustment? (C. Romig)

CITY GAS: The Company agrees with Staff's position.

STAFF: Regarding its MFRs, City Gas is not in compliance with Rule 25-14.013 because the manner in which it is reflected in its MFRs is not revenue neutral. It is not revenue neutral because the deferred taxes in its capital structure have not been reduced for the deferred taxes related to the NUI acquisition adjustment which has been removed from rate base. Instead, a pro rata reconciliation adjustment was made.

ISSUE 40: Should the Commission remove an amount for non-utility investment specifically from common equity in reconciling capital structure to rate base? (Geiger)

CITY GAS: The Company agrees with the result of Staff's position. It is the Company's view that the leased appliance investment should be removed pro rata in any event because the investment was financed by all sources of capital during the period it was considered utility-related by the Commission. This is the only equitable treatment under the circumstances.

STAFF: It is Staff's practice to recommend the Commission remove non-utility investment directly from common equity when reconciling the capital structure to rate base unless the utility can show, through competent substantial evidence, that to do otherwise would result in a more equitable determination of the cost of capital for ratemaking purposes. However, in this instant case the removal of non-utility investment solely from common equity would result in an equity ratio well below what would be considered reasonable for the utility. Therefore, because of the specific circumstances in this case, Staff

recommends the Commission remove non-utility investment pro rata over investor sources when reconciling the capital structure to rate base.

ISSUE 41: What is the appropriate cost rate for common equity?
(Geiger)

CITY GAS: For settlement purposes only, the Company agrees with Staff's position.

STAFF: The appropriate cost rate for common equity is 11.3% plus or minus 100 basis points. (Lester)

ISSUE 41A: What is the appropriate cost rate for long-term debt?
(Geiger)

CITY GAS: The Company's agreement on this issue is for the purpose of settlement only. The Company reserves the right to advocate in the future the position that the cost rate for long term debt should reflect the cost of debt specifically related to City Gas.

STAFF: The appropriate cost rate for long-term debt is NUI's consolidated cost of long-term debt of 7.03%.

ISSUE 41B: What is the appropriate cost rate for short-term debt?

CITY GAS: The Company agrees with Staff's position.

STAFF: The appropriate cost rate for short-term debt is NUI's cost of short-term debt of 5.5%.

ISSUE 42: What is the appropriate weighted average cost of capital including the proper components, amounts and cost rates associated with the capital structure for the projected test year ending September 30, 1995? (Geiger, C. Romig)

CITY GAS: The Company agrees with Staff's position.

STAFF: The weighted average cost of capital is 7.26% (see Attachment 3).

ISSUE 43: This issue has been deleted.

NET OPERATING INCOME

ISSUE 44: What is the appropriate amount of projected test year total Operating Revenues? (Makin, Bohrmann, McNulty)

CITY GAS: The Company agrees with Staff's position.

<u>STAFF:</u>	Total Revenue	\$59,180,886
	Less Fuel	29,986,641
	Less Leased Appliances	2,176,308
	Plus Reg. Assess Fee adj. for fuel	112,450
	Budget Revisions	(668,673)
	Total Operating Revenue	\$26,461,714

ISSUE 45: Should an adjustment be made to bad debt expense? (L. Romig)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. Working Capital should be increased by \$10,121 and expenses reduced by \$20,243, based on Staff's adjusted revenues in Issue 44.

ISSUE 46: Should an adjustment be made to remove Chamber of Commerce dues and other membership dues from expenses? (McCormick, Brand)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. Account 930 should be reduced by \$9,186 to remove Chamber of Commerce and other membership dues from expenses.

ISSUE 47: Should an adjustment be made to rate case expense and what is the appropriate amortization period? (Merta)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. Expenses should be reduced by \$88,168 to correct an error in trending prior Rate Case Expense. Current rate case expense of \$485,000 should be amortized over three years beginning in the month the new rates go into effect.

ISSUE 48: Should an adjustment be made to payroll expense? (Brand, Merta, Bohrmann, McCormick)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. An adjustment should be made to reduce Payroll Expense by \$650,000 and Benefits by \$162,500 for a total reduction of \$812,500 due to budget revisions.

ISSUE 49: Should an adjustment be made to leveraged employee stock ownership plan (LESOP) expense? (C. Romig)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes, LESOP expense should be reduced by \$198,469 which represents one year's loan payments on the LESOP debt.

ISSUE 50: What adjustment, if any, should be made for the tax savings associated with the leveraged employee stock ownership plan (LESOP)? (C. Romig)

CITY GAS: The Company agrees with Staff's position.

STAFF: Income tax expense should be reduced by \$93,454 to reflect the tax benefit of the dividends paid on shares held by the LESOP trust.

ISSUE 51: Should an adjustment be made to remove the salary and related expenses of an executive who worked part time? (Merta)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. Salary Expense should be reduced by \$67,772 and other expenses by \$11,183 for a total adjustment of \$78,955.

ISSUE 52: Are the allocations of expenses incurred by NUI corporate office and Elizabethtown reasonable? (Audit Disclosure No. 21) (Brand, Merta, McCormick)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. No adjustment is necessary.

ISSUE 53: Should an adjustment be made to Account 921 to remove amounts double-counted in both the forecasts of charges from affiliates and of the management fee charge? (Audit Exception 2) (Brand)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. Account 921 should be reduced by \$13,506 to remove double-counted numbers.

ISSUE 54: Should an adjustment be made to Account 881, Rents, to remove payments to HCA Medical Center for the lease of a propane tank? (Audit Disclosure No. 11) (L. Romig)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. Expenses should be reduced by \$901.

ISSUE 55: Should legal fees incurred in the defense of a lawsuit involving an employee who was terminated for sexual harassment be disallowed in the test year? (Audit Disclosure No. 13) (Brand)

CITY GAS: For purposes of settlement only, the Company accepts Staff's position.

STAFF: Yes. Only one third of the expenses should be allowed. Account 923 should be reduced by \$19,694 to disallow the remainder of the legal expenses incurred in a sexual harassment lawsuit.

ISSUE 56: Should an adjustment be made to Account 921 for business meals and entertainment? (Audit Disclosure No. 14) (Brand, McCormick)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. Account 921 should be reduced by \$3,302 to disallow certain business meals and entertainment which are not necessary for the provision of utility service.

ISSUE 57: Should an adjustment be made to Pension Expense based on the latest actuarial report? (Audit Disclosure No. 15) (Merta)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. Pension expense should be reduced by \$244,733.

ISSUE 58: Should an adjustment be made for contributions and advertising expenses incurred by the Company which do not pertain to natural gas operations? (Audit Disclosure No. 16) (Brand)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. Account 930 should be reduced by a total of \$5,010.

ISSUE 59: Should an adjustment be made to reduce expenses for the NUI/City Gas Joint Board Meeting? (Audit Disclosure No. 18) (Merta)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. Expenses should be reduced by \$2,123 to remove a management fee that was inappropriately trended.

ISSUE 60: Should an adjustment be made to Account 926.5 for employee activities such as picnics, parties, and awards? (Audit Disclosure No. 19) (Brand)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. Account 926 should be reduced by \$50,410 to remove employee activities.

ISSUE 61: Should an adjustment be made to remove expenses associated with luxury automobile leases? (Audit Disclosure No. 20) (Merta)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. Expenses should be reduced by \$10,281.

ISSUE 62: Should an adjustment be made to insurance expense? (Audit Disclosure No. 23) (L. Romig)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. Expenses should be reduced by \$77,391 and working capital should be increased by \$38,696 based on actual claims.

ISSUE 63: Should an adjustment be made to meter and regulator change-out expense? (L. Romig, Mills)

CITY GAS: The Company agrees with Staff's position.

STAFF: Expenses should be reduced by \$108,248, based on a 4-year average of the number of meters changed-out.

ISSUE 64: Has City Gas justified its benchmark variance in the Sales functional area? (Brand)

CITY GAS: The Company agrees with Staff's position.

STAFF: No. Account 912 should be reduced by \$15,717 for promotional activities such as specialty items and participation in trade shows and home shows. Account 913 should be reduced by \$3,660 for advertising related to the company's leased appliance program. The total reduction to expenses is therefore \$19,377.

ISSUE 65: What are the appropriate trend factors to be used in deriving projected operating expenses and how should they be applied? (Bohrmann, Merta, McCormick)

CITY GAS: The Company agrees with Staff's position.

STAFF: No adjustment is necessary for the Company's projection of customer growth and inflation. However, the product of consumer growth and inflation projections is 5.06%, not 5.10% as purported by the Company. The payroll and executive payroll trending factors are (0.36)% and 3.00% respectively based upon the Company's supplemental testimony.

ISSUE 66: Should the projected test year expense be adjusted for the effect of changing the trend factors? (Merta)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. Staff's payroll factor produces a \$650,000 payroll reduction that is addressed in Issue 48. Expenses should be reduced by \$117,057 to correct an error in trending Account 921, Office Supplies.

ISSUE 67: What is the appropriate amount of projected test year O&M Expense?

CITY GAS: The Company agrees with Staff's position.

STAFF: The resolution of this issue depends upon the resolution of other issues. The appropriate amount of projected test year O&M Expense is \$15,190,934. (See Attachment 2A)

ISSUE 68: What is the appropriate amount of projected test year Depreciation and Amortization Expense? This is a calculation based upon the decisions on preceding issues.

CITY GAS: The Company agrees with Staff's position.

STAFF: Test year depreciation expense should be increased by \$89,474 to reflect new depreciation rates approved in Order No. PSC-94-1292-FOF-GU. Therefore, the appropriate amount of projected test year Depreciation and Amortization Expense is \$4,166,737 based upon the decisions in preceding issues.

ISSUE 69: Should an adjustment be made to property taxes?
(C. Romig)

CITY GAS: The Company agrees with Staff's position.

STAFF: Property Taxes should be reduced by \$139,334, 2.248% of plant reductions and by \$2,500 associated with Issue 24.

ISSUE 70: Should an adjustment be made to payroll taxes?
(C. Romig)

CITY GAS: The Company agrees with Staff's position.

STAFF: Payroll taxes should be reduced by \$4,173 based upon other adjustments.

ISSUE 71: What is the appropriate amount of Taxes-Other?
(C. Romig)

CITY GAS: The Company agrees with Staff's position.

STAFF: The appropriate amount of Taxes-Other is \$1,403,343 based upon other adjustments.

ISSUE 72: Should income tax adjustments be made to reflect the depreciation rates approved in the 1994 depreciation represcription proceeding, Docket No. 940161-GU?
(C. Romig)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes. Adjustments will be made in the surveillance reports, based upon supporting calculations which the Company will provide within 30 days from the date of the order in this docket.

ISSUE 73: Is a parent debt adjustment appropriate and if so, what is the appropriate adjustment? (C. Romig)

CITY GAS: The Company agrees with the result of Staff's position. It is the Company's view that because City Gas is now part of a single corporate entity, no parent-debt adjustment would be appropriate in any event.

STAFF: Because the NUI consolidated capital structure is being used, a parent-debt adjustment is not necessary.

ISSUE 74: What is the appropriate income tax expense, including interest reconciliation? (C. Romig)

CITY GAS: The Company agrees with Staff's position.

STAFF: Income tax expense should be reduced by \$93,454 for the tax benefits from dividends paid on LESOP stock, increased by \$58,513 for interest reconciliation and increased by \$1,098,856 for the tax effect of other adjustments, resulting in income tax expense of \$734,259.

ISSUE 75: What is the appropriate amount of projected test year Net Operating Income (NOI)? This is a calculation based upon the decisions on preceding issues.

CITY GAS: The Company agrees with Staff's position.

STAFF: The resolution of this issue depends upon the resolution of other issues. The appropriate amount of projected test year Net Operating Income is \$4,966,441.

ISSUE 76: What is the appropriate test year revenue expansion factor to be used in calculating the revenue deficiency? (Merta, C. Romig, McCormick)

CITY GAS: The Company agrees with Staff's position.

STAFF: The revenue expansion factor is 1.6139. (See Attachment 4)

REVENUE DEFICIENCY

ISSUE 77: What is the appropriate projected test year revenue deficiency?

CITY GAS: The Company agrees with Staff's position.

STAFF: The resolution of this issue depends upon the resolution of other issues. The appropriate projected test year revenue deficiency is \$1,667,316. (See Attachment 5)

ISSUE 78: Should any portion of the \$260,179 interim increase granted by Order No. PSC-94-0957-FOF-GU, issued on August 9, 1994, be refunded to the customers? (Brand, Makin)

CITY GAS: The Company agrees with Staff's position.

STAFF: A portion of the interim increase was based on inappropriate costs related to overstated computer equipment costs. Assuming interim rates are in effect for six months, \$4,284 (\$714 per month), plus interest, should be refunded through the Purchased Gas Adjustment as a credit to fuel expense. Any additional refund, should be based on the full rate case revenue requirement adjusted, if necessary, for amounts not applicable to the interim period.

ISSUE 79: Should City Gas be required to file, within 60 days after the date of the final order in this docket, a description of all entries or adjustments to its future annual reports, rate of return reports, published financial statements and books and records that will be required as a result of the Commission's findings in this rate case? (Brand)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes.

COST OF SERVICE AND RATE DESIGN

ISSUE 80: What are the appropriate billing determinants to be used in the test year? (Makin, McNulty)

CITY GAS: The Company agrees with Staff's position.

STAFF: As shown on Attachment 6.

ISSUE 81: What should be the miscellaneous service charges? (Makin)

CITY GAS: The Company agrees with Staff's position.

<u>STAFF:</u>	Initial Connection - Residential	20.00
	Initial Connection - Nonresidential	45.00
	Reconnection - Residential	20.00
	Reconnection - nonresidential	45.00
	Change of Account	15.00
	Bill Collection in lieu of disconnect	15.00
	Returned Check Charge	15.00 or 5%

ISSUE 82: What is the appropriate cost of service methodology to be used in allocating costs to the various rate classes? (Makin)

CITY GAS: The Company agrees with Staff's position.

STAFF: Staff's cost of service study as adjusted for the removal of leased appliances, adjustments made to rate base, operations and maintenance expense, and net operating income.

ISSUE 83: If any revenue increase is granted, what should be the rates and charges for City Gas Company of Florida resulting from the allocation of the increase among customer classes?

CITY GAS: The Company agrees with Staff's position.

STAFF: See Attachment Nos. 6, 7, and 8.

ISSUE 84: Should the proposed Load Enhancement Discount Rider be approved? (Makin)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes, applicable only to interruptible rate classes and only to incremental load during the summer months (April - October).

ISSUE 85: Should the proposed Natural Gas Vehicle Rate be approved? (Makin)

CITY GAS: The Company agrees with Staff's position.

STAFF: Yes, as an experimental rate based on the cost to serve.

VII. EXHIBIT LIST

The Company has agreed with Staff's position as to all issues, therefore exhibits are not listed in the Prehearing Order.

VIII. PROPOSED STIPULATIONS

City Gas has agreed with Staff's position on all issues.


IX. PENDING MOTIONS

There are no pending motions at this time.

It is therefore,

ORDERED by Commissioner Diane K. Kiesling, as Prehearing Officer, that this Prehearing Order shall govern the conduct of these proceedings as set forth above unless modified by the Commission.

By ORDER of Commissioner Diane K. Kiesling, as Prehearing Officer, this 28th day of November, 1994.



Diane K. Kiesling, Commissioner
and Prehearing Officer

(S E A L)

VDJ

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: 1) reconsideration within 10 days pursuant to Rule 25-22.038(2), Florida Administrative Code, if issued by a Prehearing Officer; 2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or 3) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of Records and Reporting, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.

M E M O R A N D U M

NOVEMBER 28, 1994

TO: COMMISSIONER DIANE K. KIESLING
FROM: DIVISION OF LEGAL SERVICES (JOHNSON)
RE: DOCKET NO. 940276-GU - APPLICATION FOR A RATE INCREASE BY
GAS COMPANY OF FLORIDA.

Attached is a **PREHEARING ORDER** for your review and signature. Please call Vicki Johnson or Jackie Schindler when the order has been signed. (Number of pages in Order - 29 plus attachments)

VDJ/js
Attachment
I: 940276PH.VDJ

CITY GAS COMPANY
 DOCKET NO. 940276-GU
 COMPARATIVE WORKING CAPITAL COMPONENTS
 PTY 9/30/95

ATTACHMENT 1A
 23-N0V-94

ADJ NO	COMPANY AS FILED			COMPANY AS REVISED		STAFF	
	TOTAL PER BOOKS	JURIS. ADJUST.	COMPANY ADJUSTED	JURIS. ADJUST.	COMPANY ADJUSTED	JURIS. ADJUST.	ADJ. JURIS.
	(483,363)						
		(11,109)					
		(244,256)					
		14,234					
		(1,226)					
		(217,409)					
		(404,168)					
30		(1,113,839)					
		3,653,846					
		904					
		5,476,486					
24		(43,007)				(26,946)	
17						(748,550)	
25						(60,000)	
31						(323,327)	
32						(745,998)	
33						(2,829)	
45						10,121	
62						38,696	
34						(41,904)	
TOTALS	<u>(\$483,363)</u>	<u>\$7,110,456</u>	<u>\$6,627,093</u>	<u>\$0</u>	<u>\$6,627,093</u>	<u>(\$1,900,737)</u>	<u>\$4,726,356</u>

CITY GAS COMPANY
 DOCKET NO. 940276-GU
 COMPARATIVE NOIs
 PTY 9/30/95

ATTACHMENT 2
 23-NOV-94

ADJ NO	COMPANY AS FILED		COMPANY AS REVISED		STAFF			
	PER BOOKS	JURIS. ADJUST.	COMPANY ADJUSTED	JURIS. ADJUST.	COMPANY ADJUSTED	JURIS. ADJUST.	ADJ. JURIS.	
	OPERATING REVENUES	\$56,683,742		(668,673)		(668,673)		
	Adj. Gas Cost Revenues		(29,986,641)					
25	Adj. for Leased Appl. Revenue					(2,176,308)		
	Revenues Due to Growth	2,497,144						
44	Regulatory Assess. Fee on Rev.					112,450		
	TOTALS	<u>59,180,886</u>	<u>(29,986,641)</u>	<u>29,194,245</u>	<u>(668,673)</u>	<u>28,525,572</u>	<u>(2,732,531)</u>	<u>26,461,714</u>
	OPERATING EXPENSES:	47,380,321						
	Adj. Out Cost of Gas		(29,874,191)					
47	Rate Case Expense		161,667				(88,168)	
24	A & G Allocated to M & J		(156,183)				(129,055)	
51	Executive Salary		(46,627)	(50,000)			(78,955)	
61	Executive Leased Vehicles		(12,276)				(10,281)	
25	Leased Appliances						(234,779)	
33	AGA Dues						(18,389)	
45	Bad Debt Expense						(20,243)	
46	Membership Dues						(9,186)	
48	Payroll Expense			(812,500)			(812,500)	
49	LESOP Expense			(36,569)			(198,469)	
53	Management Fee						(13,506)	
54	Propane Tank Rent						(901)	
55	Legal Fees						(19,694)	
56	Business Meals & Entertainment						(3,302)	
57	Pension Expense						(244,733)	
58	Advertising & Contribution Expense						(5,010)	
59	Joint Board Meeting						(2,123)	
60	Employee Activities						(50,410)	
62	Insurance Expense						(77,391)	
64	Sales Benchmark						(19,377)	
63	Meter & Regulator Change-out Expense						(108,248)	
66	Trend Factors						(117,057)	
	TOTALS	<u>47,380,321</u>	<u>(29,927,610)</u>	<u>17,452,711</u>	<u>(899,069)</u>	<u>16,553,642</u>	<u>(2,261,777)</u>	<u>15,190,934</u>

CITY GAS COMPANY
DOCKET NO. 940276-GU
COMPARATIVE NOLs
PTY 9/30/95

ATTACHMENT 2
23-NOV-94

ADJ NO		COMPANY AS FILED		COMPANY AS REVISED		STAFF		
		PER BOOKS	JURIS. ADJUST.	COMPANY ADJUSTED	JURIS. ADJUST.	COMPANY ADJUSTED	JURIS. ADJUST.	ADJ. JURIS.
	DEPRECIATION & AMORTIZATION	7,130,597						
7	Treasure Coast Expansion						(43,185)	
8	FPUA Purchase						3,201	
10	Airport CNG Fill Station						(18,600)	
12	Wickham Rd. Gate Station						(9,300)	
14	Unsupported Minimums						(40,819)	
17	Free Appliances						(89,928)	
18	NUI Acquisition Adjustment						(985,092)	
21	Western Energy Purchase						(22,109)	
23	Computer Purchase						(16,637)	
24	Common Plant		(17,357)				(12,266)	
25	Leased Appliances						(1,869,094)	
32	Deferred Hurricane Expenses	298,404					(119,364)	
68	Depreciation Represcription						89,474	
16	Additions				(171,231)		(111,188)	
	TOTALS	<u>7,429,001</u>	<u>(17,357)</u>	<u>7,411,644</u>	<u>(171,231)</u>	<u>7,240,413</u>	<u>(3,244,907)</u>	<u>4,166,737</u>
	TAXES OTHER THAN INCOME	1,652,434						
	Remove Cost of Gas Related Taxes		(112,450)					
	Growth	9,366						
24	Common Property Taxes						(2,500)	
69	Property Taxes						(139,334)	
70	Payroll Taxes						(4,173)	
	TOTALS	<u>1,661,800</u>	<u>(112,450)</u>	<u>1,549,350</u>	<u>0</u>	<u>1,549,350</u>	<u>(146,007)</u>	<u>1,403,343</u>
	INCOME TAX EXPENSE	(889,771)						
	Growth	936,152						
74	Tax Effect of Above		26,633				1,098,856	
50	LESOP Tax Savings				(104,000)		(93,454)	
16	Additions				152,000			
	DEFERRED INCOME TAXES	41,434						
	Out-of-Period DIT Adj.							
74	Interest Reconciliation		(424,592)		60,000		58,513	
16	Amount to Balance				(4,500)			
	INVESTMENT TAX CREDITS	(19,512)						
73	Parent Debt Adjustment							
	TOTALS	<u>68,303</u>	<u>(397,959)</u>	<u>(329,656)</u>	<u>103,500</u>	<u>(226,156)</u>	<u>1,063,915</u>	<u>734,259</u>
	TOTAL OPERATING EXPENSES	<u>56,539,425</u>	<u>(30,455,376)</u>	<u>26,084,049</u>	<u>(966,800)</u>	<u>25,117,249</u>	<u>(4,588,776)</u>	<u>21,495,273</u>
	NET OPERATING INCOME	<u>\$2,641,461</u>	<u>\$468,735</u>	<u>\$3,110,196</u>	<u>\$298,127</u>	<u>\$3,408,323</u>	<u>\$1,856,245</u>	<u>\$4,966,441</u>

CITY GAS COMPANY OF FLORIDA
 O&M FORECAST WORKSHEET - PROJECTED TEST YEAR CALCULATION

	STAFF TREND RATES:	BASE YEAR + 1 9/30/94	PROJECTED TEST YEAR 9/30/95
# 1	Payroll Increases	13.44%	-0.36%
# 2	Inflation x Customer Growth	4.84%	5.06%
# 3	Executive Payroll	15.00%	3.00%
# 4	Inflation Only (CPI-U)	2.78%	3.00%
	Customer Growth	2.00%	2.00%
	Payroll x Customer Growth	15.71%	1.64%

ACCOUNT	BASE YEAR 1993	BASE YEAR + 1 1994	PROJECTED TEST YEAR 1995	TREND BASIS APPLIED
DISTRIBUTION EXPENSE				
870 Payroll trended	57,002	65,278	65,046	1
Other trended	0	0	0	
Other not trended	0	0	0	
Total	57,002	65,278	65,046	
871 Payroll trended	0	0	0	
Other trended	0	0	0	
Other not trended	0	0	0	
Total	0	0	0	
872 Payroll trended	0	0	0	
Other trended	0	0	0	
Other not trended	0	0	0	
Total	0	0	0	
873 Payroll trended	0	0	0	
Other trended	0	0	0	
Other not trended	0	0	0	
Total	0	0	0	
874 Payroll trended	215,916	245,028	244,157	1
Other trended	419,796	409,932	422,230	4
Other not trended	0	0	0	
Total	635,712	654,960	666,387	

CITY GAS COMPANY OF FLORIDA
O&M FORECAST WORKSHEET - PROJECTED TEST YEAR CALCULATION

Schedule 2A
23-Nov-94

	STAFF TREND RATES:	BASE YEAR + 1 9/30/94	PROJECTED TEST YEAR 9/30/95
# 1	Payroll Increases	13.44%	-0.36%
# 2	Inflation x Customer Growth	4.84%	5.06%
# 3	Executive Payroll	15.00%	3.00%
# 4	Inflation Only (CPI-U)	2.78%	3.00%
	Customer Growth	2.00%	2.00%
	Payroll x Customer Growth	15.71%	1.64%

ACCOUNT	BASE YEAR 1993	BASE YEAR + 1 1994	PROJECTED TEST YEAR 1995	TREND BASIS APPLIED
875 Payroll trended	0	0	0	
Other trended	0	0	0	
Other not trended	0	0	0	
Total	0	0	0	
876 Payroll trended	21,110	24,218	24,132	1
Other not trended	4,131	3,612	3,720	4
Other not trended	0	0	0	
Total	25,241	27,830	27,852	
877 Payroll trended	0	0	0	
Other trended	2,988	2,988	3,078	4
Other not trended	0	0	0	
Total	2,988	2,988	3,078	
878 Payroll trended	415,743	491,013	489,268	1
Other trended	440,437	417,744	430,276	4
Other not trended	0	0	(108,248)	
Total	856,180	908,757	811,296	
879 Payroll trended	1,186,560	1,325,792	1,321,080	1
Other trended	809,757	816,204	840,690	4
Other not trended	0	0	0	
Total	1,996,317	2,141,996	2,161,770	

CITY GAS COMPANY OF FLORIDA
 O&M FORECAST WORKSHEET - PROJECTED TEST YEAR CALCULATION

STAFF TREND RATES:		BASE YEAR + 1 9/30/94	PROJECTED TEST YEAR 9/30/95	
# 1	Payroll Increases	13.44%	-0.36%	
# 2	Inflation x Customer Growth	4.84%	5.06%	
# 3	Executive Payroll	15.00%	3.00%	
# 4	Inflation Only (CPI-U)	2.78%	3.00%	
	Customer Growth	2.00%	2.00%	
	Payroll x Customer Growth	15.71%	1.64%	

ACCOUNT	BASE YEAR 1993	BASE YEAR + 1 1994	PROJECTED TEST YEAR 1995	TREND BASIS APPLIED
880 Payroll trended	480,902	540,463	538,542	1
Other trended	441,184	441,708	454,959	4
Other not trended	0	0	0	
Total	922,086	982,171	993,501	
881 Payroll trended	0	0	0	
Other trended	2,332	2,568	2,645	4
Other not trended	186,158	0	0	
Other not trended			(901)	
Total	188,490	2,568	1,744	
TOTAL DISTRIBUTION EXPENSE	\$4,684,016	\$4,786,548	\$4,730,675	

MAINTENANCE EXPENSE				
885 Payroll trended	4,539	5,192	5,174	1
Other trended	0	0	0	
Other not trended	0	0	0	
Total	4,539	5,192	5,174	
886 Payroll trended	0	0	0	
Other trended	7,296	10,236	10,543	4
Other not trended	0	0	0	
Total	7,296	10,236	10,543	

CITY GAS COMPANY OF FLORIDA
 O&M FORECAST WORKSHEET - PROJECTED TEST YEAR CALCULATION

Schedule 2A
 23-Nov-94

	<u>STAFF TREND RATES:</u>	<u>BASE YEAR + 1 9/30/94</u>	<u>PROJECTED TEST YEAR 9/30/95</u>
# 1	Payroll Increases	13.44%	-0.36%
# 2	Inflation x Customer Growth	4.84%	5.06%
# 3	Executive Payroll	15.00%	3.00%
# 4	Inflation Only (CPI-U)	2.78%	3.00%
	Customer Growth	2.00%	2.00%
	Payroll x Customer Growth	15.71%	1.64%

<u>ACCOUNT</u>	<u>BASE YEAR 1993</u>	<u>BASE YEAR + 1 1994</u>	<u>PROJECTED TEST YEAR 1995</u>	<u>TREND BASIS APPLIED</u>
887 Payroll trended	8,154	8,429	8,399	1
Other trended	170,918	137,484	141,609	4
Other not trended	0	0	0	
Total	179,072	145,913	150,008	
888 Payroll trended	0	0	0	
Other trended	0	0	0	
Other not trended	0	0	0	
Total	0	0	0	
889 Payroll trended	0	0	0	
Other trended	0	0	0	
Other not trended	0	0	0	
Total	0	0	0	
890 Payroll trended	3,007	4,260	4,245	1
Other trended	10,417	10,656	10,976	4
Other not trended	0	0	0	
Total	13,424	14,916	15,221	
891 Payroll trended	15,683	12,628	12,583	1
Other trended	37,333	33,108	34,101	4
Other not trended	0	0	0	
Total	53,016	45,736	46,684	

CITY GAS COMPANY OF FLORIDA
 O&M FORECAST WORKSHEET - PROJECTED TEST YEAR CALCULATION

	STAFF TREND RATES:	BASE YEAR + 1 9/30/94	PROJECTED TEST YEAR 9/30/95
# 1	Payroll Increases	13.44%	-0.36%
# 2	Inflation x Customer Growth	4.84%	5.06%
# 3	Executive Payroll	15.00%	3.00%
# 4	Inflation Only (CPI-U)	2.78%	3.00%
	Customer Growth	2.00%	2.00%
	Payroll x Customer Growth	15.71%	1.64%

ACCOUNT	BASE YEAR 1993	BASE YEAR + 1 1994	PROJECTED TEST YEAR 1995	TREND BASIS APPLIED
892 Payroll trended	38,005	52,672	52,485	1
Other trended	25,027	27,936	28,774	4
Other not trended	0	0	0	
Total	63,032	80,608	81,259	
893 Payroll trended	255,715	262,512	261,579	1
Other trended	205,258	180,300	185,709	4
Other not trended	0	0	0	
Total	460,973	442,812	447,288	
894 Payroll trended	73,272	81,113	80,825	1
Other trended	164,981	163,932	168,850	4
Other not trended	0	0	(229,779)	
Total	238,253	245,045	19,896	
TOTAL MAINTENANCE EXPENSE	\$1,019,605	\$990,458	\$776,072	

CUSTOMER ACCOUNTS

901 Payroll trended	157,048	171,134	170,526	1
Other trended	0	0	0	
Other not trended	0	0	0	
Total	157,048	171,134	170,526	

CITY GAS COMPANY OF FLORIDA
 O&M FORECAST WORKSHEET - PROJECTED TEST YEAR CALCULATION

	STAFF TREND RATES:	BASE YEAR + 1 9/30/94	PROJECTED TEST YEAR 9/30/95
# 1	Payroll Increases	13.44%	-0.36%
# 2	Inflation x Customer Growth	4.84%	5.06%
# 3	Executive Payroll	15.00%	3.00%
# 4	Inflation Only (CPI-U)	2.78%	3.00%
	Customer Growth	2.00%	2.00%
	Payroll x Customer Growth	15.71%	1.64%

ACCOUNT	BASE YEAR 1993	BASE YEAR + 1 1994	PROJECTED TEST YEAR 1995	TREND BASIS APPLIED
902 Payroll trended	527,519	595,160	593,045	1
Other trended	122,766	133,320	140,066	2
Other not trended	0	0	0	
Total	650,285	728,480	733,111	
903 Payroll trended	641,058	742,885	740,245	1
Other trended	1,075,408	1,109,496	1,165,636	2
Other not trended	0	0	0	
Total	1,716,466	1,852,381	1,905,881	
904 Payroll trended	0	0	0	
Other trended	0	0	0	
Other not trended	(40,938)	194,195	178,298	
Other not trended			(20,243)	
Total	(40,938)	194,195	158,055	
905 Payroll trended	0	0	0	
Other trended	116,987	120,084	126,160	2
Other not trended	0	0	0	
Total	116,987	120,084	126,160	
TOTAL CUSTOMER ACCOUNTS EXP.	\$2,599,848	\$3,066,274	\$3,093,733	

CITY GAS COMPANY OF FLORIDA
 O&M FORECAST WORKSHEET - PROJECTED TEST YEAR CALCULATION

Schedule 2A
 23-Nov-94

STAFF TREND RATES:		BASE YEAR + 1 9/30/94	PROJECTED TEST YEAR 9/30/95		
ACCOUNT SALES		BASE YEAR 1993	BASE YEAR + 1 1994	PROJECTED TEST YEAR 1995	TREND BASIS APPLIED
# 1	Payroll Increases	13.44%		-0.36%	
# 2	Inflation x Customer Growth	4.84%		5.06%	
# 3	Executive Payroll	15.00%		3.00%	
# 4	Inflation Only (CPI-U)	2.78%		3.00%	
	Customer Growth	2.00%		2.00%	
	Payroll x Customer Growth	15.71%		1.64%	
911	Payroll trended	95,719	107,584	107,202	1
	Other trended	0	0	0	
	Other not trended	0	0	0	
	Total	95,719	107,584	107,202	
912	Payroll trended	302,219	345,493	344,265	1
	Other trended	68,086	69,108	71,181	4
	Other not trended	337,895	324,960	324,960	
	Other not trended			(15,717)	
	Total	708,200	739,561	724,689	
913	Payroll trended	0	0	0	
	Other trended	6,298	6,480	6,674	4
	Other not trended	0	0	0	
	Other not trended			(8,660)	
	Total	6,298	6,480	(1,986)	
916	Payroll trended	142,722	175,359	174,736	1
	Other trended	31,880	31,308	32,247	4
	Other not trended	0	0	0	
	Total	174,602	206,667	206,983	
TOTAL SALES EXPENSE		\$994,910	\$1,060,702	\$1,026,989	

CITY GAS COMPANY OF FLORIDA
 O&M FORECAST WORKSHEET - PROJECTED TEST YEAR CALCULATION

Schedule 2A
 23-Nov-94

	<u>STAFF TREND RATES:</u>	<u>BASE YEAR + 1 9/30/94</u>	<u>PROJECTED TEST YEAR 9/30/95</u>
# 1	Payroll Increases	13.44%	-0.36%
# 2	Inflation x Customer Growth	4.84%	5.06%
# 3	Executive Payroll	15.00%	3.00%
# 4	Inflation Only (CPI-U)	2.78%	3.00%
	Customer Growth	2.00%	2.00%
	Payroll x Customer Growth	15.71%	1.64%

<u>ACCOUNT</u>	<u>BASE YEAR 1993</u>	<u>BASE YEAR + 1 1994</u>	<u>PROJECTED TEST YEAR 1995</u>	<u>TREND BASIS APPLIED</u>
ADMINISTRATIVE & GENERAL				
920 Payroll trended	572,028	658,493	656,153	1
Executive Payroll-trended	465,147	535,261	551,319	3
Other not trended	0	0	(202,810)	
Other not trended			(196,827)	
<u>Total</u>	<u>1,037,175</u>	<u>1,193,754</u>	<u>807,835</u>	
921 Payroll trended	0	0	0	
Other not trended	480,037	608,076	614,042	4
Other not trended	184,371	816,000	1,140,000	
Other not trended			(155,329)	
<u>Total</u>	<u>664,408</u>	<u>1,424,076</u>	<u>1,598,713</u>	
922 Payroll trended	0	0	0	
Other trended	0	0	0	
Other not trended	0	0	0	
<u>Total</u>	<u>0</u>	<u>0</u>	<u>0</u>	
923 Payroll trended	0	0	0	
Other trended	380,257	391,668	403,418	4
Other not trended	128,428	0	0	
Other not trended			(19,694)	
<u>Total</u>	<u>508,685</u>	<u>391,668</u>	<u>383,724</u>	
924 Payroll trended	0	0	0	
Other trended	14,436	14,316	14,745	4
Other not trended	0	0	0	
<u>Total</u>	<u>14,436</u>	<u>14,316</u>	<u>14,745</u>	

CITY GAS COMPANY OF FLORIDA
 O&M FORECAST WORKSHEET - PROJECTED TEST YEAR CALCULATION

Schedule 2A
 23-Nov-94

	STAFF TREND RATES:	BASE YEAR + 1 9/30/94	PROJECTED TEST YEAR 9/30/95
# 1	Payroll Increases	13.44%	-0.36%
# 2	Inflation x Customer Growth	4.84%	5.06%
# 3	Executive Payroll	15.00%	3.00%
# 4	Inflation Only (CPI-U)	2.78%	3.00%
	Customer Growth	2.00%	2.00%
	Payroll x Customer Growth	15.71%	1.64%

ACCOUNT	BASE YEAR 1993	BASE YEAR + 1 1994	PROJECTED TEST YEAR 1995	TREND BASIS APPLIED
925 Payroll trended	0	0	0	
Other trended	67,292	44,664	46,004	4
Other not trended	1,048,341	1,337,760	1,370,580	
Other not trended			(77,391)	
Total	1,115,633	1,382,424	1,339,193	
926 Payroll trended	0	0	0	
Other trended	0	0	0	
Other not trended	2,178,689	2,148,075	2,362,886	
Other not trended			(656,112)	
Total	2,178,689	2,148,075	1,706,774	
927 Payroll trended	0	0	0	
Other trended	0	0	0	
Other not trended	0	0	0	
Total	0	0	0	
928 Payroll trended	0	0	0	
Other trended	345,824	134,608	138,646	4
Other not trended	0	0	161,667	
Other not trended			(88,168)	
Total	345,824	134,608	212,145	
929 Payroll trended	0	0	0	
Other trended	(616,440)	(683,724)	(704,236)	4
Other not trended	0	0	0	
Total	(616,440)	(683,724)	(704,236)	

CITY GAS COMPANY OF FLORIDA
 O&M FORECAST WORKSHEET - PROJECTED TEST YEAR CALCULATION

Schedule 2A
 23-Nov-94

	<u>STAFF TREND RATES:</u>	<u>BASE YEAR + 1 9/30/94</u>	<u>PROJECTED TEST YEAR 9/30/95</u>
# 1	Payroll Increases	13.44%	-0.36%
# 2	Inflation x Customer Growth	4.84%	5.06%
# 3	Executive Payroll	15.00%	3.00%
# 4	Inflation Only (CPI-U)	2.78%	3.00%
	Customer Growth	2.00%	2.00%
	Payroll x Customer Growth	15.71%	1.64%

<u>ACCOUNT</u>	<u>BASE YEAR 1993</u>	<u>BASE YEAR + 1 1994</u>	<u>PROJECTED TEST YEAR 1995</u>	<u>TREND BASIS APPLIED</u>
930.1 Payroll trended	0	0	0	
Other trended	4,945	5,580	5,747	4
Other not trended	0	0	0	
Total	<u>4,945</u>	<u>5,580</u>	<u>5,747</u>	
930.2 Payroll trended	0	0	0	
Other trended	109,059	110,304	113,613	4
Other not trended	0	0	(34,633)	
Total	<u>109,059</u>	<u>110,304</u>	<u>78,980</u>	
931 Payroll trended	0	0	0	
Other trended	4,620	2,016	2,076	4
Other not trended	204,683	0	0	
Total	<u>209,303</u>	<u>2,016</u>	<u>2,076</u>	
935 Payroll trended	361	399	398	1
Other trended	97,504	104,340	107,470	4
Other not trended	0	0	0	
Total	<u>97,865</u>	<u>104,739</u>	<u>107,868</u>	
TOTAL ADMINISTRATIVE & GEN. EXP.	<u>\$5,669,582</u>	<u>\$6,227,836</u>	<u>\$5,553,566</u>	
TOTAL O&M EXPENSES	<u>\$14,957,870</u>	<u>\$16,131,408</u>	<u>\$15,190,934</u>	

DOCKET NO. 940276-GU
 CITY GAS COMPANY OF FLORIDA

ATTACHMENT 3

PROJECTED TEST YEAR ENDS SEPTEMBER 30, 1995

	COMPANY FILING	COMPANY RATIO	ADJUSTMENTS TO INVESTOR CAPITAL	ADJUSTED	SPECIFIC	PRORATA	STAFF ADJUSTED	RATIO	% COST RATE	% WTD COST
DIVISIONAL CAPITAL	\$51,223,205	38.99%	(13,029,276)	38,193,929	0	(13,462,979)	24,730,950	0.2993	11.30	3.3817
LONG TERM DEBT	50,176,000	38.19%	1,313,732	51,489,732	0	(18,149,617)	33,340,115	0.4034	7.03	2.8362
SHORT TERM DEBT	3,653,846	2.78%	11,715,544	15,369,390	0	(5,417,557)	9,951,833	0.1204	5.50	0.6623
PREFERRED STOCK	0	0.00%		0	0	0	0	0.0000	0.00	0.0000
CUSTOMER DEPOSITS	5,476,486	4.17%		5,476,486	0	0	5,476,486	0.0663	5.78	0.3833
TAX CREDITS-ZERO COST	2,579,297	1.98%		2,579,297	(59,310)	0	2,519,987	0.0305	0.00	0.0000
TAX CREDITS - WEIGHTED COST	0	0.00%		0	0	0	0	0.0000	0.00	0.0000
ACC DEF INC TAXES-ZERO COST	18,277,454	13.91%		18,277,454	(11,658,606)	0	6,618,848	0.0801	0.00	0.0000
	<u>\$131,386,288</u>	100.00%	\$0	\$131,386,288	(11,717,916)	(37,030,153)	82,638,219	<u>1.0000</u>		<u>7.2636</u>
				EQUITY RATIO	<u>36%</u>					

CITY GAS COMPANY
 DOCKET NO. 940276-GU
 NET OPERATING INCOME MULTIPLIER
 PTY 9/30/95

ATTACHMENT 4
 23-NOV-94

ADJ NO	DESCRIPTION	COMPANY PER FILING	STAFF
	REVENUE REQUIREMENT	100.0000%	100.0000%
	GROSS RECEIPTS TAX RATE	0.0000%	0.0000%
	REGULATORY ASSESSMENT RATE	0.3750%	0.3750%
	BAD DEBT RATE	0.2800%	0.2800%
	NET BEFORE INCOME TAXES	99.3450%	99.3450%
	STATE INCOME TAX RATE	5.5000%	5.5000%
	STATE INCOME TAX	5.4640%	5.4640%
	NET BEFORE FEDERAL INCOME TAXES	93.8810%	93.8810%
	FEDERAL INCOME TAX RATE	34.0000%	34.0000%
	FEDERAL INCOME TAX	31.9195%	31.9195%
	REVENUE EXPANSION FACTOR	61.9615%	61.9615%
	NET OPERATING INCOME MULTIPLIER	1.6139	1.6139

CITY GAS COMPANY
DOCKET NO. 940276-GU
COMPARATIVE DEFICIENCY CALCULATIONS
PTY 9/30/95

ATTACHMENT 5
23-NOV-94

	COMPANY AS FILED	COMPANY AS REVISED	STAFF
RATE BASE (AVERAGE)	\$106,204,953	\$101,393,000	\$82,638,219
RATE OF RETURN	X 7.94%	X 7.94%	X 7.26%
REQUIRED NOI	\$8,432,673	\$8,050,604	\$5,999,535
Rounding Difference	2,942		
	<u>8,435,615</u>	<u>8,050,604</u>	<u>5,999,535</u>
Operating Revenues	29,194,245	28,525,572	26,461,714
Operating Expenses:			
Operation & Maintenance	17,452,711	16,553,642	15,190,934
Depreciation & Amortization	7,411,644	7,240,413	4,166,737
Taxes Other Than Income Taxes	1,549,350	1,549,350	1,403,343
Current Income Taxes	(329,656)	(226,156)	734,259
Total Operating Expenses	<u>26,084,049</u>	<u>25,117,249</u>	<u>21,495,273</u>
ACHIEVED NOI	<u>\$3,110,196</u>	<u>\$3,408,323</u>	<u>\$4,966,441</u>
NET REVENUE DEFICIENCY	5,325,419	4,642,281	1,033,094
REVENUE TAX FACTOR	X 1.6139	X 1.6139	X 1.6139
TOTAL REVENUE DEFICIENCY	<u>\$8,594,727</u>	<u>\$7,492,206</u>	<u>\$1,667,316</u>

COMPANY: CITY GAS COMPANY OF FLORIDA
DOCKET NO. 940276-GU

SCHEDULE - A (COST OF SERVICE)
CLASSIFICATION OF RATE BASE
(Page 1 of 2:PLANT)

ATTACHMENT 6

	TOTAL	CUSTOMER	CAPACITY	COMMODITY	CLASSIFIER
LOCAL STORAGE PLANT	0		0		100% capacity
INTANGIBLE PLANT:	110,692		110,692		.
PRODUCTION PLANT	0		0		.
DISTRIBUTION PLANT:					.
374 Land and Land Rights	203,426		203,426		.
375 Structures and Improvements	1,119,989		1,119,989		.
376 Mains	66,651,728		66,651,728		.
377 Comp.Sta.Eq.	0		0		.
378 Meas. & Reg.Sta.Eq.-Gen	(15,000)		(15,000)		.
379 Meas. & Reg.Sta.Eq.-CG	1,449,968		1,449,968		.
380 Services	29,066,375	29,066,375			100% customer
381-382 Meters	8,333,375	8,333,375			.
383-384 House Regulators	2,735,897	2,735,897			.
385 Industrial Meas. & Reg.Eq.	1,571,265		1,571,265		100% capacity
386 Property on Customer Premises	0	0	0	0	ac 374-385
387 Other Equipment	156,176	56,411	99,765	0	ac 374-386
Total Distribution Plant	111,273,199	40,192,058	71,081,141	0	111273199
GENERAL PLANT:	5,281,235	2,640,618	2,640,618		50% customer,50%, capacity
PLANT ACQUISITIONS:	130,555		130,555		100% capacity
GAS PLANT FOR FUTURE USE:	0		0		.
CWIP:	3,828,072	1,382,706	2,445,366	0	dist.plant
TOTAL PLANT	120,623,753	44,215,381	76,408,372	0	120623753 checksum

ORDER NO. PSC-94-1455-PHO-GU
DOCKET NO. 940276-GU
PAGE 48

COMPANY: CITY GAS COMPANY OF FLORIDA
DOCKET NO. 940276-GU

SCHEDULE - A (COST OF SERVICE)
CLASSIFICATION OF RATE BASE
(Page 2 of 2: ACCUMULATED DEPRECIATION)

ATTACHMENT 6

	TOTAL	CUSTOMER	CAPACITY	COMMODITY	CLASSIFIER
LOCAL STORAGE PLANT:	0	0	0	0	related plant
INTANGIBLE PLANT:	77,052	0	77,052	0	rel. plant account
PRODUCTION PLANT	0		0		
DISTRIBUTION PLANT:					
375 Structures and Improvements	331,609	0	331,609	0	*
376 Mains	23,540,449	0	23,540,449	0	*
377 Compressor Sta. Eq.	0	0	0	0	*
378 Meas. & Reg. Sta. Eq. - Gen	(720)	0	(720)	0	*
379 Meas. & Reg. Sta. Eq. - CG	328,723	0	328,723	0	*
380 Services	10,670,573	10,670,573	0	0	*
381-382 Meters	3,439,608	3,439,608	0	0	*
383-384 House Regulators	1,109,628	1,109,628	0	0	*
385 Indust. Meas. & Reg. Sta. Eq.	381,743	0	381,743	0	*
386 Property on Customer Premises	0	0	0	0	*
387 Other Equipment	112,571	40,661	71,910	0	*
Total A.D. on Dist. Plant	39,914,184	15,260,470	24,653,714	0	39914184 checksum
GENERAL PLANT:	2,512,818	1,256,409	1,256,409	0	general plant
PLANT ACQUISITIONS:	349,882	0	349,882	0	plant acquisitions
RETIREMENT WORK IN PROGRESS:	(142,046)	(51,307)	(90,739)	0	distribution plant
TOTAL ACCUMULATED DEPRECIATION	42,711,890	16,465,572	26,246,318	0	42711890 checksum
NET PLANT (Plant less Accum. Dep.)	77,911,863	27,749,810	50,162,053	0	77911863 checksum
less: CUSTOMER ADVANCES	0	0	0		50% cust 50% cap
plus: WORKING CAPITAL	4,726,356	3,772,269	875,205	78,881	oper. and maint. exp.
equals: TOTAL RATE BASE	82,638,219	31,522,079	51,037,258	78,881	82638219 checksum

ORDER NO. PSC-94-1455-PHO-GU
DOCKET NO. 940276-GU
PAGE 49

SCHEDULE - B (COST OF SERVICE)
CLASSIFICATION OF EXPENSES
(Page 1 of 2)

OPERATIONS AND MAINTENANCE EXPENSES	TOTAL	CUSTOMER	CAPACITY	COMMODITY	CLASSIFIER
LOCAL STORAGE PLANT:	0	0	0	0	ac 301-320
PRODUCTION PLANT	0		0		100% capacity
DISTRIBUTION:					
870 Operation Supervision & Eng.	65,046	43,705	21,341	0	ac 871-879
871 Dist. Load Dispatch	0		0		100% capacity
872 Compr. Sta. Lab. & Ex.	0	0	0	0	ac 377
873 Compr. Sta. Fuel & Power	0			0	100% commodity
874 Mains and Services	666,387	202,359	464,028	0	ac376+ac380
875 Meas. & Reg. Sta. Eq.-Gen	0	0	0	0	ac 378
876 Meas. & Reg. Sta. Eq.-Ind.	27,852	0	27,852	0	ac 385
877 Meas. & Reg. Sta. Eq.-CG	3,078	0	3,078	0	ac 379
878 Meter and House Reg.	811,296	811,296	0	0	ac381+ac383
879 Customer Instal.	0	0	0	0	ac 386
880 Other Expenses	3,155,271	2,151,687	1,003,584	0	ac 387
881 Rents	1,744		1,744		100% capacity
885 Maintenance Supervision	5,174	3,641	1,533	0	ac886-894
886 Maint. of Struct. and Improv.	10,543	0	10,543	0	ac375
887 Maintenance of Mains	150,008	0	150,008	0	ac376
888 Maint. of Comp. Sta. Eq.	0	0	0	0	ac 377
889 Maint. of Meas. & Reg. Sta. Eq.-Gen	0	0	0	0	ac 378
890 Maint. of Meas. & Reg. Sta. Eq.-Ind.	15,221	0	15,221	0	ac 385
891 Maint. of Meas. & Reg. Sta. Eq.-CG	46,684	0	46,684	0	ac 379
892 Maintenance of Services	81,259	81,259	0	0	ac 380
893 Maint. of Meters and House Reg.	447,288	447,288	0	0	ac381-383
894 Maint. of Other Equipment	19,896	14,003	5,893	0	ac387
Total Distribution Expenses	5,506,747	3,755,238	1,751,509	0	5506747
CUSTOMER ACCOUNTS:					
901 Supervision	170,526	170,526			100% customer
902 Meter- Reading Expense	733,111	733,111			"
903 Records and Collection Exp.	1,905,881	1,905,881			"
904 Uncollectible Accounts	162,723			162,723	100% commodity
905 Misc. Expenses	126,160	126,160			100% customer
Total Customer Accounts	3,098,401	2,935,678	0	162,723	
(907-910) CUSTOMER SERV. & INFO. EXP.	0	0			"
(911-916) SALES EXPENSE	1,036,888	1,036,888			"
(932) MAINT. OF GEN. PLANT	107,868	53,934	53,934	0	general plant
(920-931) ADMINISTRATION AND GENERAL	5,445,698	4,346,401	1,008,410	90,887	O&M excl. A&G
TOTAL O&M EXPENSE	15,195,602	12,128,140	2,813,852	253,610	15195602

COMPANY: CITY GAS COMPANY OF FLORIDA
DOCKET NO. 940276-GU

SCHEDULE - B (COST OF SERVICE)
CLASSIFICATION OF EXPENSES
(Page 2 of 2)

ATTACHMENT 6

DEPRECIATION AND AMORTIZATION EXPENSE:	TOTAL	CUSTOMER	CAPACITY	COMMODITY	REVENUE	CLASSIFIER
Depreciation Expense	3,942,093	1,404,052	2,538,041	0		net plant
Amort. of Other Gas Plant	2,472		2,472			100% capacity
Amort. of Property Loss	179,040		179,040			100% capacity
Amort. of Limited-term Inv.	0	0	0	0		Intangible plant
Amort. of Acquisition Adj.	7,980	2,930	5,050	0		Inten/dist/gen plant
Amort. of Conversion Costs	35,152			35,152		100% commodity
Total Deprec. and Amort. Expense	4,166,737	1,406,982	2,724,603	35,152		4166737
TAXES OTHER THAN INCOME TAXES:						
Revenue Related	103,067				103067	100% revenue
Other	1,306,528	465,345	841,183	0		net plant
Total Taxes other than Income Taxes	1,409,595	465,345	841,183	0	103067	
REV.CRDT TO COS(NEG.OF OTHR OPR.REV)	(644,464)	(644,464)				100% customer
RETURN (REQUIRED NOI)	5,999,535	2,288,503	3,705,305	5,727		rate base
INCOME TAXES	1,357,561	517,837	838,428	1,296		return(noi)
TOTAL OVERALL COST OF SERVICE	27,484,566	16,162,343	10,923,371	295,785	103067	27484566

ORDER NO. PSC-94-1455 - PHO-GU
DOCKET NO. 940276-GU
PAGE 51

SCHEDULE - C (COST OF SERVICE)

ATTACHMENT 6

COMPANY NAME: CITY GAS COMPANY
DOCKET NO. 940276-GU

CUSTOMER COSTS	TOTAL	RESIDENTIAL	GAS LIGHTING	COMMERCIAL	INTERRUPT PREFERRED	INTERRUPT LARGE VOL	NGV	INTERRUPT TRANSPOR
No. of Customers	95151	90156	143	4815	23	3	5	6
Weighting	NA	1	1	3	31	31	5	31
Weighted No. of Customers	104353	90156	143	13049	703	92	27	183
Allocation Factors	1	0.863950175	0.00137035	0.125043075	0.00673779	0.000879	0.000262	0.001758
	1	0.86513571		0.125214662	0.00674703	0.00088	0.000262	0.00176
CAPACITY COSTS								
Peak & Avg. Month Sales Vol.(therms)	17145508	4293289	5246	8331121	2341536	1023721	25088	1125507
Allocation Factors	1	0.250403138	0.00030597	0.485906921	0.13656848	0.059708	0.001463	0.065644
COMMODITY COSTS								
Annual Sales Vol.(therms)	97118540	20916726	30888	49027154	14049200	6230964	150528	6713080
Allocation Factors	1	0.215373151	0.00031804	0.504817659	0.14466033	0.064158	0.00155	0.069123
REVENUE-RELATED COSTS								
Tax on Cust,Cap,& Commod.	102681	63447	80	27366	6221	2591	79	2897
Allocation Factors	1	0.617904032	0.00077921	0.26651959	0.06058106	0.025238	0.000765	0.028214

COMPANY NAME: CITY GAS COMPANY
DOCKET NO. 940276-GU

SCHEDULE - D (COST OF SERVICE)
ALLOCATION OF RATE BASE TO CUSTOMER CLASSES

ATTACHMENT 6

RATE BASE BY CUSTOMER CLASS	TOTAL	RESIDENTIAL	GAS LIGHTING	COMMERCIAL	INTERRUPT	INTERRUPT LARGE VOL.	NGV	INTERRUPT TRANSPORT
DIRECT AND SPECIAL ASSIGNMENTS:								
Customer								
Meters	4893767	4233773	0	612771	33018	4307	1284	8613
House Regulators	1626269	1626269	0	0	0	0	0	0
Services	18395802	15893056	25209	2300268	123947	16167	4821	32334
All Other	6606241	5707463	9053	826065	44511	5806	1731	11612
Total	31522079	27460561	34261	3739104	201477	26280	7837	52559
Capacity								
Industrial Meas.& Reg. Sta. Eq.	1189522	0	0	771392	216807	94788	2323	104213
Meas.&Reg.Sta.Eq.-Gen.	-14280	-3576	-4	-6939	-1950	-853	-21	-937
Mains	43111279	10795200	13191	20948069	5887642	2574081	63082	2830015
All Other	6750737	1690406	2066	3280230	921938	403072	9878	443148
Total	51037258	12482030	15252	24992752	7024436	3071088	75262	3376438
Commodity								
Account #	0	0	0	0	0	0	0	0
Account #	0	0	0	0	0	0	0	0
Account #	0	0	0	0	0	0	0	0
All Other	78881	16989	25	39821	11411	5061	122	5452
Total	78881	16989	25	39821	11411	5061	122	5452
TOTAL	82632219	39959580	49538	28771677	7237324	3102428	83222	3434450

ORDER NO. PSC-94-1455-PHO-GU
DOCKET NO. 940276-GU
PAGE 53

COMPANY NAME: CITY GAS COMPANY
DOCKET NO. 940276-GU

SCHEDULE - E (COST OF SERVICE)
ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSES
(Page 1 of 2)

ATTACHMENT 6

	TOTAL	RESIDENTIAL	GAS LIGHTING	COMMERCIAL	INTERRUPT	INTERRUPT LARGE VOL	NGV	INTERRUPT TRANSPORT
Customer	0	0	0	0	0	0	0	0
Capacity	0	0	0	0	0	0	0	0
Commodity	0	0	0	0	0	0	0	0
Revenue	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0
OPERATIONS AND MAINTENANCE EXPENSE:								
DIRECT AND SPECIAL ASSIGNMENTS:								
Customer								
878 Meters and House Regulators	811296	701881	0	101586	5474	714	213	1428
893 Maint. of Meters & House Reg.	447288	386965	0	56007	3018	394	117	787
874 Mains & Services	202359	174828	277	25304	1363	178	53	356
892 Maint. of Services	81259	70204	111	10181	548	71	21	143
All Other	10585937	9145722	14506	1323698	71326	9303	2774	18607
Total	12128140	10479600	14895	1516756	81728	10660	3179	21320
Capacity								
876 Measuring & Reg. Sta. Eq. - I	27852	0	0	18062	5078	2219	54	2440
890 Maint. of Meas. & Reg. Sta. Eq. - I	15221	0	0	0	7892	3451	85	3794
874 Mains and Services	464028	116194	142	225474	63372	27706	679	30461
887 Maint. of Mains	150008	37562	46	72890	20486	8957	219	9847
All Other	2156744	540055	660	1047977	294543	128774	3156	141578
Total	2813852	693812	848	1364403	391370	171107	4193	188120
Commodity								
Account #	0	0	0	0	0	0	0	0
Account #	0	0	0	0	0	0	0	0
Account #	0	0	0	0	0	0	0	0
All Other	253610	54621	81	128027	36687	16271	393	17530
Total	253610	54621	81	128027	36687	16271	393	17530
TOTAL O&M	15195602	11228033	15823	3009185	509786	198039	7765	226971
DEPRECIATION EXPENSE:								
Customer	1404052	1214696	0	175808	9473	1236	368	2471
Capacity	2538041	635533	777	1233252	346616	151541	3714	166608
Total	3942093	1850229	777	1409059	356090	152777	4082	169079
AMORT. OF GAS PLANT:								
Capacity	2472	619	1	1201	338	148	4	162
AMORT. OF PROPERTY LOSS:								
Capacity	179040	44832	55	86997	24451	10690	262	11753
AMORT OF LIMITED TERM INVEST.								
Capacity	0	0	0	0	0	0	0	0
AMORT. OF ACQUISITION ADJ.:								
Customer	2930	2535	0	367	20	3	1	5
Capacity	5050	1265	2	2454	690	302	7	332
Total	7980	3799	2	2821	709	304	8	337
AMORT. OF CONVERSION COSTS:								
Commodity	35152	7571	11	17745	5085	2255	54	2430

ORDER NO. PSC-94-1455-PHO-GU
DOCKET NO. 940276-GU
PAGE 54

COMPANY NAME: CITY GAS COMPANY
DOCKET NO. 940276-GU

SCHEDULE - E (COST OF SERVICE)
ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSES
(Page 2 of 2)

ATTACHMENT 6

	TOTAL	RESIDENTIAL	GAS LIGHTING	COMMERCIAL	INTERRUPT	INTERRUPT LARGE VOL.	NGV	INTERRUPT TRANSPORT
TAXES OTHER THAN INCOME TAXES:								
Customer	465345	402587	0	58268	3140	410	122	819
Capacity	841183	210635	257	408737	114879	50225	1231	55219
Subtotal	1306528	613221	257	467005	118019	50635	1353	56038
Revenue	103067	63686	80	27469	6244	2601	79	2908
Total	1409595	676907	338	494474	124263	53236	1432	58946
RETURN (NOI)								
Customer	2288503	1993637	2487	271459	14627	1908	569	3816
Capacity	3705305	906195	1107	1814474	509974	222961	5464	245129
Commodity	5727	1233	2	2891	828	367	9	396
Total	5999535	2901066	3596	2088824	525430	225236	6042	249341
INCOME TAXES								
Customer	517837	451116	563	61425	3310	432	129	863
Capacity	838428	205052	251	410575	115396	50451	1236	55467
Commodity	1296	279	0	654	187	83	2	90
Total	1357561	656446	814	472654	118893	50966	1367	56420
REVENUE CREDITED TO COS:								
Customer	-644464	-386678	0	-257786	0	0	0	0
TOTAL COST OF SERVICE:								
Customer	16162343	14157492	17945	1826297	112298	14648	4368	29295
Capacity	10923371	2697943	3297	5322091	1503714	657425	16111	722791
Commodity	295785	63704	94	149317	42788	18977	458	20445
Subtotal	27381499	16919139	21336	7297706	1658800	691049	20938	772531
Revenue	103067	63686	80	27469	6244	2601	79	2908
Total	27484566	16982824	21416	7325175	1665044	693650	21017	775439

ORDER NO. PSC-94-1455-PHO-GU
DOCKET NO. 940276-GU
PAGE 55

COMPANY NAME: CITY GAS COMPANY
DOCKET NO. 940276-GU

SCHEDULE - F (COST OF SERVICE)
DERIVATION OF REVENUE DEFICIENCY

ATTACHMENT 6

COST OF SERVICE BY CUSTOMER CLASS	TOTAL	RESIDENTIAL	GAS LIGHTING	COMMERCIAL	INTERRUPT PREFERRED	INTERRUPT LARGE VOL.	NGV	INTERRUPT TRANSPOR
CUSTOMER COSTS	16,162,343	14,157,492	17,945	1,826,297	112,298	14,648	4,368	29,295
CAPACITY COSTS	10,923,371	2,697,943	3,297	5,322,091	1,503,714	657,425	16,111	722,791
COMMODITY COSTS	295,785	63,704	94	149,317	42,788	18,977	458	20,445
REVENUE COSTS	103,067	63,686	80	27,469	6,244	2,601	79	2,906
TOTAL	27,484,566	16,982,824	21,416	7,325,175	1,665,044	693,650	21,017	775,435
less: REVENUE AT PRESENT RATES (in the projected test year)	26,042,285	13,719,414	8,666	9,322,418	1,641,891	587,434	27,138	735,324
equals: GAS SALES REVENUE DEFICIENCY	1,442,281	3,263,410	12,750	(1,997,243)	23,153	106,216	(6,121)	40,111
plus: DEFICIENCY IN OTHER OPERATING REV.	225,031	135,019	0	90,012	0	0	0	0
equals: TOTAL BASE-REVENUE DEFICIENCY	1,667,312	3,398,429	12,750	(1,907,230)	23,153	106,216	(6,121)	40,111

UNIT COSTS:								
Customer	14.15	13.09	10.46	31.61	406.88	406.88	72.80	406.88
Capacity	0.63710	0.62841	0.62841	0.63882	0.64219	0.64219	0.64219	0.64219
Commodity	0.00305	0.00305	0.00305	0.00305	0.00305	0.00305	0.00305	0.00305

ORDER NO. PSC-94-1455-PHO-GU
DOCKET NO. 940276-GU
PAGE 56

COMPANY NAME: CITY GAS COMPANY
DOCKET NO. 940276-GU

SCHEDULE - G (COST OF SERVICE)
RATE OF RETURN BY CUSTOMER CLASS
(Page 1 of 2: PRESENT RATES)

ATTACHMENT 6

	TOTAL	RESIDENTIAL	GAS LIGHTING	COMMERCIAL	INTERRUPT PREFERRED	INTERRUPT LARGE VOL.	NGV	INTERRUPT TRANSPORT
REVENUES: (projected test year)								
Gas Sales (due to growth)	26,042,285	13,719,414	8,666	9,322,418	1,641,891	587,434	27,138	735,324
Other Operating Revenue	419,433	251,660	0	167,773	0	0	0	0
Total	26,461,718	13,971,074	8,666	9,490,191	1,641,891	587,434	27,138	735,324
EXPENSES:								
Purchased Gas Cost	0	0	0	0	0	0	0	0
O&M Expenses	15,195,602	11,228,033	15,823	3,009,185	509,786	198,039	7,765	226,971
Depreciation Expenses	3,942,093	1,850,229	777	1,409,059	356,090	152,777	4,082	169,079
Amortization Expenses	224,644	56,821	68	108,764	30,583	13,397	328	14,682
Taxes Other Than Income -- Fixed	1,306,528	613,221	257	467,005	118,019	50,635	1,353	56,038
Taxes Other Than Income -- Revenue	97,659	51,448	32	34,959	6,157	2,203	102	2,757
Total Expses excl. Income Taxes	20,766,526	13,799,753	16,958	5,028,972	1,020,634	417,050	13,631	469,527
INCOME TAXES:	996,391	481,803	597	346,908	87,262	37,407	1,003	41,410
NET OPERATING INCOME:	4,698,801	(310,482)	(8,889)	4,114,311	533,994	132,977	12,504	224,387

RATE BASE:	82,638,219	39,959,580	49,538	28,771,677	7,237,324	3,102,428	83,222	3,434,450
RATE OF RETURN	0.056860	-0.007770	-0.179446	0.142999	0.073783	0.042862	0.150248	0.065334

ORDER NO. PSC-94-1455-PHO-GU
DOCKET NO. 940276-GU
PAGE 57

COMPANY NAME: CITY GAS COMPANY
DOCKET NO. 940276 - GU

SCHEDULE - G (COST OF SERVICE)
RATE OF RETURN BY CUSTOMER CLASS
(Page 2 of 2: PROPOSED RATES)

ATTACHMENT 6

	TOTAL	RESIDENTIAL	GAS LIGHTING	COMMERCIAL	INTERRUPT PREFERRED	INTERRUPT LARGE VOL.	NGV	INTERRUPT TRANSPORT
REVENUES:								
Gas Sales	27,484,566	14,904,062	9,140	9,402,281	1,649,004	693,650	21,017	804,812
Other Operating Revenue	644,464	386,678	0	257,786	0	0	0	0
Total	28,129,030	15,291,340	9,140	9,660,067	1,649,004	693,650	21,017	804,812
EXPENSES:								
Purchased Gas Cost	0	0	0	0	0	0	0	0
O&M Expenses	15,195,602	11,228,033	15,823	3,009,185	509,786	198,039	7,765	226,971
Depreciation Expenses	3,942,093	1,850,229	777	1,409,059	356,090	152,777	4,082	169,079
Amortization Expenses	224,644	56,821	68	108,764	30,583	13,397	328	14,682
Taxes Other Than Income -- Fixed	1,306,528	613,221	257	467,005	118,019	50,635	1,353	56,038
Taxes Other Than Income -- Revenue	103,067	55,892	34	35,259	6,184	2,601	79	3,018
Total Expenses excl. Income Taxes	20,771,934	13,804,197	16,960	5,029,272	1,020,661	417,448	13,608	469,788
PRE TAX NOI:	7,357,096	1,487,143	(7,820)	4,630,795	628,343	276,202	7,409	335,024
INCOME TAXES:	1,357,561	274,414	(1,443)	854,493	115,944	50,966	1,367	61,820
NET OPERATING INCOME:	5,999,535	1,212,729	(6,377)	3,776,302	512,399	225,236	6,042	273,204
=====								
RATE BASE:	82,638,219	39,959,580	49,538	28,771,677	7,237,324	3,102,428	83,222	3,434,450
RATE OF RETURN	0.072600	0.030349	-0.128728	0.131251	0.070799	0.072600	0.072600	0.079548

ORDER NO. PSC-94-1455-PHO-GU
DOCKET NO. 940276-GU
PAGE 58

COMPANY NAME: CITY GAS COMPANY
DOCKET NO. 940276 - GU

COST OF SERVICE SUMMARY
PROPOSED RATE DESIGN

	TOTAL	RESIDENTIAL	GAS LIGHTING	COMMERCIAL	INTERRUPT PREFERRED	INTERRUPT LARGE VOL.	NGV	INTERRUPT TRANSPORT
PRESENT RATES (projected test year)								
GAS SALES (due to growth)	26,042,285	13,719,414	8,666	9,322,418	1,641,891	587,434	27,138	735,324
OTHER OPERATING REVENUE	419,433	251,660	0	167,773	0	0	0	0
TOTAL	26,461,718	13,971,074	8,666	9,490,191	1,641,891	587,434	27,138	735,324
RATE OF RETURN	5.69%	-0.78%	-17.94%	14.30%	7.38%	4.29%	15.02%	6.53%
INDEX	1.00	-0.00	-0.03	0.03	0.01	0.01	0.03	0.01
PROPOSED RATES								
GAS SALES	27,484,566	14,904,662	9,140	9,402,281	1,649,004	693,650	21,017	804,812
OTHER OPERATING REVENUE	644,464	386,678	0	257,788	0	0	0	0
TOTAL	28,129,030	15,291,340	9,140	9,660,067	1,649,004	693,650	21,017	804,812
TOTAL REVENUE INCREASE	1,667,312	1,320,267	474	169,875	7,113	106,216	(6,121)	69,488
PERCENT INCREASE	6.30%	9.45%	5.47%	1.79%	0.43%	18.08%	-22.56%	9.45%
		9.45	9.45	9.45	9.45	9.45	9.45	9.45
RATE OF RETURN	7.26%	3.03%	-12.87%	13.13%	7.08%	7.26%	7.26%	7.95%
INDEX	1.00	0.42	-1.77	1.81	0.98	1.00	1.00	1.10

ORDER NO. PSC-94-1455-PHO-GU
DOCKET NO. 940276-GU
PAGE 59

COMPANY NAME: CITY GAS COMPANY
DOCKET NO. 940276-GU

COST OF SERVICE SUMMARY
CALCULATION OF PROPOSED RATES

	TOTAL	RESIDENTIAL	GAS LIGHTING	COMMERCIAL	INTERRUPT PREFERRED	INTERRUPT LARGE VOL.	NGV	INTERRUPT TRANSPORT
PROPOSED TOTAL TARGET REVENUES	28,129,030	15,291,340	9,140	9,660,067	1,649,004	693,650	21,017	804,812
LESS: OTHER OPERATING REVENUE	644,464	386,678	0	257,786	0	0	0	0
LESS: CUSTOMER CHARGE REVENUES								
PROPOSED CUSTOMER CHARGES		\$6.00	\$0.00	\$12.00	\$36.00	\$150.00	\$12.00	\$300.00
TIMES: NUMBER OF BILLS	1,141,812	1,081,872	1,716	57,780	276	36	60	72
EQUALS: CUSTOMER CHARGE REVENUES	7,222,248	6,491,232	0	693,360	9,936	5,400	720	21,600
LESS: OTHER NON-THERM-RATE REVENUES								
EQUALS: PER-THERM TARGET REVENUES	20,262,318	8,413,430	9,140	8,708,921	1,639,068	688,250	20,297	783,212
DIVIDED BY: NUMBER OF THERMS	97,118,540	20,916,726	30,888	49,027,154	14,049,200	6,230,964	150,528	6,713,080
EQUALS: PER-THERM RATES (UNRNDED)		0.402235	0.295908	0.177635	0.116666	0.110456	0.134837	0.116670
PER-THERM RATES (RNDED)		0.40223	0.29591	0.17763	0.11667	0.11046	0.13484	0.11667
PER-THERM-RATE REVENUES (RNDED RATES)	20,262,073	8,413,335	9,140	8,708,693	1,639,120	688,272	20,297	783,215
SUMMARY: PROPOSED TARIFF RATES								
CUSTOMER CHARGES		\$6.00	\$0.00	\$12.00	\$36.00	\$150.00	\$12.00	\$300.00
ENERGY CHARGES								
NON-GAS (CENTS PER THERM)		40.223	29.591	17.763	11.667	11.046	13.484	11.667
PURCHASED GAS ADJUSTMENT		19.700	19.700	19.700	19.700	19.700	19.700	0.000
TOTAL (INCLUDING PGA)		59.923	49.291	37.463	31.367	30.746	33.184	11.667
SUMMARY: PRESENT TARIFF RATES								
CUSTOMER CHARGES		\$6.00	\$0.00	\$12.00	\$36.00	\$150.00	\$12.00	\$36.00
ENERGY CHARGES								
NON-GAS (CENTS PER THERM)		34.506	28.057	17.550	11.616	9.341	17.550	11.616
PURCHASED GAS ADJUSTMENT		19.700	19.700	19.700	19.700	19.700	19.700	0.000
TOTAL (INCLUDING PGA)		54.206	47.757	37.250	31.316	29.041	37.250	11.616
SUMMARY: OTHER OPERATING REVENUE								
		PRESENT		PROPOSED				
		CHARGE	REVENUE	CHARGE	REVENUE			
CONNECTION/RECONNECTION RESIDENTIAL		\$13.00	\$311,472	\$20.00	\$611,988			
CONNECTION/RECONNECTION COMMERCIAL		\$30.00	\$19,881	\$45.00	\$32,487			
CHANGE OF ACCOUNT		\$10.00	\$0	\$15.00	\$0			
BILL COLLECTION IN LIEU OF DISCONNECTION		\$10.00	\$0	\$15.00	\$0			
RETURNED CHECK CHARGE		\$15.00	\$0	\$15.00	\$0			

COST OF SERVICE SUMMARY
 RATE COMPARISON

ATTACHMENT 7

COMPANY: CITY GAS COMPANY
 DOCKET NO. 940276-GU

<u>RATE SCHEDULE</u>	<u>PRESENT RATE</u>	<u>RATE INCREASE</u>	<u>PROPOSED RATE</u>
<u>GAS WATER HEATER RENTAL (WHR)</u> Monthly Lease Rate	\$2.25	\$0.00	ELIMINATED
<u>GAS CLOTHES DRYER RENTAL (CDR)</u> Monthly Lease Rate	\$3.50	\$0.00	ELIMINATED
<u>GAS RANGE RENTAL (GRR)</u> Monthly Lease Rate	\$5.00	\$0.00	ELIMINATED
<u>COMMERCIAL TRANSPORTATION (CTS)</u> Customer Charge	\$12.00	\$0.00	\$12.00
Energy Charge (cents per therm)	17.550	0.213	17.763
<u>INTERRUPTIBLE TRANSPORTATION (ITS)</u> Customer Charge	\$36.00	\$264.00	\$300.00
Energy Charge (cents per therm)	11.616	0.051	11.667
<u>CONTRACT INTERRUPTIBLE TRANSPORTATION (CI-TS)</u> Customer Charge	\$36.00	\$264.00	\$300.00
Energy Charge (cents per therm)	11.616	0.051	11.667
<u>INTERRUPTIBLE LARGE VOLUME TRANSPORTATION (ILT)</u> Customer Charge	\$150.00	\$0.00	\$150.00
Energy Charge (cents per therm)	9.341	1.705	11.046
<u>CONTRACT INTERRUPTIBLE LARGE VOLUME TRANSPORTATION (CI-LVT)</u> Customer Charge	\$150.00	\$0.00	\$150.00
Energy Charge (cents per therm)	9.341	1.705	11.046

COST OF SERVICE SUMMARY
 RATE COMPARISON

ATTACHMENT 7

COMPANY: CITY GAS COMPANY
 DOCKET NO. 940276-GU

<u>RATE SCHEDULE</u>	<u>PRESENT RATE</u>	<u>RATE INCREASE</u>	<u>PROPOSED RATE</u>
<u>RESIDENTIAL (RS)</u>			
Customer Charge	\$6.00	\$0.00	\$6.00
Energy Charge (cents per therm)	34.506	5.717	40.223
<u>GAS LIGHTING (GL)</u>			
Customer Charge	\$0.00	\$0.00	\$0.00
Energy Charge (cents per therm)	28.057	1.534	29.591
<u>COMMERCIAL (CS)</u>			
Customer Charge	\$12.00	\$0.00	\$12.00
Energy Charge (cents per therm)	17.550	0.213	17.763
<u>NATURAL GAS VEHICLE (NGV)</u>			
Customer Charge	\$12.00	\$0.00	\$12.00
Energy Charge (cents per therm)	17.550	-4.066	13.484
<u>INTERRUPTIBLE PREFERRED (IP)</u>			
Customer Charge	\$36.00	\$0.00	\$36.00
Energy Charge (cents per therm)	11.616	0.051	11.667
<u>CONTRACT INTERRUPTIBLE PREFERRED (CI)</u>			
Customer Charge	\$36.00	\$0.00	\$36.00
Energy Charge (cents per therm)	11.616	0.051	11.667
<u>INTERRUPTIBLE LARGE VOLUME (IL)</u>			
Customer Charge	\$150.00	\$0.00	\$150.00
Energy Charge (cents per therm)	9.341	1.705	11.046
<u>CONTRACT INTERRUPTIBLE LARGE VOLUME (CI-LV)</u>			
Customer Charge	\$150.00	\$0.00	\$150.00
Energy Charge (cents per therm)	9.341	1.705	11.046

**COST OF SERVICE SUMMARY
 RATE COMPARISON**

ATTACHMENT 8

COMPANY: CITY GAS COMPANY
 DOCKET NO. 940276-GU

RATE SCHEDULE: RESIDENTIAL (RS)

PRESENT RATES

Customer Charge
6.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	34.506

GAS COST CENTS/THERM
19.7

PROPOSED RATES

Customer Charge
6.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	40.223

THERM USAGE INCREMENT
10

therm usage	<u>PRESENT</u>		<u>PROPOSED</u>		percent increase w/o fuel	percent increase with fuel	Dollar Increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel			
0	6.00	6.00	6.00	6.00	0.00	0.00	0.00
10	9.45	11.42	10.02	11.99	6.05	5.01	0.57
20	12.90	16.84	14.04	17.98	8.86	6.79	1.14
30	16.35	22.26	18.07	23.98	10.49	7.70	1.72
40	19.80	27.68	22.09	29.97	11.55	8.26	2.29
50	23.25	33.10	26.11	35.96	12.29	8.64	2.86
60	26.70	38.52	30.13	41.95	12.85	8.90	3.43
70	30.15	43.94	34.16	47.95	13.27	9.11	4.00
80	33.60	49.36	38.18	53.94	13.61	9.26	4.57
90	37.06	54.79	42.20	59.93	13.89	9.39	5.15
100	40.51	60.21	46.22	65.92	14.11	9.50	5.72
110	43.96	65.63	50.25	71.92	14.31	9.58	6.29
120	47.41	71.05	54.27	77.91	14.47	9.66	6.86
130	50.86	76.47	58.29	83.90	14.61	9.72	7.43
140	54.31	81.89	62.31	89.89	14.74	9.77	8.00
150	57.76	87.31	66.33	95.88	14.85	9.82	8.58
160	61.21	92.73	70.36	101.88	14.94	9.86	9.15
170	64.66	98.15	74.38	107.87	15.03	9.90	9.72
180	68.11	103.57	78.40	113.86	15.11	9.94	10.29
190	71.56	108.99	82.42	119.85	15.18	9.97	10.86

COST OF SERVICE SUMMARY
 RATE COMPARISON

ATTACHMENT 8

COMPANY: CITY GAS COMPANY
 DOCKET NO. 940276-GU

RATE SCHEDULE: GAS LIGHTING (GL)

PRESENT RATES

Customer Charge
0.00

Energy Charge

<u>Beginning therms</u>	<u>Ending therms</u>	<u>cents per therm</u>
0	0	0
0	N/A	28.057

PROPOSED RATES

Customer Charge
0.00

Energy Charge

<u>Beginning therms</u>	<u>Ending therms</u>	<u>cents per therm</u>
0	0	0
0	N/A	29.591

GAS COST CENTS/THERM
19.7

THERM USAGE INCREMENT
10

<u>therm usage</u>	<u>PRESENT</u>		<u>PROPOSED</u>		<u>percent increase w/o fuel</u>	<u>percent increase with fuel</u>	<u>Dollar Increase</u>
	<u>monthly bill w/o fuel</u>	<u>monthly bill with fuel</u>	<u>monthly bill w/o fuel</u>	<u>monthly bill with fuel</u>			
0	0.00	0.00	0.00	0.00	ERR	ERR	0.00
10	2.81	4.78	2.96	4.93	5.47	3.21	0.15
20	5.61	9.55	5.92	9.86	5.47	3.21	0.31
30	8.42	14.33	8.88	14.79	5.47	3.21	0.46
40	11.22	19.10	11.84	19.72	5.47	3.21	0.61
50	14.03	23.88	14.80	24.65	5.47	3.21	0.77
60	16.83	28.65	17.75	29.57	5.47	3.21	0.92
70	19.64	33.43	20.71	34.50	5.47	3.21	1.07
80	22.45	38.21	23.67	39.43	5.47	3.21	1.23
90	25.25	42.98	26.63	44.36	5.47	3.21	1.38
100	28.06	47.76	29.59	49.29	5.47	3.21	1.53
110	30.86	52.53	32.55	54.22	5.47	3.21	1.69
120	33.67	57.31	35.51	59.15	5.47	3.21	1.84
130	36.47	62.08	38.47	64.08	5.47	3.21	1.99
140	39.28	66.86	41.43	69.01	5.47	3.21	2.15
150	42.09	71.64	44.39	73.94	5.47	3.21	2.30
160	44.89	76.41	47.35	78.87	5.47	3.21	2.45
170	47.70	81.19	50.30	83.79	5.47	3.21	2.61
180	50.50	85.96	53.26	88.72	5.47	3.21	2.76
190	53.31	90.74	56.22	93.65	5.47	3.21	2.91

COST OF SERVICE SUMMARY
 RATE COMPARISON

ATTACHMENT 8

COMPANY: CITY GAS COMPANY
 DOCKET NO. 940276-GU

RATE SCHEDULE: COMMERCIAL (CS)

PRESENT RATES

PROPOSED RATES

Customer Charge
12.00

Customer Charge
12.00

Energy Charge

Energy Charge

<u>Beginning therms</u>	<u>Ending therms</u>	<u>cents per therm</u>
0	0	0
0	N/A	17.550

<u>Beginning therms</u>	<u>Ending therms</u>	<u>cents per therm</u>
0	0	0
0	N/A	17.763

GAS COST CENTS/THERM
19.7

THERM USAGE INCREMENT
50

<u>therm usage</u>	<u>PRESENT</u>		<u>PROPOSED</u>		<u>percent increase w/o fuel</u>	<u>percent increase with fuel</u>	<u>Dollar Increase</u>
	<u>monthly bill w/o fuel</u>	<u>monthly bill with fuel</u>	<u>monthly bill w/o fuel</u>	<u>monthly bill with fuel</u>			
0	12.00	12.00	12.00	12.00	0.00	0.00	0.00
50	20.78	30.63	20.88	30.73	0.51	0.35	0.11
100	29.55	49.25	29.76	49.46	0.72	0.43	0.21
150	38.33	67.88	38.64	68.19	0.83	0.47	0.32
200	47.10	86.50	47.53	86.93	0.90	0.49	0.43
250	55.88	105.13	56.41	105.66	0.95	0.51	0.53
300	64.65	123.75	65.29	124.39	0.99	0.52	0.64
350	73.43	142.38	74.17	143.12	1.02	0.52	0.75
400	82.20	161.00	83.05	161.85	1.04	0.53	0.85
450	90.98	179.63	91.93	180.58	1.05	0.53	0.96
500	99.75	198.25	100.82	199.32	1.07	0.54	1.07
550	108.53	216.88	109.70	218.05	1.08	0.54	1.17
600	117.30	235.50	118.58	236.78	1.09	0.54	1.28
650	126.08	254.13	127.46	255.51	1.10	0.54	1.38
700	134.85	272.75	136.34	274.24	1.11	0.55	1.49
750	143.62	291.38	145.22	292.97	1.11	0.55	1.60
800	152.40	310.00	154.10	311.70	1.12	0.55	1.70
850	161.18	328.63	162.99	330.44	1.12	0.55	1.81
900	169.95	347.25	171.87	349.17	1.13	0.55	1.92
950	178.73	365.88	180.75	367.90	1.13	0.55	2.02

COST OF SERVICE SUMMARY
 RATE COMPARISON

ATTACHMENT 8

COMPANY: CITY GAS COMPANY
 DOCKET NO. 940276-GU

RATE SCHEDULE: NATURAL GAS VEHICLE (NGV)

PRESENT RATES

Customer Charge
 12.00

Energy Charge

<u>Beginning therms</u>	<u>Ending therms</u>	<u>cents per therm</u>
0	0	0
0	N/A	17.550

PROPOSED RATES

Customer Charge
 12.00

Energy Charge

<u>Beginning therms</u>	<u>Ending therms</u>	<u>cents per therm</u>
0	0	0
0	N/A	13.484

GAS COST CENTS/THERM
 19.7

THERM USAGE INCREMENT
 50

<u>therm usage</u>	<u>PRESENT monthly bill w/o fuel</u>	<u>monthly bill with fuel</u>	<u>PROPOSED monthly bill w/o fuel</u>	<u>monthly bill with fuel</u>	<u>percent increase w/o fuel</u>	<u>percent increase with fuel</u>	<u>Dollar Increase</u>
0	12.00	12.00	12.00	12.00	0.00	0.00	0.00
50	20.78	30.63	18.74	28.59	(9.79)	(6.64)	-2.03
100	29.55	49.25	25.48	45.18	(13.76)	(8.26)	-4.07
150	38.33	67.88	32.23	61.78	(15.91)	(8.99)	-6.10
200	47.10	86.50	38.97	78.37	(17.27)	(9.40)	-8.13
250	55.88	105.13	45.71	94.96	(18.19)	(9.67)	-10.17
300	64.65	123.75	52.45	111.55	(18.87)	(9.86)	-12.20
350	73.43	142.38	59.19	128.14	(19.38)	(10.00)	-14.23
400	82.20	161.00	65.94	144.74	(19.79)	(10.10)	-16.26
450	90.98	179.63	72.68	161.33	(20.11)	(10.19)	-18.30
500	99.75	198.25	79.42	177.92	(20.38)	(10.25)	-20.33
550	108.53	216.88	86.16	194.51	(20.61)	(10.31)	-22.36
600	117.30	235.50	92.90	211.10	(20.80)	(10.36)	-24.40
650	126.08	254.13	99.65	227.70	(20.96)	(10.40)	-26.43
700	134.85	272.75	106.39	244.29	(21.11)	(10.44)	-28.46
750	143.62	291.38	113.13	260.88	(21.23)	(10.47)	-30.49
800	152.40	310.00	119.87	277.47	(21.34)	(10.49)	-32.53
850	161.18	328.63	126.61	294.06	(21.44)	(10.52)	-34.56
900	169.95	347.25	133.36	310.66	(21.53)	(10.54)	-36.59
950	178.73	365.88	140.10	327.25	(21.61)	(10.56)	-38.63

COST OF SERVICE SUMMARY
 RATE COMPARISON

ATTACHMENT 8

COMPANY: CITY GAS COMPANY
 DOCKET NO. 940276-GU

RATE SCHEDULE: INTERRUPTIBLE PREFERRED (IP)

PRESENT RATES

Customer Charge
 36.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	11.616

PROPOSED RATES

Customer Charge
 36.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	11.667

GAS COST CENTS/THERM
 19.7

THERM USAGE INCREMENT
 50

therm usage	<u>PRESENT</u>		<u>PROPOSED</u>		percent increase w/o fuel	percent increase with fuel	Dollar Increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel			
0	36.00	36.00	36.00	36.00	0.00	0.00	0.00
50	41.81	51.66	41.83	51.68	0.06	0.05	0.03
100	47.62	67.32	47.67	67.37	0.11	0.08	0.05
150	53.42	82.97	53.50	83.05	0.14	0.09	0.08
200	59.23	98.63	59.33	98.73	0.17	0.10	0.10
250	65.04	114.29	65.17	114.42	0.20	0.11	0.13
300	70.85	129.95	71.00	130.10	0.22	0.12	0.15
350	76.66	145.61	76.83	145.78	0.23	0.12	0.18
400	82.46	161.26	82.67	161.47	0.25	0.13	0.20
450	88.27	176.92	88.50	177.15	0.26	0.13	0.23
500	94.08	192.58	94.34	192.84	0.27	0.13	0.25
550	99.89	208.24	100.17	208.52	0.28	0.13	0.28
600	105.70	223.90	106.00	224.20	0.29	0.14	0.31
650	111.50	239.55	111.84	239.89	0.30	0.14	0.33
700	117.31	255.21	117.67	255.57	0.30	0.14	0.36
750	123.12	270.87	123.50	271.25	0.31	0.14	0.38
800	128.93	286.53	129.34	286.94	0.32	0.14	0.41
850	134.74	302.19	135.17	302.62	0.32	0.14	0.43
900	140.54	317.84	141.00	318.30	0.33	0.14	0.46
950	146.35	333.50	146.84	333.99	0.33	0.15	0.48

**COST OF SERVICE SUMMARY
 RATE COMPARISON**

ATTACHMENT 8

COMPANY: CITY GAS COMPANY
 DOCKET NO. 940276-GU

**RATE SCHEDULE: CONTRACT INTERRUPTIBLE
 PREFERRED (CI)**

PRESENT RATES

Customer Charge
 36.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	11.616

PROPOSED RATES

Customer Charge
 36.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	11.667

GAS COST CENTS/THERM
 19.7

THERM USAGE INCREMENT
 5000

therm usage	<u>PRESENT</u>		<u>PROPOSED</u>		percent increase w/o fuel	percent increase with fuel	Dollar Increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel			
0	36.00	36.00	36.00	36.00	0.00	0.00	0.00
5000	616.80	1,601.80	619.35	1,604.35	0.41	0.16	2.55
10000	1,197.60	3,167.60	1,202.70	3,172.70	0.43	0.16	5.10
15000	1,778.40	4,733.40	1,786.05	4,741.05	0.43	0.16	7.65
20000	2,359.20	6,299.20	2,369.40	6,309.40	0.43	0.16	10.20
25000	2,940.00	7,865.00	2,952.75	7,877.75	0.43	0.16	12.75
30000	3,520.80	9,430.80	3,536.10	9,446.10	0.43	0.16	15.30
35000	4,101.60	10,996.60	4,119.45	11,014.45	0.44	0.16	17.85
40000	4,682.40	12,562.40	4,702.80	12,582.80	0.44	0.16	20.40
45000	5,263.20	14,128.20	5,286.15	14,151.15	0.44	0.16	22.95
50000	5,844.00	15,694.00	5,869.50	15,719.50	0.44	0.16	25.50
55000	6,424.80	17,259.80	6,452.85	17,287.85	0.44	0.16	28.05
60000	7,005.60	18,825.60	7,036.20	18,856.20	0.44	0.16	30.60
65000	7,586.40	20,391.40	7,619.55	20,424.55	0.44	0.16	33.15
70000	8,167.20	21,957.20	8,202.90	21,992.90	0.44	0.16	35.70
75000	8,748.00	23,523.00	8,786.25	23,561.25	0.44	0.16	38.25
80000	9,328.80	25,088.80	9,369.60	25,129.60	0.44	0.16	40.80
85000	9,909.60	26,654.60	9,952.95	26,697.95	0.44	0.16	43.35
90000	10,490.40	28,220.40	10,536.30	28,266.30	0.44	0.16	45.90
95000	11,071.20	29,786.20	11,119.65	29,834.65	0.44	0.16	48.45

**COST OF SERVICE SUMMARY
 RATE COMPARISON**

ATTACHMENT 8

COMPANY: CITY GAS COMPANY
 DOCKET NO. 940276-GU

RATE SCHEDULE: INTERRUPTIBLE LARGE VOLUME (IL)

PRESENT RATES

Customer Charge
150.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	9.341

GAS COST CENTS/THERM
19.7

PROPOSED RATES

Customer Charge
150.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	11.046

THERM USAGE INCREMENT
5000

therm usage	<u>PRESENT</u>		<u>PROPOSED</u>		percent increase w/o fuel	percent increase with fuel	Dollar Increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel			
0	150.00	150.00	150.00	150.00	0.00	0.00	0.00
5000	617.05	1,602.05	702.30	1,687.30	13.82	5.32	85.25
10000	1,084.10	3,054.10	1,254.60	3,224.60	15.73	5.58	170.50
15000	1,551.15	4,506.15	1,806.90	4,761.90	16.49	5.68	255.75
20000	2,018.20	5,958.20	2,359.20	6,299.20	16.90	5.72	341.00
25000	2,485.25	7,410.25	2,911.50	7,836.50	17.15	5.75	426.25
30000	2,952.30	8,862.30	3,463.80	9,373.80	17.33	5.77	511.50
35000	3,419.35	10,314.35	4,016.10	10,911.10	17.45	5.79	596.75
40000	3,886.40	11,766.40	4,568.40	12,448.40	17.55	5.80	682.00
45000	4,353.45	13,218.45	5,120.70	13,985.70	17.62	5.80	767.25
50000	4,820.50	14,670.50	5,673.00	15,523.00	17.68	5.81	852.50
55000	5,287.55	16,122.55	6,225.30	17,060.30	17.74	5.82	937.75
60000	5,754.60	17,574.60	6,777.60	18,597.60	17.78	5.82	1023.00
65000	6,221.65	19,026.65	7,329.90	20,134.90	17.81	5.82	1108.25
70000	6,688.70	20,478.70	7,882.20	21,672.20	17.84	5.83	1193.50
75000	7,155.75	21,930.75	8,434.50	23,209.50	17.87	5.83	1278.75
80000	7,622.80	23,382.80	8,986.80	24,746.80	17.89	5.83	1364.00
85000	8,089.85	24,834.85	9,539.10	26,284.10	17.91	5.84	1449.25
90000	8,556.90	26,286.90	10,091.40	27,821.40	17.93	5.84	1534.50
95000	9,023.95	27,738.95	10,643.70	29,358.70	17.95	5.84	1619.75

COST OF SERVICE SUMMARY
 RATE COMPARISON

ATTACHMENT 8

COMPANY: CITY GAS COMPANY
 DOCKET NO. 940276-GU

RATE SCHEDULE: CONTRACT INTERRUPTIBLE
 LARGE VOLUME (CI-LV)

PRESENT RATES

Customer Charge
 150.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	9.341

GAS COST CENTS/THERM
 19.7

PROPOSED RATES

Customer Charge
 150.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	11.046

THERM USAGE INCREMENT
 5000

therm usage	<u>PRESENT</u>		<u>PROPOSED</u>		percent increase w/o fuel	percent increase with fuel	Dollar Increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel			
0	150.00	150.00	150.00	150.00	0.00	0.00	0.00
5000	617.05	1,602.05	702.30	1,687.30	13.82	5.32	85.25
10000	1,084.10	3,054.10	1,254.60	3,224.60	15.73	5.58	170.50
15000	1,551.15	4,506.15	1,806.90	4,761.90	16.49	5.68	255.75
20000	2,018.20	5,958.20	2,359.20	6,299.20	16.90	5.72	341.00
25000	2,485.25	7,410.25	2,911.50	7,836.50	17.15	5.75	426.25
30000	2,952.30	8,862.30	3,463.80	9,373.80	17.33	5.77	511.50
35000	3,419.35	10,314.35	4,016.10	10,911.10	17.45	5.79	596.75
40000	3,886.40	11,766.40	4,568.40	12,448.40	17.55	5.80	682.00
45000	4,353.45	13,218.45	5,120.70	13,985.70	17.62	5.80	767.25
50000	4,820.50	14,670.50	5,673.00	15,523.00	17.63	5.81	852.50
55000	5,287.55	16,122.55	6,225.30	17,060.30	17.74	5.82	937.75
60000	5,754.60	17,574.60	6,777.60	18,597.60	17.78	5.82	1023.00
65000	6,221.65	19,026.65	7,329.90	20,134.90	17.81	5.82	1108.25
70000	6,688.70	20,478.70	7,882.20	21,672.20	17.84	5.83	1193.50
75000	7,155.75	21,930.75	8,434.50	23,209.50	17.87	5.83	1278.75
80000	7,622.80	23,382.80	8,986.80	24,746.80	17.89	5.83	1364.00
85000	8,089.85	24,834.85	9,539.10	26,284.10	17.91	5.84	1449.25
90000	8,556.90	26,286.90	10,091.40	27,821.40	17.93	5.84	1534.50
95000	9,023.95	27,738.95	10,643.70	29,358.70	17.95	5.84	1619.75

COST OF SERVICE SUMMARY
 RATE COMPARISON

ATTACHMENT 8

COMPANY: CITY GAS COMPANY
 DOCKET NO. 940276-GU

RATE SCHEDULE: **COMMERCIAL TRANSPORTATION (CTS)**

PRESENT RATES

PROPOSED RATES

Customer Charge
 12.00

Customer Charge
 12.00

Energy Charge

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	17.550

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	17.763

GAS COST CENTS/THERM
 0

THERM USAGE INCREMENT
 10000

therm usage	<u>PRESENT</u>		<u>PROPOSED</u>		percent increase w/o fuel	percent increase with fuel	Dollar increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel			
0	12.00	12.00	12.00	12.00	0.00	0.00	0.00
10000	1,767.00	1,767.00	1,788.30	1,788.30	1.21	1.21	21.30
20000	3,522.00	3,522.00	3,564.60	3,564.60	1.21	1.21	42.60
30000	5,277.00	5,277.00	5,340.90	5,340.90	1.21	1.21	63.90
40000	7,032.00	7,032.00	7,117.20	7,117.20	1.21	1.21	85.20
50000	8,787.00	8,787.00	8,893.50	8,893.50	1.21	1.21	106.50
60000	10,542.00	10,542.00	10,669.80	10,669.80	1.21	1.21	127.80
70000	12,297.00	12,297.00	12,446.10	12,446.10	1.21	1.21	149.10
80000	14,052.00	14,052.00	14,222.40	14,222.40	1.21	1.21	170.40
90000	15,807.00	15,807.00	15,998.70	15,998.70	1.21	1.21	191.70
100000	17,562.00	17,562.00	17,775.00	17,775.00	1.21	1.21	213.00
110000	19,317.00	19,317.00	19,551.30	19,551.30	1.21	1.21	234.30
120000	21,072.00	21,072.00	21,327.60	21,327.60	1.21	1.21	255.60
130000	22,827.00	22,827.00	23,103.90	23,103.90	1.21	1.21	276.90
140000	24,582.00	24,582.00	24,880.20	24,880.20	1.21	1.21	298.20
150000	26,337.00	26,337.00	26,656.50	26,656.50	1.21	1.21	319.50
160000	28,092.00	28,092.00	28,432.80	28,432.80	1.21	1.21	340.80
170000	29,847.00	29,847.00	30,209.10	30,209.10	1.21	1.21	362.10
180000	31,602.00	31,602.00	31,985.40	31,985.40	1.21	1.21	383.40
190000	33,357.00	33,357.00	33,761.70	33,761.70	1.21	1.21	404.70

COST OF SERVICE SUMMARY
 RATE COMPARISON

ATTACHMENT 8

COMPANY: CITY GAS COMPANY
 DOCKET NO. 940276-GU

RATE SCHEDULE: INTERRUPTIBLE TRANSPORTATION (ITS)

PRESENT RATES

Customer Charge
36.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	11.616

PROPOSED RATES

Customer Charge
300.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	11.667

GAS COST CENTS/THERM
0

THERM USAGE INCREMENT
10000

therm usage	<u>PRESENT</u>		<u>PROPOSED</u>		percent increase w/o fuel	percent increase with fuel	Dollar Increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel			
0	36.00	36.00	300.00	300.00	733.33	733.33	264.00
10000	1,197.60	1,197.60	1,466.70	1,466.70	22.47	22.47	269.10
20000	2,359.20	2,359.20	2,633.40	2,633.40	11.62	11.62	274.20
30000	3,520.80	3,520.80	3,800.10	3,800.10	7.93	7.93	279.30
40000	4,682.40	4,682.40	4,966.80	4,966.80	6.07	6.07	284.40
50000	5,844.00	5,844.00	6,133.50	6,133.50	4.95	4.95	289.50
60000	7,005.60	7,005.60	7,300.20	7,300.20	4.21	4.21	294.60
70000	8,167.20	8,167.20	8,466.90	8,466.90	3.67	3.67	299.70
80000	9,328.80	9,328.80	9,633.60	9,633.60	3.27	3.27	304.80
90000	10,490.40	10,490.40	10,800.30	10,800.30	2.95	2.95	309.90
100000	11,652.00	11,652.00	11,967.00	11,967.00	2.70	2.70	315.00
110000	12,813.60	12,813.60	13,133.70	13,133.70	2.50	2.50	320.10
120000	13,975.20	13,975.20	14,300.40	14,300.40	2.33	2.33	325.20
130000	15,136.80	15,136.80	15,467.10	15,467.10	2.18	2.18	330.30
140000	16,298.40	16,298.40	16,633.80	16,633.80	2.06	2.06	335.40
150000	17,460.00	17,460.00	17,800.50	17,800.50	1.95	1.95	340.50
160000	18,621.60	18,621.60	18,967.20	18,967.20	1.86	1.86	345.60
170000	19,783.20	19,783.20	20,133.90	20,133.90	1.77	1.77	350.70
180000	20,944.80	20,944.80	21,300.60	21,300.60	1.70	1.70	355.80
190000	22,106.40	22,106.40	22,467.30	22,467.30	1.63	1.63	360.90

COST OF SERVICE SUMMARY
 RATE COMPARISON

ATTACHMENT 8

COMPANY: CITY GAS COMPANY
 DOCKET NO. 940276-GU

RATE SCHEDULE: CONTRACT INTERRUPTIBLE
 TRANSPORTATION (CI-TS)

PRESENT RATES

Customer Charge
 36.00

Energy Charge

<u>Beginning therms</u>	<u>Ending therms</u>	<u>cents per therm</u>
0	0	0
0	N/A	11.616

GAS COST CENTS/THERM
 0

PROPOSED RATES

Customer Charge
 300.00

Energy Charge

<u>Beginning therms</u>	<u>Ending therms</u>	<u>cents per therm</u>
0	0	0
0	N/A	11.667

THERM USAGE INCREMENT
 10000

<u>therm usage</u>	<u>PRESENT monthly bill w/o fuel</u>	<u>monthly bill with fuel</u>	<u>PROPOSED monthly bill w/o fuel</u>	<u>monthly bill with fuel</u>	<u>percent increase w/o fuel</u>	<u>percent increase with fuel</u>	<u>Dollar Increase</u>
0	36.00	36.00	300.00	300.00	733.33	733.33	264.00
10000	1,197.60	1,197.60	1,466.70	1,466.70	22.47	22.47	269.10
20000	2,359.20	2,359.20	2,633.40	2,633.40	11.62	11.62	274.20
30000	3,520.80	3,520.80	3,800.10	3,800.10	7.93	7.93	279.30
40000	4,682.40	4,682.40	4,966.80	4,966.80	6.07	6.07	284.40
50000	5,844.00	5,844.00	6,133.50	6,133.50	4.95	4.95	289.50
60000	7,005.60	7,005.60	7,300.20	7,300.20	4.21	4.21	294.60
70000	8,167.20	8,167.20	8,466.90	8,466.90	3.67	3.67	299.70
80000	9,328.80	9,328.80	9,633.60	9,633.60	3.27	3.27	304.80
90000	10,490.40	10,490.40	10,800.30	10,800.30	2.95	2.95	309.90
100000	11,652.00	11,652.00	11,967.00	11,967.00	2.70	2.70	315.00
110000	12,813.60	12,813.60	13,133.70	13,133.70	2.50	2.50	320.10
120000	13,975.20	13,975.20	14,300.40	14,300.40	2.33	2.33	325.20
130000	15,136.80	15,136.80	15,467.10	15,467.10	2.18	2.18	330.30
140000	16,298.40	16,298.40	16,633.80	16,633.80	2.06	2.06	335.40
150000	17,460.00	17,460.00	17,800.50	17,800.50	1.95	1.95	340.50
160000	18,621.60	18,621.60	18,967.20	18,967.20	1.86	1.86	345.60
170000	19,783.20	19,783.20	20,133.90	20,133.90	1.77	1.77	350.70
180000	20,944.80	20,944.80	21,300.60	21,300.60	1.70	1.70	355.80
190000	22,106.40	22,106.40	22,467.30	22,467.30	1.63	1.63	360.90

COST OF SERVICE SUMMARY
 RATE COMPARISON

ATTACHMENT 8

COMPANY: CITY GAS COMPANY
 DOCKET NO. 940276-GU

RATE SCHEDULE: INTERRUPTIBLE LARGE VOLUME
 TRANSPORTATION (ILT)

PRESENT RATES

Customer Charge
 150.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	9.341

GAS COST CENTS/THERM
 0

PROPOSED RATES

Customer Charge
 150.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	11.046

THERM USAGE INCREMENT
 10000

therm usage	<u>PRESENT</u>		<u>PROPOSED</u>		percent increase w/o fuel	percent increase with fuel	Dollar Increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel			
0	150.00	150.00	150.00	150.00	0.00	0.00	0.00
10000	1,084.10	1,084.10	1,254.60	1,254.60	15.73	15.73	170.50
20000	2,018.20	2,018.20	2,359.20	2,359.20	16.90	16.90	341.00
30000	2,952.30	2,952.30	3,463.80	3,463.80	17.33	17.33	511.50
40000	3,886.40	3,886.40	4,568.40	4,568.40	17.55	17.55	682.00
50000	4,820.50	4,820.50	5,673.00	5,673.00	17.68	17.68	852.50
60000	5,754.60	5,754.60	6,777.60	6,777.60	17.78	17.78	1023.00
70000	6,688.70	6,688.70	7,882.20	7,882.20	17.84	17.84	1193.50
80000	7,622.80	7,622.80	8,986.80	8,986.80	17.89	17.89	1364.00
90000	8,556.90	8,556.90	10,091.40	10,091.40	17.93	17.93	1534.50
100000	9,491.00	9,491.00	11,196.00	11,196.00	17.96	17.96	1705.00
110000	10,425.10	10,425.10	12,300.60	12,300.60	17.99	17.99	1875.50
120000	11,359.20	11,359.20	13,405.20	13,405.20	18.01	18.01	2046.00
130000	12,293.30	12,293.30	14,509.80	14,509.80	18.03	18.03	2216.50
140000	13,227.40	13,227.40	15,614.40	15,614.40	18.05	18.05	2387.00
150000	14,161.50	14,161.50	16,719.00	16,719.00	18.06	18.06	2557.50
160000	15,095.60	15,095.60	17,823.60	17,823.60	18.07	18.07	2728.00
170000	16,029.70	16,029.70	18,928.20	18,928.20	18.08	18.08	2898.50
180000	16,963.80	16,963.80	20,032.80	20,032.80	18.09	18.09	3069.00
190000	17,897.90	17,897.90	21,137.40	21,137.40	18.10	18.10	3239.50

COST OF SERVICE SUMMARY
 RATE COMPARISON

COMPANY: CITY GAS COMPANY
 DOCKET NO. 940276-GU

RATE SCHEDULE: CONTRACT INTERRUPTIBLE LARGE VOLUME
 TRANSPORTATION (CI-LVT)

PRESENT RATES

Customer Charge
 150.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	9.341

GAS COST CENTS/THERM
 0

PROPOSED RATES

Customer Charge
 150.00

Energy Charge

Beginning therms	Ending therms	cents per therm
0	0	0
0	N/A	11.046

THERM USAGE INCREMENT
 10000

therm usage	<u>PRESENT</u>		<u>PROPOSED</u>		percent increase w/o fuel	percent increase with fuel	Dollar Increase
	monthly bill w/o fuel	monthly bill with fuel	monthly bill w/o fuel	monthly bill with fuel			
0	150.00	150.00	150.00	150.00	0.00	0.00	0.00
10000	1,084.10	1,084.10	1,254.60	1,254.60	15.73	15.73	170.50
20000	2,018.20	2,018.20	2,359.20	2,359.20	16.90	16.90	341.00
30000	2,952.30	2,952.30	3,463.80	3,463.80	17.33	17.33	511.50
40000	3,886.40	3,886.40	4,568.40	4,568.40	17.55	17.55	682.00
50000	4,820.50	4,820.50	5,673.00	5,673.00	17.68	17.68	852.50
60000	5,754.60	5,754.60	6,777.60	6,777.60	17.78	17.78	1023.00
70000	6,688.70	6,688.70	7,882.20	7,882.20	17.84	17.84	1193.50
80000	7,622.80	7,622.80	8,986.80	8,986.80	17.89	17.89	1364.00
90000	8,556.90	8,556.90	10,091.40	10,091.40	17.93	17.93	1534.50
100000	9,491.00	9,491.00	11,196.00	11,196.00	17.96	17.96	1705.00
110000	10,425.10	10,425.10	12,300.60	12,300.60	17.99	17.99	1875.50
120000	11,359.20	11,359.20	13,405.20	13,405.20	18.01	18.01	2046.00
130000	12,293.30	12,293.30	14,509.80	14,509.80	18.03	18.03	2216.50
140000	13,227.40	13,227.40	15,614.40	15,614.40	18.05	18.05	2387.00
150000	14,161.50	14,161.50	16,719.00	16,719.00	18.06	18.06	2557.50
160000	15,095.60	15,095.60	17,823.60	17,823.60	18.07	18.07	2728.00
170000	16,029.70	16,029.70	18,928.20	18,928.20	18.08	18.08	2898.50
180000	16,963.80	16,963.80	20,032.80	20,032.80	18.09	18.09	3069.00
190000	17,897.90	17,897.90	21,137.40	21,137.40	18.10	18.10	3239.50