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SEBRING GAS SYSTEM, INC.

3515 U.S. Hwy. 27, South
Sebring, FL 33870-5452
(813) 385-0194

ORIGINAL
FILE COPY

November 20, 1995

Ms. Blanca S. Bayo
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Fl 32399-0850

RE: FPSC Docket No. 950003-GU
Purchased Gas Adjustment (PGA) True-Up
for the Period April 1994 through March 1995

RECEIVED
FLORIDA PUBLIC
SERVICE COMMISSION
1995 NOV 22 AM 8 11
MAIL ROOM

Dear Ms. Bayo:

Enclosed please find, an original and fifteen copies of the Resubmitted testimony of Jerry H. Melendy, Jr. on behalf of Sebring Gas System, Inc. in the above docket. This testimony replaces the formerly submitted testimony.

Also enclosed are an original and fifteen copies of Revised Schedule A-7 for the period April 1994 through March 1995. These documents replace those originally submitted.

If you have any questions concerning the PGA information, please feel free to contact me

Sincerely,

Jerry H. Melendy, Jr.
Jerry H. Melendy, Jr.
Sebring Gas System, Inc.

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Enclosures

DOCUMENT NUMBER-DATE
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In RE: Purchased Gas Adjustment (PGA) True-Up

Docket No. 950003-GU

RESUBMITTED
DIRECT TESTIMONY
OF
JERRY H. MELENDY, JR.

On Behalf Of
SEBRING GAS SYSTEM, INC.

DOCUMENT NUMBER-DATE

11751 NOV 22 83

FPSC-RECORDS/REPORTING

- 1 Q. Please state your name, business address, by whom you are
2 employed and in what capacity.
- 3 A. My name is Jerry H. Melendy, Jr., my business address is
4 3515 U.S. Highway 27, South, Sebring, Florida 33870-5452.
5 I am the Vice President of Sebring Gas System, Inc. (the Company),
6 a Florida Corporation.
- 7 Q. What are your responsibilities in that position?
- 8 A. I am responsible for all areas of finance, rates, accounting
9 and taxes as well as general management responsibilities
10 of the company.
- 11 Q. Please state your educational background.
- 12 A. I have an Associate of Arts degree from Polk Community
13 College. I have a Bachelor of Arts degree from the University
14 of South Florida.
- 15 Q. What is the purpose of your testimony?
- 16 A. The purpose of my testimony is to present the final true-up
17 for the period APRIL 1994 through MARCH 1995.
- 18 Q. Has the Company prepared the Schedules as prescribed by
19 this Commission for this purpose?
- 20 A. Yes, it has. The Schedules prescribed by the Commission are
21 being filed at this time. Copies are attached to my testimony.
- 22 Q. Would you please identify the Schedules which you are filing?
- 23 A. Yes. The Schedules are identified as Composite Exhibit JHM-1
24 and are as follows:
25 A-1 - COMPARISON OF ACTUAL VERSUS ORIGINAL
26 ESTIMATE OF THE PURCHASED GAS ADJUSTMENT

1 COST RECOVERY FACTOR - OCTOBER 1994 THROUGH
2 SEPTEMBER 1995.

3 A-1S - PURCHASED GAS ADJUSTMENT COST RECOVERY
4 CLAUSE CALCULATION SCHEDULE A-1 SUPPORTING
5 DETAIL - OCTOBER 1994 THROUGH SEPTEMBER 1995.

6 A-2 - CALCULATION OF TRUE-UP AND INTEREST
7 PROVISION - OCTOBER 1994 THROUGH SEPTEMBER 1995.

8 A-3 - TRANSPORTATION PURCHASES SYSTEM
9 SUPPLY AND END USE - OCTOBER 1994 THROUGH
10 SEPTEMBER 1995. This form is not applicable for Sebring Gas System.

11 A-4 - TRANSPORTATION SYSTEM SUPPLY - OCTOBER
12 1994 THROUGH SEPTEMBER 1995. Also not applicable for Sebring.

13 A-5 - THERM SALES AND CUSTOMER DATA- OCTOBER
14 1994 THROUGH SEPTEMBER 1995.

15 A-6 - CONVERSION FACTOR CALCULATION
16 - OCTOBER 1994 THROUGH SEPTEMBER 1995.

17 A-7 - FINAL FUEL OVER/UNDER RECOVERY - APRIL 1994
18 THROUGH MARCH 1995.

19 Also attached are the INDIVIDUAL PGA filings for the months of
20 October 1994 through September 1995. These filing include, along
21 with the above mentioned PGA Schedules, copies of the Company's
22 commodity gas bill, the Company's charge for No Notice Reservation,
23 the Company's Billing Transaction and the Company's transportation
24 charges.

25 Q. Were these schedules prepared under your direction and
26 supervision ?

- 1 A. Yes they were. Beginning in April 1994, the PGA schedules were
2 prepared by myself. Prior to this, the schedules were prepared by
3 my consultants, Regulated Industry Consultants, with my furnishing
4 the data and final approval.
- 5 Q. What were the total therm sales for the period April 1994
6 through March 1995?
- 7 A. The total therm sales for the period April 1994 through
8 March 1995 was 571,181.
- 9 Q. What were the total therm purchases for the period April
10 1994 through March 1995?
- 11 A. The total therm purchases for the period April 1994
12 through March 1995 were 556,040.
- 13 Q. What was the cost of gas to be recovered through the PGA
14 for the period April 1994 through March 1995?
- 15 A. The cost of gas purchased for the period April 1994 through
16 March 1995 was \$148,694.
- 17 Q. What was the amount of gas revenue collected for the period
18 April 1994 through March 1995?
- 19 A. The amount of gas revenue collected to cover the cost of gas
20 for the period April 1994 through March 1995 was
22 \$139,482.
- 23 Q. What is the total true-up provision for the period April 1994
24 through March 1995?
- 25 A. The total true-up provision, including interest, for the period
26 April 1994 through March 1995, is an underrecovery of
27 \$8,075.

- 1 Q. What is the amount of estimated true-up included for April
2 1994 through March 1995 included in the April 1995 through
3 March 1996 PGA factor calculation?
- 4 A. The amount of estimated true-up for the period April 1994
5 through March 1995 included in the April 1995 through March
6 1996 PGA factor calculation was an underrecovery of \$4,204.
- 7 Q. What is the final over/underrecovery for the period April
8 1994 through March 1995 to be included in the April
9 1996 through March 1997 projection?
- 10 A. The final UNDERrecovery for the current period to be included
11 in the April 1996 through March 1997 projection is \$3,871.
- 12 Q. Does this conclude your testimony?
- 13 A. Yes it does.

COMPANY: SEBRING GAS SYSTEM, INC.

REVISED 11/17/95

FINAL FUEL OVER/UNDER RECOVERY

SCHEDULE A-7
(REVISED 8/19/93)

FOR THE PERIOD:

APRIL 94

Through

MARCH 95

APR - MAR

TOTAL

1 TOTAL ACTUAL FUEL COST FOR THE PERIOD	A-2 Line 3	\$148,694	\$148,694
2 TOTAL ACTUAL FUEL REVENUES FOR THE PERIOD	A-2 Line 6	\$139,482	\$139,482
3 ACTUAL OVER/UNDER RECOVERY FOR THE PERIOD (2-1)		(\$9,212)	(\$9,212)
4 INTEREST PROVISION ACTUAL OVER/UNDER RECOVERY	A-2 Line 8	\$1,137	\$1,137
5 FOR THE PERIOD (3+4)		(\$8,075)	(\$8,075)
6 LESS: ESTIMATED/ACTUAL OVER/UNDER RECOVERY FOR THE PERIOD APRIL Through MARCH (From Schedule E-2) WHICH WAS INCLUDED IN THE CURRENT APRIL Through MARCH PERIOD	E-4 Line 4 Col.4	(\$4,204)	(\$4,204)
7 FINAL FUEL OVER/UNDER RECOVERY TO BE INCLUDED IN THE PROJECTED APRIL Through MARCH PERIOD (5-6)		(\$3,871)	(\$3,871)

() = underrecovery