

State of Florida



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

ORIGINAL
FILE COPY

DATE: August 20, 1996
 TO: Division of Records and Reporting
 FROM: Division of Electric and Gas (Mills) *[Signature]*
 RE: Docket No. 960502-GU - Application for a Rate Increase by City Gas Company. *JDJ*

Attached is the Plant Allocation Evaluation to be included in the file of Docket No. 960502-GU - Application for a rate increase by City Gas Company.

CEM:lfk

Attachment

c: Joe Jenkins
Bob Trapp
Cheryl Bulecza-Banks

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- LIN _____
- OPC _____
- RCH _____
- SEC *1 - memo only*
- WAS _____
- OTH _____

DOCUMENT NUMBER-DATE
08986 AUG 23 86
8030 RECORDS/REPORTING

FLORIDA PUBLIC SERVICE COMMISSION

2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

MEMORANDUM

August 12, 1996

TO: C. EDWARD MILLS, SUPERVISOR OF GAS ENGINEERING & SAFETY
BUREAU OF GAS REGULATION, DIVISION OF ELECTRIC & GAS
TALLAHASSEE

FROM: ROGER FLETCHER, UTILITY SYSTEM ENGINEER *RWF*
BUREAU OF GAS REGULATION, DIVISION OF ELECTRIC & GAS
ORLANDO DISTRICT OFFICE

RE: PLANT ALLOCATION EVALUATION / CITY GAS COMPANY OF FLORIDA
RATE CASE DOCKET NUMBER 960502-GU

BRIEF

As part of the Commission staff's evaluation of City Gas Company's application for rate increase, the Bureau of Gas Regulation Engineering staff was directed to examine and determine the appropriateness of the common plant allocations contained in MFR Schedules B-5 and G-1 pages 15 through 20 of 28. The assignment also included a review to determine reasonableness of the Projected Plant Additions, Retirements and Materials, and Supplies.

An on site evaluation was conducted in each Division of City Gas Company during July 8-19, 1996. This evaluation detected several exceptions and disclosures in the Common Plant Accounts, Projected Construction Budget and Materials and Supplies. These proposed adjustments will be discussed later in this report.

RECOMMENDATIONS

The findings of this report should be entered into the record of City Gas Company of Florida rate case proceedings, Docket Number 960502-GU.

If the findings presented in this report represent material adjustments, the Commission Analysts should make the necessary revisions to City Gas Company's rate case application.

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Memorandum

RE: PLANT ALLOCATION EVALUATION / CITY GAS COMPANY OF FLORIDA
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DISCUSSION

My review of the Common Plant allocation included a verification of plant items identified in the Minimum Filing Requirements (MFR's) of City Gas Company. The purpose of my evaluation was to determine if each item was used and useful and properly allocated between regulated and non-regulated utility operations. This evaluation consisted of four separate investigations, Schedule B-5, pages 1-3 (Allocation of Common Plant-Historic Test Year), Schedule G-1, pages 15-20 of 28 (allocation of Common Plant, a review of proposed plant additions-Projected Test Year), and a review of materials and supplies allocation. My findings are presented below according to topic.

SCHEDULE B-5

Schedule B-5 of MFR's lists the common plant items and the related company allocations that were verified during my evaluation. This schedule presents a breakdown of common plant according to the Uniform System of Accounts. The information presented in this schedule is based on the 13-month averages during the historic test year ending September 30, 1995. My evaluation noted exceptions in Accounts 374, 375, 389, 390, 391 and 394. The adjustments to these accounts result in a total adjustment of \$139,869. A summary of these exceptions and a discussion of each adjustment is provided in Exhibit 1.

SCHEDULE G-1

Schedule G-1, pages 15-20 of 28 provides a detailed analysis of City Gas Company's allocation of common plant items for the projected test year. The evaluation of this schedule noted exceptions in Accounts 374, 375, 389, 390, 391 and 394. The adjustments to these accounts affect both the 13-month average and the amount allocated to non-utility usage. If the adjustments identified in this evaluation are allowed, the total 13-month non-utility average shown on this schedule will be increased by \$155,390. A summary of these exceptions and a discussion of each adjustment is shown in Exhibit 2.

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RE: PLANT ALLOCATION EVALUATION / CITY GAS COMPANY OF FLORIDA
RATE CASE DOCKET NUMBER 960502-GU

PROJECTED TEST YEAR

The review and evaluation of the Construction Budget for the projected test years of FY 96 and FY 97 determined that adjustments will be necessary in Accounts 375, 376, 379, 380, 381, 382, 383, 384, 389, 390, 391.2, 392.2 and 397 of the "Detailed Construction Budget For The Historic Base Year +1" shown on Schedule G-1, page 23 of 28. The adjustments to these accounts will result in a \$1,995,551 reduction in total additions. A summary of the exceptions and a discussion of each adjustment is provided in Exhibit 3.

My review of the Projected Test Year Budget shown on Schedule G-1, page 26 of 28 was unable to identify any specific plant additions that are behind schedule or that will not take place. However; seven construction projects were found to be behind schedule that were to be completed during Fiscal Year 1996. These projects will probably take place during the first quarter of the Projected Test Year period. What effect these construction delays will have on the Projected Test Year expenditures is uncertain. It is likely that they will place an increased burden on Company personnel and resources that may result in further delays for projects included in the Projected Test Year Budget. It is recommended that the Commission staff establish procedures to monitor the operator's progress in completing all additions set out in the Projected Test Year Budget and make appropriate adjustments to rate calculations if the Projected Test Year schedule is not met.

It was also noted that the adjustments identified in the Historic Test Year +1 review will impact CWIP balances shown on Schedule G-1, page 5 of 28, line 3. Each recommended adjustment is presented in a manner that will provide the month each construction project was to be completed and booked. With this information and the CWIP support document provided in Exhibit 4 the CWIP balances adjustments can be calculated.

MATERIALS & SUPPLIES

The final aspect of my evaluation was an investigation of the materials and supplies held in inventory. This evaluation determined that an allocation of the materials and supplies will be necessary, for included in the inventory are both utility and non-utility items. An Inter-office Memorandum of Mr. J.A. Wutzler dated July 5, 1994, directed company personnel to perform an annual

August 12, 1996

Memorandum

RE: PLANT ALLOCATION EVALUATION / CITY GAS COMPANY OF FLORIDA
RATE CASE DOCKET NUMBER 960502-GU

inventory of the materials and supplies. In this memorandum Mr. Wutzler lists eleven categories of items that will be inventoried. Of the eleven categories listed six were determined to be held for non-utility use.

To identify and allocate the various items included in the materials and supplies inventory, I obtained a copy of the most recent itemized inventory (August 31, 1995) and proceeded to identify each item as to its use. The summary of my findings indicates that 62.0% of the materials and supplies held in inventory are for utility operations. The remaining 38.0% of the materials and supplies is maintained to perform work on in-house piping and appliances which are non-utility functions.

It is therefore recommended that the 13-month average shown on Schedule G-1, line 20, page 5 of 28, for materials and supplies as calculated for the projected test year be reduced by 38.0%. The 13-month average should read \$101,035. A copy of Mr. Wutzler's memorandum and the August 31, 1995 inventory is attached to this report as Exhibit 5.

Attachments

EXHIBIT 1

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	Sept-94	Oct-94	Nov-94	Dec-94	Jan-95	Feb-95	Mar-95
1	301	ORGANIZATION	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2	302	FRANCHISES & CONSENTS	113,897	113,897	113,897	113,897	113,897	113,897	113,897
3	303	MIS. INTANGIBLE PLANT	25,275	25,275	25,275	25,275	25,275	25,275	25,275
4	374	LAND	771,545	771,545	771,545	771,545	771,545	771,545	771,545
5	375	STRUCTURES & IMPROVEMENTS	1,437,378	1,437,378	1,437,378	1,437,378	1,437,378	1,437,378	1,437,378
6	387	OTHER EQUIPMENT	157,871	157,871	157,871	157,871	157,871	157,871	157,871
7	388	LAND	333,111	333,111	333,111	333,111	333,111	333,111	333,111
8	390	STRUCTURES & IMPROVEMENTS	1,570,399	1,586,427	1,589,286	1,589,286	1,589,286	1,589,286	1,663,2
9	391	OFFICE FURN & EQUIPMENT	1,747,261	1,739,890	1,739,890	1,739,890	1,739,890	1,739,890	1,739,8
10	392	TRANSPORTATION EQUIPMENT	762,553	774,195	777,521	778,583	778,703	784,951	783,1
11	393	STORES EQUIPMENT	30,522	30,522	30,522	30,522	30,522	30,522	30,1
12	394	TOOL, SHOP & GARAGE EQUIP	750,580	753,382	758,993	759,728	759,728	759,728	761,1
13	395	LABORATORY EQUIPMENT	82,940	82,940	82,940	82,940	82,940	82,940	82,1
14	397	COMMUNICATION EQUIPMENT	318,378	317,802	318,248	318,248	318,248	319,323	325,1
15	398	MISCELLANEOUS EQUIPMENT	23,255	23,255	23,255	23,255	23,255	28,439	29,1
16	399	OTHER TANGIBLE PROPERTY	38,828	38,828	38,828	38,828	38,828	38,828	38,1
17			\$ 8,161,789	\$ 8,186,116	\$ 8,198,358	\$ 8,200,153	\$ 8,200,273	\$ 8,212,780	\$ 8,294,1

CITY GAS ALLOCATION

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	13-MONTH AVERAGE	NONUTILITY %	13-MONTH AVG NONUTILITY	LINE NO.
18	301	ORGANIZATION	\$ 0	0.00%	\$ 0	18
19	302	FRANCHISES & CONSENTS	113,897	0.00%	0	19
20	303	MIS. INTANGIBLE PLANT	25,275	0.00%	0	20
21	374	LAND	771,545	71.29%	550,010	21
22	375	STRUCTURES & IMPROVEMENTS	1,439,031	22.25%	320,116	22
23	387	OTHER EQUIPMENT	157,769	0.00%	0	23
24	388	LAND	333,111	31.98%	106,539	24
25	390	STRUCTURES & IMPROVEMENTS	1,626,657	17.59%	286,069	25
26	391	OFFICE FURN & EQUIPMENT	1,753,145	17.42%	305,466	26
27	392	TRANSPORTATION EQUIPMENT	763,193	11.35%	86,622	27
28	393	STORES EQUIPMENT	30,522	11.35%	3,484	28
29	394	TOOL, SHOP & GARAGE EQUIP	762,191	11.35%	86,509	29
30	395	LABORATORY EQUIPMENT	82,940	0.00%	0	30
31	397	COMMUNICATION EQUIPMENT	322,591	11.35%	36,614	31
32	398	MISCELLANEOUS EQUIPMENT	30,030	0.00%	0	32
33	399	OTHER TANGIBLE PROPERTY	38,597	0.00%	0	33
34		TOTAL	\$ 8,250,494	21.59%	\$ 1,781,409	34

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	Sept-94	Oct-94	Nov-94	Dec-94	Jan-95	Feb-95	Mar-95	Apr-95	May-95	Jun-95	Jul-95	Aug-95	Sep-95	13-MONTH AVERAGE
1	301	ORGANIZATION	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
2	302	FRANCHISES & CONSENTS	113,897	113,897	113,897	113,897	113,897	113,897	113,897	113,897	113,897	113,897	113,897	113,897	113,897	113,897
3	303	MIS. INTANGIBLE PLANT	25,275	25,275	25,275	25,275	25,275	25,275	25,275	25,275	25,275	25,275	25,275	25,275	25,275	25,275
4	374	LAND	771,545	771,545	771,545	771,545	771,545	771,545	771,545	771,545	771,545	771,545	771,545	771,545	771,545	771,545
5	375	STRUCTURES & IMPROVEMENTS	1,437,376	1,437,376	1,437,376	1,437,376	1,437,376	1,437,376	1,437,376	1,437,376	1,441,360	1,441,360	1,441,360	1,441,360	1,441,360	1,439,031
6	387	OTHER EQUIPMENT	157,671	157,671	157,671	157,671	157,671	157,671	157,671	157,671	157,671	157,671	157,671	158,310	158,310	157,769
7	389	LAND	333,111	333,111	333,111	333,111	333,111	333,111	333,111	333,111	333,111	333,111	333,111	333,111	333,111	333,111
8	390	STRUCTURES & IMPROVEMENTS	1,570,399	1,589,427	1,589,286	1,589,286	1,589,286	1,589,286	1,663,205	1,663,205	1,663,205	1,663,205	1,594,474	1,594,474	1,790,807	1,826,657
9	391	OFFICE FURN & EQUIPMENT	1,747,261	1,739,890	1,739,890	1,739,890	1,739,890	1,739,890	1,739,890	1,739,890	1,743,081	1,748,617	1,764,017	1,769,790	1,849,488	1,753,145
10	392	TRANSPORTATION EQUIPMENT	762,553	774,195	777,521	778,583	778,703	784,951	783,938	759,838	769,665	736,917	737,214	736,714	738,714	763,193
11	393	STORES EQUIPMENT	30,522	30,522	30,522	30,522	30,522	30,522	30,522	30,522	30,522	30,522	30,522	30,522	30,522	30,522
12	394	TOOL, SHOP & GARAGE EQUIP	750,580	753,382	758,993	759,726	759,726	759,726	761,099	761,099	761,099	761,099	769,633	773,651	778,664	762,191
13	395	LABORATORY EQUIPMENT	82,940	82,940	82,940	82,940	82,940	82,940	82,940	82,940	82,940	82,940	82,940	82,940	82,940	82,940
14	397	COMMUNICATION EQUIPMENT	316,576	317,802	318,248	318,248	318,248	319,323	325,250	325,250	325,250	325,250	325,250	325,250	334,464	322,591
15	398	MISCELLANEOUS EQUIPMENT	23,255	23,255	23,255	23,255	23,255	28,439	29,705	29,705	29,705	29,705	29,705	67,440	29,705	30,030
16	399	OTHER TANGIBLE PROPERTY	38,828	38,828	38,828	38,828	38,828	38,828	38,828	38,828	38,828	38,828	38,828	38,828	38,828	38,828
17			\$ 8,101,789	\$ 8,188,116	\$ 8,198,358	\$ 8,200,153	\$ 8,200,273	\$ 8,212,780	\$ 8,204,252	\$ 8,265,165	\$ 8,287,154	\$ 8,250,942	\$ 8,215,442	\$ 8,261,097	\$ 8,517,630	\$ 8,250,725

CITY GAS ALLOCATION

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	13-MONTH AVERAGE	NONUTILITY %	13-MONTH AVG NONUTILITY
18	301	ORGANIZATION	\$ 0	0.00%	\$ 0
19	302	FRANCHISES & CONSENTS	113,897	0.00%	0
20	303	MIS. INTANGIBLE PLANT	25,275	0.00%	0
21	374	LAND	771,545	71.29%	550,010
22	375	STRUCTURES & IMPROVEMENTS	1,439,031	22.25%	320,116
23	387	OTHER EQUIPMENT	157,769	0.00%	0
24	389	LAND	333,111	31.98%	106,539
25	390	STRUCTURES & IMPROVEMENTS	1,826,657	17.59%	286,069
26	391	OFFICE FURN & EQUIPMENT	1,753,145	17.42%	305,466
27	392	TRANSPORTATION EQUIPMENT	763,193	11.35%	86,622
28	393	STORES EQUIPMENT	30,522	11.35%	3,464
29	394	TOOL, SHOP & GARAGE EQUIP	762,191	11.35%	86,509
30	395	LABORATORY EQUIPMENT	82,940	0.00%	0
31	397	COMMUNICATION EQUIPMENT	322,591	11.35%	36,614
32	398	MISCELLANEOUS EQUIPMENT	30,030	0.00%	0
33	399	OTHER TANGIBLE PROPERTY	38,827	0.00%	0
34		TOTAL	\$ 8,250,494	21.59%	\$ 1,781,409

STAFF RECOMMENDATIONS

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	13-MONTH AVERAGE	NONUTILITY %	13-MONTH AVG NONUTILITY
18	301	ORGANIZATION	\$ 0	0.00%	\$ 0
19	302	FRANCHISES & CONSENTS	113,897	0.00%	0
20	303	MIS. INTANGIBLE PLANT	25,275	0.00%	0
21	374	LAND	771,545	74.44%	574,338
22	375	STRUCTURES & IMPROVEMENTS	1,439,031	23.53%	338,604
23	387	OTHER EQUIPMENT	157,769	0.00%	0
24	389	LAND	333,111	36.19%	129,762
25	390	STRUCTURES & IMPROVEMENTS	1,826,657	20.48%	332,614
26	391	OFFICE FURN & EQUIPMENT	1,753,145	19.00%	393,098
27	392	TRANSPORTATION EQUIPMENT	763,193	11.35%	86,622
28	393	STORES EQUIPMENT	30,522	11.35%	3,464
29	394	TOOL, SHOP & GARAGE EQUIP	762,191	11.95%	85,962
30	395	LABORATORY EQUIPMENT	82,940	0.00%	0
31	397	COMMUNICATION EQUIPMENT	322,591	11.35%	36,614
32	398	MISCELLANEOUS EQUIPMENT	30,030	0.00%	0
33	399	OTHER TANGIBLE PROPERTY	38,827	0.00%	0
34		TOTAL	\$ 8,250,494	23.28%	\$ 1,921,278

TOTAL STAFF ADJUSTMENT: \$130,860 - 1.60%

CITY GAS ALLOCATION

STAFF RECOMMENDATIONS

Line No.	A/C No.	Description	Plant			Non-utility Percentage	Accumulated Depreciation			Plant			Non-utility Percentage	Accumulated Depreciation		
			Utility	Non-Utility	Total		Utility	Non-Utility	Total	Utility	Non-Utility	Total		Utility	Non-Utility	Total
1	374	Medley Facility	\$ 153,843	\$ 545,445	\$ 699,288	78.00%	0	0	0	\$ 153,843	\$ 545,445	\$ 699,288	78.00%	0	0	0
2	374	Titusville Gate	18,752	4,450	23,202	19.18%	0	0	0	6,613	16,589	23,202	71.50%	0	0	0
3	374	Treasure Coast Gate	12,314	0	12,314	0.00%	0	0	0	12,314	0	12,314	0.00%	0	0	0
4	374	Propane Sales	12,195	0	12,195	0.00%	0	0	0	0	12,195	12,195	100.00%	0	0	0
5	374	West Miami Gate	7,300	0	7,300	0.00%	0	0	0	7,300	0	7,300	0.00%	0	0	0
6	374	Ops Locks Gate	6,000	0	6,000	0.00%	0	0	0	6,000	0	6,000	0.00%	0	0	0
7	374	SW Gate	5,259	0	5,259	0.00%	0	0	0	5,259	0	5,259	0.00%	0	0	0
8	374	Rockledge Office	195	105	300	35.00%	0	0	0	195	105	300	35.00%	0	0	0
9	374	Ravenswood North	0	10	10	100.00%	0	0	0	0	10	10	100.00%	0	0	0
10	374	Misc. Easements	5,677	0	5,677	0.00%	0	0	0	5,677	0	5,677	0.00%	0	0	0
11	374	TOTAL	221,535	550,010	771,545	71.29%	0	0	0	197,201	574,344	771,545	74.44%	0	0	0
12	375	Medley Facility Muller Office Imp.	\$ 0	\$ 40,730	\$ 40,730	100.00%	0	2,308	2,308	0	40,730	40,730	100.00%	0	2,308	2,308
13	375	Medley Balance	596,778	96,619	693,397	13.93%	166,456	26,950	193,406	596,778	96,619	693,397	13.93%	166,456	26,950	193,406
14	375	Propane Sales	11,028	44,114	55,142	80.00%	4,456	17,826	22,282	0	55,142	55,142	100.00%	0	22,282	22,282
15	375	Rockledge Office	9,993	2,228	12,221	18.23%	5,107	1,139	6,246	8,775	3,446	12,221	28.20%	3,248	2,998	6,246
16	375	Titusville Gate	10,934	0	10,934	0.00%	2,109	0	2,109	4,825	6,309	10,934	57.70%	892	1,217	2,109
17	375	SE Hialeah Gate	605	0	605	0.00%	268	0	268	605	0	605	0.00%	268	0	268
18	375	Hialeah #933 Building	489,577	136,425	626,002	21.79%	151,342	42,176	193,518	489,577	136,425	626,002	21.79%	151,342	42,176	193,518
19	375	TOTAL	1,118,915	320,116	1,439,031	22.25%	329,738	90,399	420,137	1,100,360	338,671	1,439,031	23.53%	322,206	97,931	420,137

CITY GAS ALLOCATION

Line No.	A/C No.	Description	Non-utility Percent	Plant			Accumulated Depreciation				Staff Recommendations						
				Utility	Non-Utility	Total	Non-Utility %	Utility	Non-Utility	Total	Plant Utility	Plant Non-Utility	Plant Total	Non-Utility %	Utility	Non-Utility	Total
1	389	Rockledge Office	18.23%	\$ 65,982	\$ 14,714	\$ 80,696	0.00%	0	0	0	\$ 41,982	\$ 38,734	\$ 80,696	48.00%	\$ 0	\$ 0	\$ 0
2	389	Rockledge Rented Improvements	100.00%	0	9,000	9,000	0.00%	0	0	0	0	9,000	9,000	100.00%	0	0	0
3	389	Rockledge Proposed Parking Lot	100.00%	0	43,415	43,415	0.00%	0	0	0	0	43,415	43,415	100.00%	0	0	0
4	389	Hialeah General Office (933 & 955)	19.71%	160,590	39,410	200,000	0.00%	0	0	0	160,590	39,410	200,000	19.71%	0	0	0
5	389	TOTAL	31.98%	226,572	106,539	333,111	0.00%	0	0	0	202,552	130,559	333,111	39.19%	0	0	0
6	390	Hialeah # 955	17.84%	1,027,487	223,140	1,250,627	17.84%	334,389	72,620	407,009	1,027,487	223,140	1,250,627	17.84%	334,389	72,610	407,009
7	390	Hialeah #933	21.79%	34,954	9,741	44,695	21.79%	546	152	698	34,954	9,741	44,695	21.79%	546	152	698
8	390	Medley Meter Shop	0.00%	9,915	0	9,915	0.00%	94	0	94	9,915	0	9,915	0.00%	94	0	94
9	390	1001 Office	13.35%	12,752	1,964	14,716	0.00%	0	0	0	12,752	1,964	14,716	13.35%	0	0	0
10	390	Rockledge Office	18.23%	223,761	49,899	273,660	18.23%	72,417	16,148	88,565	195,488	77,172	273,660	28.20%	63,680	24,875	88,565
11	390	Trueville Gate	0.00%	28,947	0	28,947	0.00%	2,603	0	2,603	12,245	16,702	28,947	57.70%	1,101	1,802	2,903
12	390	Treasure Coast Sign	0.00%	2,772	0	2,772	0.00%	95	0	95	0	2,772	2,772	100.00%	0	95	95
13	390	Melbourne Antenna Site	100.00%	0	1,325	1,325	100.00%	0	430	430	0	1,325	1,325	100.00%	0	430	430
14	390	TOTAL	17.59%	1,340,588	295,069	1,626,657	17.89%	410,144	89,350	499,494	1,293,841	332,816	1,626,657	20.48%	396,730	99,764	496,494
16	391	Office Furniture & Equipment	17.42%	1,447,679	305,466	1,753,145	17.42%	804,042	127,455	931,497	1,420,047	333,096	1,753,145	19.00%	592,512	138,985	731,497
17	391	TOTAL	17.42%	1,477,679	305,466	1,783,145	17.42%	804,042	127,455	931,497	1,420,047	333,096	1,753,145	19.00%	592,512	138,985	731,497

EXHIBIT 1

Plant Allocation - Schedule B-5

Account 374 - Line 2, Page 17

Description: Titusville Gate (Land)
Company Allocation: Utility
\$18,752

Non-utility
\$4,450

Total
\$23,202

Staff Findings:

This land was identified as the site of the Titusville Gate Station located near the intersection of Capon Road and Knox McRea Drive in Titusville. According to the City Gas Company Allocation only 19.2% of this property was to be assigned to a non-utility function. My on-site evaluation determined that an adjustment will be necessary to allocate for a larger non-utility function. I recommend that only 28.5% of the costs associated with the purchase of this property be allowed into rate base calculations.

The approximate dimensions of this property are 346' x 152' or 52,593 square feet. (See copy of the plot plan attached.) Located on this property is a natural gas gate station occupying 7,345 square feet, a propane storage tank and related facilities occupying 10,032 square feet, an area where 8-inch steel gas pipe is stored occupying 7,615 square feet, and the remaining area of the property was found to be vacant with no apparent use. This unused portion of the property represents a 27,584 square feet area. It is recommended that 71.5% of the total area that is represented by the propane facility and the unused portion of the property be removed from rate base for they are not used and useful for a utility function.

Staff Allocation: Utility
\$6,613

Non-utility
\$16,589

Total
\$23,202

Calculations
Titusville Gate Allocation

Total Square Footage of Property

$$\begin{aligned}
 328.9' \times 152.4' &= 50,124.4 \text{ Sq.Ft.} \\
 32.4' \times 152.4' \times .5 &= \underline{2,468.9 \text{ Sq.Ft.}} \\
 &= 52,593.3 \text{ Sq.Ft.}
 \end{aligned}$$

Gate Station Facilities

$$\begin{aligned}
 36' \times 152.3' &= 5,482.8 \text{ Sq.Ft.} \\
 24' \times 60.1' &= 1,442.4 \text{ Sq.Ft.} \\
 35' \times 24' \times .5 &= \underline{420.0 \text{ Sq.Ft.}} \\
 &= 7,345.2 \text{ Sq.Ft.}
 \end{aligned}$$

Propane Facilities

$$\begin{aligned}
 54.1' \times 152.3' &= 8,239.4 \text{ Sq.Ft.} \\
 24.0' \times 57.2' &= 1,372.8 \text{ Sq.Ft.} \\
 35' \times 24' \times .5 &= \underline{420.0 \text{ Sq.Ft.}} \\
 &= 10,032.2 \text{ Sq.Ft.}
 \end{aligned}$$

Pipe Storage Area

$$50' \times 152.3' = 7,615 \text{ Sq.Ft.}$$

Vacant Area

$$\begin{aligned}
 164.8' \times 152.4' &= 25,115.5 \text{ Sq.Ft.} \\
 32.4' \times 152.4' \times .5 &= \underline{2,468.9 \text{ Sq.Ft.}} \\
 &= 27,584.4 \text{ Sq.Ft.}
 \end{aligned}$$

Allocation Percentage Calculations

Gate Station Facilities - 7,345.2 Sq.Ft. / 52,593.3 Sq.Ft = 14.0%

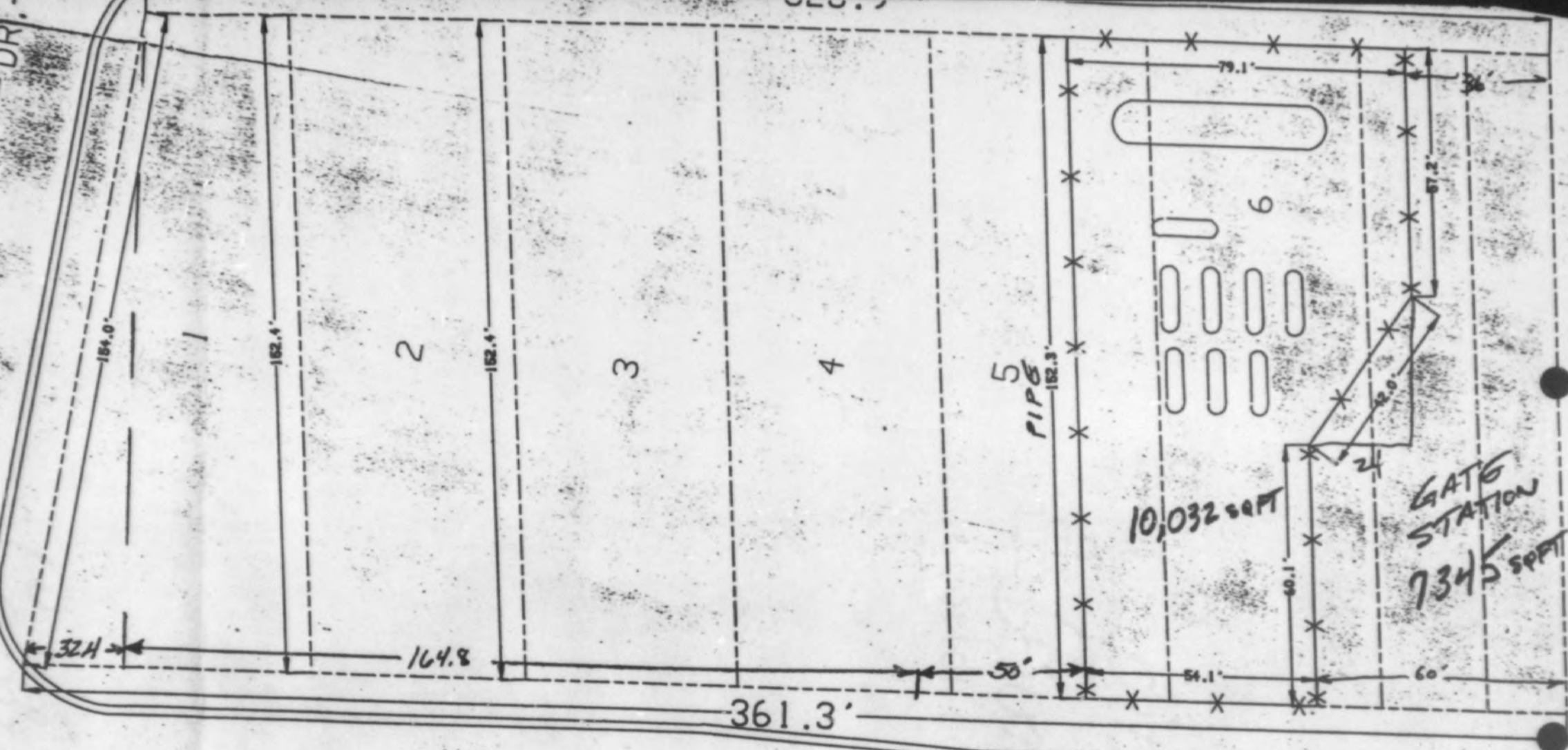
Propane Facilities - 10,032.2 Sq.Ft. / 52,593.3 Sq.Ft. = 19.1%

Pipe Storage Area - 7,615 Sq.Ft. / 52,593.3 Sq.Ft. = 14.5%

Vacant Area - 27,584.4 Sq.Ft. / 52,593.3 Sq.Ft. = 52.4%

	<u>Utility</u>	<u>Non-utility</u>	
Gate Station	14.0%	19.1%	Propane Facilities
Pipe Storage	<u>14.5%</u>	<u>52.4%</u>	Vacant Area
	28.5%	71.5%	
	=====	=====	

KNOX MC REA DR.



CAPRON RD.

Plant Allocation - Schedule B-5

Account 375 - Line 16, Page 17

Description: Titusville Gate (Improvements)

Company Allocation:	<u>Utility</u> \$10,934	<u>Non-utility</u> \$0	<u>Total</u> \$10,934
---------------------	----------------------------	---------------------------	--------------------------

Staff Findings:

As determined from information provided by Company officials, the dollars shown in this account represent fencing and street improvements. My on-site evaluation determined that the fencing and street improvements are for both the natural gas gate station and the propane storage facility. Therefore, I recommend that an allocation be performed on a square footage basis. The gate station piping occupies 7,345 sq.ft., and the propane facility occupies 10,032 sq.ft. The allocation should be made on a 42.3% utility and 57.7% non-utility ratio.

Staff Allocation:	<u>Utility</u> \$4,625	<u>Non-utility</u> \$6,309	<u>Total</u> \$10,934
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Calculations

Gate Station Facilities

36' x 152.3'	=	5,482.8 sq.ft.	
24' x 60.1'	=	1,442.4 sq.ft.	
35' x 24' x .5	=	<u>420.0</u> sq.ft.	
		7,345.2 sq.ft.	<u>Total Area</u> <u>Within Fence</u>

Propane Facilities

54.1' x 152.3'	=	8,239.4 sq.ft.	7,345.2 sq.ft.
24.0' x 57.2'	=	1,372.8 sq.ft.	<u>10,032.2</u> sq.ft.
35' x 24' x .5	=	<u>420.0</u> sq.ft.	17,377.4 sq.ft.
		10,032.2 sq.ft.	

Percentage Calculations

10,032 sq.ft. / 17,377 sq.ft.	=	57.7%	Non-utility
7,345 sq.ft. / 17,377 sq.ft.	=	42.3%	Utility

TITUSVILLE GATE STATION

SISSON AVE.

328.9'

2

3

4

5

6

PIPE

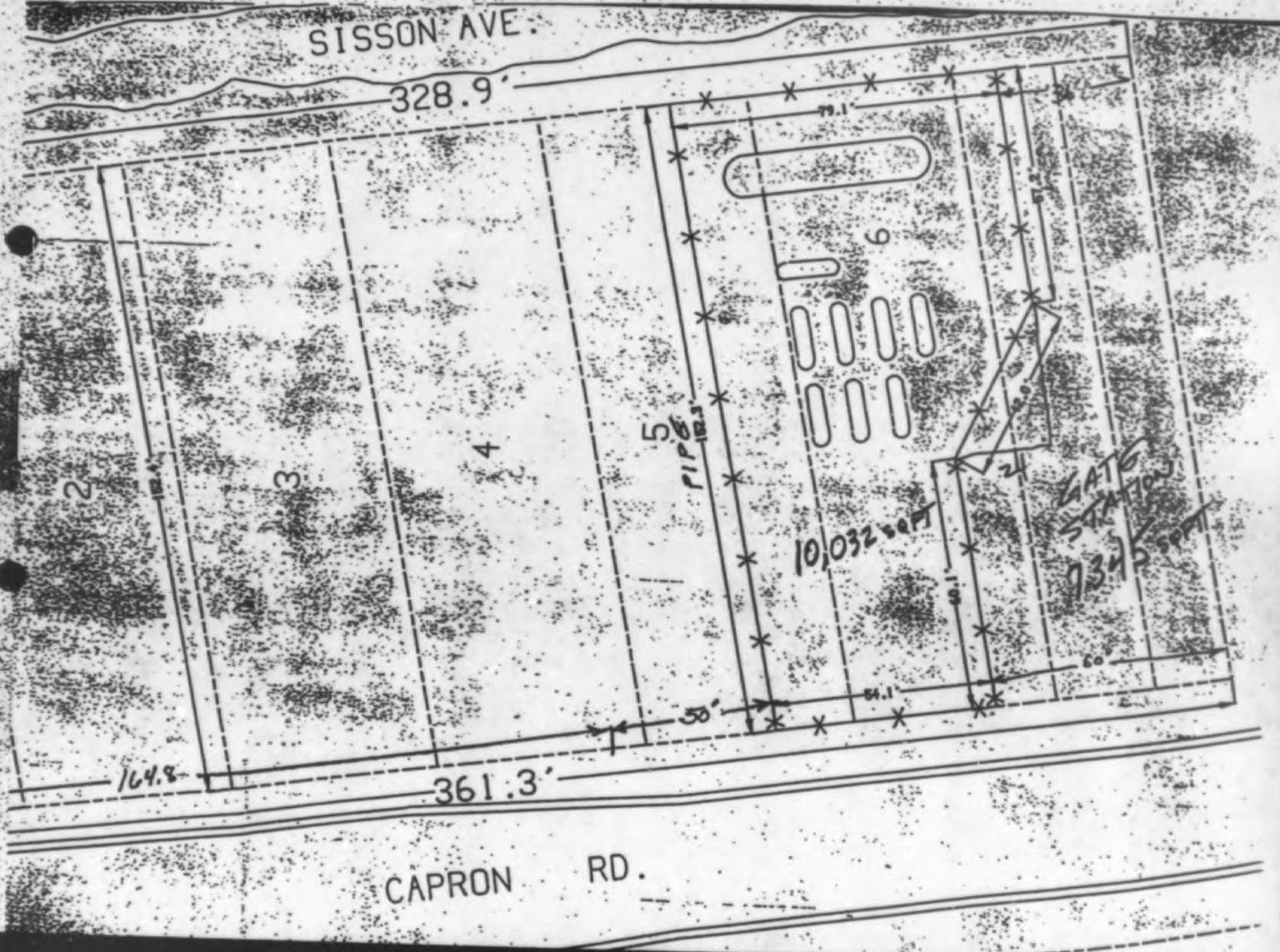
10,032 SQFT

GATE STATION
7343 SQFT

164.8

361.3'

CAPRON RD.



Plant Allocation - Schedule B-5

Account 389 - Line 1, Page 18

Description: Rockledge Office (Land)

Company Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$65,982	\$14,714	\$80,696

Staff Findings:

The land charges shown in that account represent land for a propane storage facility and the land of the Rockledge Office Building. An allocation of this account will be necessary. The square footage occupied by the propane facility should be disallowed from rate base consideration, and the portion of the property on which the Rockledge Office and Parking Lot are located should be allocated on the same percentage ratio calculated for the office floor space usage in Account 375 - Line 15, Page 17, i.e., 71.8% Utility and 28.2% Non-utility. The calculations shown below determine that the land charges in this account should be allocated on a ratio of 52.0% Utility and 48.0% Non-utility basis.

Staff Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$41,962	\$38,734	\$80,696

Plant Allocation - Schedule B-5

Account 389 - Line 1, Page 18

Description: Rockledge Office (Land)

	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
Company Allocation:	\$65,982	\$14,714	\$80,696

Staff Findings:

The land charges shown in that account represent land for a propane storage facility and the land of the Rockledge Office Building. An allocation of this account will be necessary. The square footage occupied by the propane facility should be disallowed from rate base consideration, and the portion of the property on which the Rockledge Office and Parking Lot are located should be allocated on the same percentage ratio calculated for the office floor space usage in Account 375 - Line 15, Page 17, i.e., 71.8% Utility and 28.2% Non-utility. The calculations shown below determine that the land charges in this account should be allocated on a ratio of 52.0% Utility and 48.0% Non-utility basis.

	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
Staff Allocation:	\$41,962	\$38,734	\$80,696

Calculations
Rockledge Office - Land

Total Square Footage of Property

215' x 456'	=	98,040 sq.ft.	Remaining Area
Propane Storage Facility			<u>Rockledge Office</u>
126' x 215'	=	27,090 sq.ft.	98,040 sq.ft.
			- <u>27,090</u> sq.ft.
			70,950 sq.ft.

Allocation of Rockledge Office Portion

Utility

70,950 sq.ft.
x .718
50,942 sq.ft.

Non-utility

70,950 sq.ft.
x .282
20,008 sq.ft.

Final Allocation

Utility

50,942 sq.ft.
0
50,942 sq.ft.

Office Portion
Propane Facility

Non-utility

20,008 sq.ft.
27,090 sq.ft.
47,098 sq.ft.

Percentage Calculation

50,942 sq.ft. / 98,040 sq.ft.	=	52.0% Utility
47,098 sq.ft. / 98,040 sq.ft.	=	48.0% Non-utility

Calculations
Rockledge Office - Land

Total Square Footage of Property

215' x 456'	=	98,040 sq.ft.	Remaining Area
Propane Storage Facility			<u>Rockledge Office</u>
126' x 215'	=	27,090 sq.ft.	98,040 sq.ft.
			- 27,090 sq.ft.
			70,950 sq.ft.

Allocation of Rockledge Office Portion

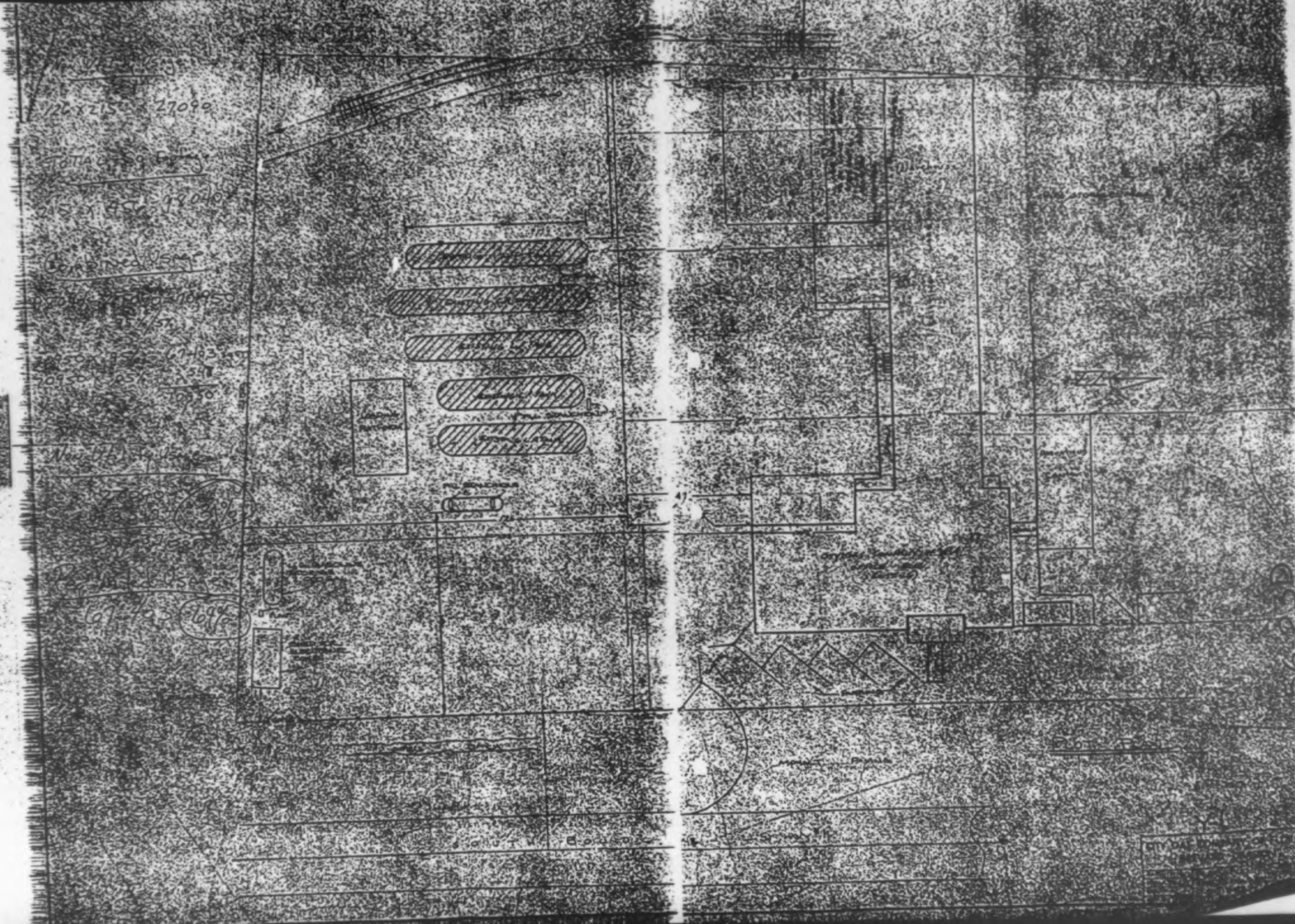
<u>Utility</u>	<u>Non-utility</u>
70,950 sq.ft.	70,950 sq.ft.
<u>x .718</u>	<u>x .282</u>
50,942 sq.ft.	20.008 sq.ft.

Final Allocation

<u>Utility</u>		<u>Non-utility</u>
50,942 sq.ft.	Office Portion	20.008 sq.ft.
<u>0</u>	Propane Facility	<u>27,090</u> sq.ft.
50,942 sq.ft.		47,098 sq.ft.

Percentage Calculation

50,942 sq.ft. / 98,040 sq.ft.	=	52.0% Utility
47,098 sq.ft. / 98,040 sq.ft.	=	48.0% Non-utility



226 x 215 27090

215 x 195 42045

215 x 195 42045

215 x 195 42045

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215 x 195 42045

215 x 195 42045

215 x 195 42045

200

Plant Allocation - Schedule B-5

Account 375 - Line 16, Page 17

Description: Titusville Gate (Improvements)

Company Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$10,934	\$0	\$10,934

Staff Findings:

As determined from information provided by Company officials, the dollars shown in this account represent fencing and street improvements. My on-site evaluation determined that the fencing and street improvements are for both the natural gas gate station and the propane storage facility. Therefore, I recommend that an allocation be performed on a square footage basis. The gate station piping occupies 7,345 sq.ft., and the propane facility occupies 10,032 sq.ft. The allocation should be made on a 42.3% utility and 57.7% non-utility ratio.

Staff Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$4,625	\$6,309	\$10,934

Calculations

Gate Station Facilities

36' x 152.3'	=	5,482.8 sq.ft.	
24' x 60.1'	=	1,442.4 sq.ft.	
35' x 24' x .5	=	<u>420.0</u> sq.ft.	
		7,345.2 sq.ft.	Total Area Within Fence

Propane Facilities

			7,345.2 sq.ft.
54.1' x 152.3'	=	8,239.4 sq.ft.	<u>10,032.2</u> sq.ft.
24.0' x 57.2'	=	1,372.8 sq.ft.	17,377.4 sq.ft.
35' x 24' x .5	=	<u>420.0</u> sq.ft.	
		10,032.2 sq.ft.	

Percentage Calculations

10,032 sq.ft. -/ 17,377 sq.ft.	=	57.7%	Non-utility
7,345 sq.ft. / 17,377 sq.ft.	=	42.3%	Utility

TITUSVILLE GATE STATION

SISSON AVE.

328.9'

2

3

4

5

6

PIPE

10,032 SPT

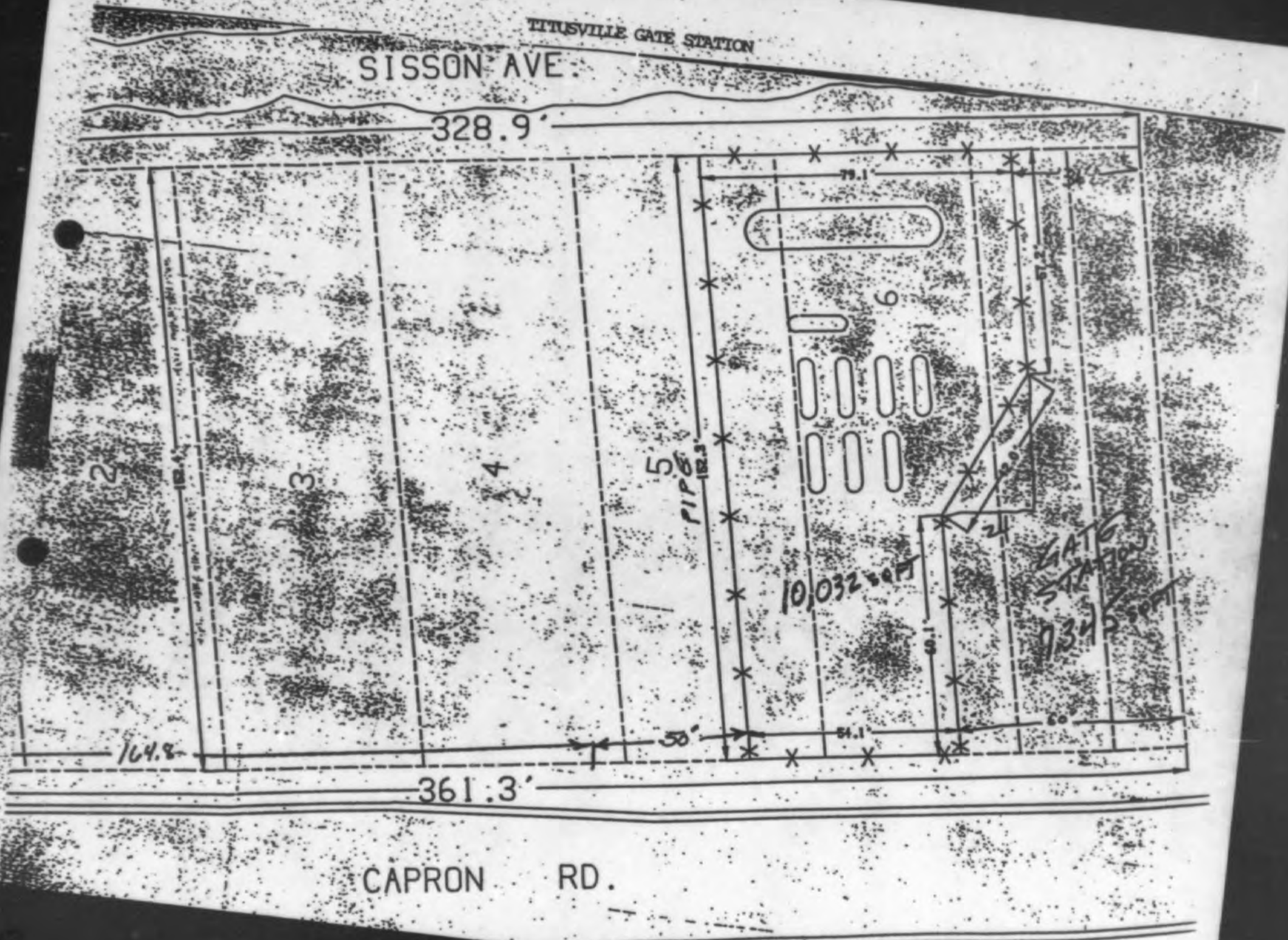
GATE STATION

9,342 SPT

164.8'

361.3'

CAPRON RD.



Plant Allocation - Schedule B-5

Account 390 - Line 10. Page 18

Description: Rockledge Office (Improvements)

	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
Company Allocation:	\$223,761	\$49,899	\$273,660

Staff Findings:

System officials stated that the \$273,660 worth of improvements are not identifiable to any specific portion of the Rockledge Office and should be considered as general improvements to entire structure as a whole. It is therefore recommended that this account total should be allocated on the same percentage ratio as was Account 375 - Line 15, Page 17, i.e., 71.8% Utility and 28.2% Non-utility functions.

My evaluation of the floor space usage of the Rockledge Office differs from the City Gas Allocation. The variance results from the treatment of the appliance storage area in the warehouse. In the City Gas Allocation the appliance storage area was allocated using the customer billing ratio and payroll distributions. In my evaluation, I totally eliminated the appliance storage area from rate base consideration as the appliance sales, and leasing is a non-utility function. Allocation calculations are attached.

	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
Staff Allocation:	\$196,488	\$77,172	\$273,660

Calculations
Rockledge Office Allocation

Total Square Footage, Rockledge Office

Operations	-	57.6' x 18.2'	=	1,048.3 sq.ft.
Commercial Rep.	-	22.7' x 10.7'	=	242.9 sq.ft.
Lobby Area	-	34.5' x 33.6'	=	1,159.2 sq.ft.
Service Dept.	-	32.3' x 48.2'	=	1,556.9 sq.ft.
*Break Area	-	29.8' x 12.1'	=	360.6 sq.ft.
Executive Area	-	46.9' x 28.0'	=	1,313.2 sq.ft.
Coffee & Sales	-	16.0' x 11.2'	=	179.2 sq.ft.
Warehouse	-	28.0' x 90.0'	=	2,520.0 sq.ft.
*Loading Dock-north	-	10.3' x 14.7'	=	151.4 sq.ft.
*Loading Dock-south	-	12.0' x 6.3'	=	75.6 sq.ft.
Appliance Warehouse	-	52.2' x 40.8'	=	2,129.8 sq.ft.
*Fleet Maintenance	-	27.9' x 30.9'	=	862.1 sq.ft.
2nd Floor Records	-	28.0' x 16.4'	=	459.2 sq.ft.
2nd Floor Storage	-	44.0' x 12.0'	=	<u>528.0 sq.ft.</u>
Total				12,586.4 sq.ft.

* Not considered in City Gas Allocation - 1,294.8 sq.ft. Total

Regulated Utility Usage

Operations	-	57.6' x 18.2'	=	1,048.3 sq.ft.
Meter Storage	-	30.0' x 12.0'	=	360.0 sq.ft.
Distribution Storage	-	28.0' x 22.5'	=	630.0 sq.ft.
2nd Floor Records	-	16.4' x 28.0'	=	459.2 sq.ft.
2nd Floor Regulators	-	12.0' x 24.0'	=	<u>288.0 sq.ft.</u>
Total				2,785.5 sq.ft.

Non-utility Usage Area

Appliance Display	-	6.0' x 18.0'	=	108.0 sq.ft.
Appliance Display	-	12.0' x 18.0'	=	216.0 sq.ft.
Appliance Storage N	-	10.2' x 38.8'	=	395.8 sq.ft.
" "	-	14.0' x 10.2'	=	142.8 sq.ft.
Appliance Storage S	-	17.7' x 52.2'	=	923.9 sq.ft.
" "	-	23.1' x 31.5'	=	727.7 sq.ft.
2nd Floor Appl Parts	-	20.0' x 12.0'	=	<u>240.0 sq.ft.</u>
Total				2,754.2 sq.ft.

Utility Area	2,785.5 sq.ft.
Non-utility Area	<u>2,754.2 sq.ft.</u>
Total	5,539.7 sq.ft.

Total Area	12,586.4 sq.ft.
Combined Usage	<u>- 5,539.7 sq.ft.</u>
	7,046.7 sq.ft.

Allocation of Combined Use Area - 7,046.7 sq.ft.

I recommend that the Combined Use Area be allocated using the payroll distribution percentage of 88.65% utility and 11.35% Non-utility.

Allocated to Utility

7,046.7 sq.ft. - Combined Area
X .8865
6,246.9 sq.ft.

Allocated to Non-utility

7,046.7 sq.ft. - Combined Area
X .1135
799.8 sq.ft.

Final Allocation

Utility Usage

2,785.5 sq.ft.
6,246.9 sq.ft.
9,032.4 sq.ft.

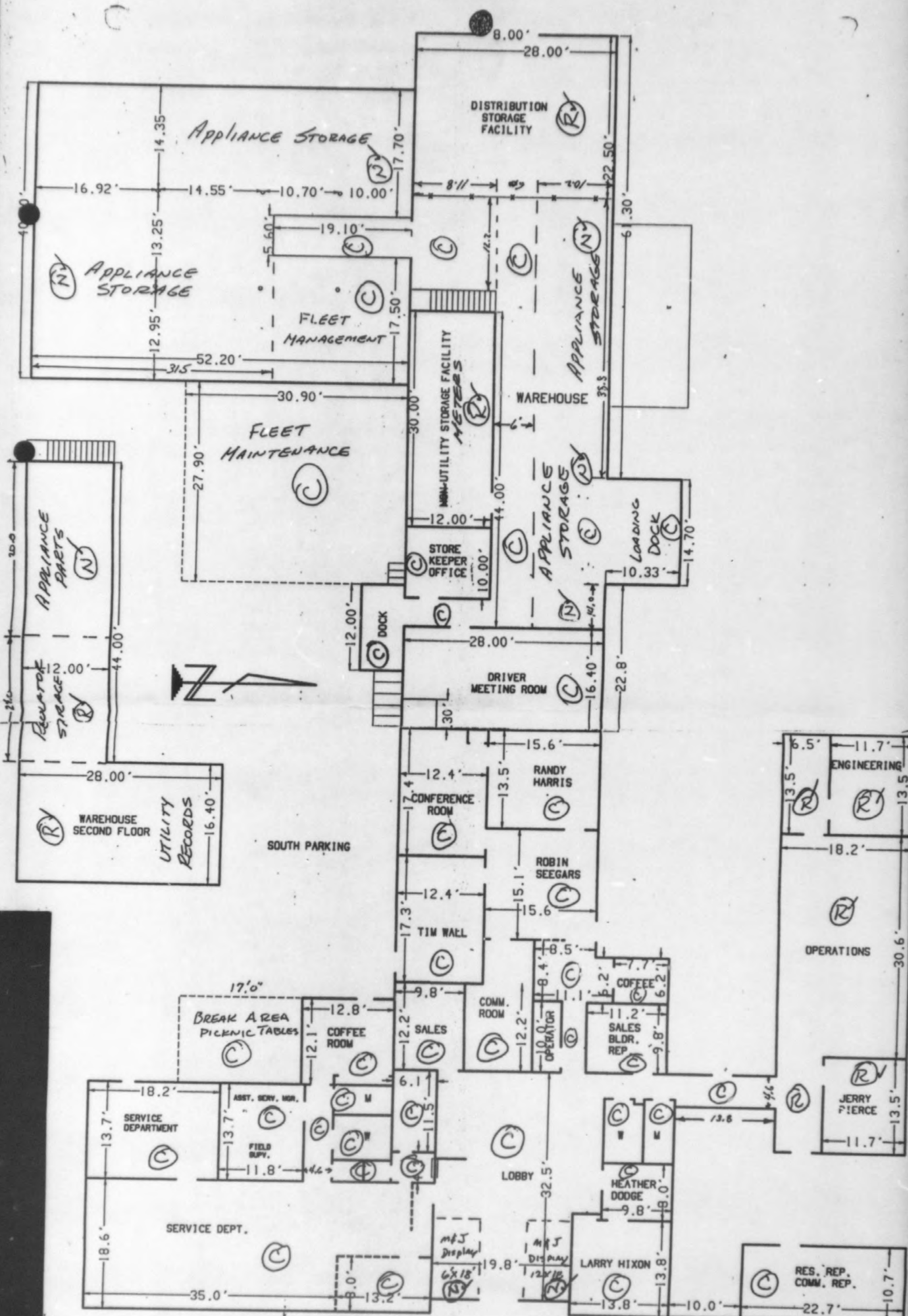
Non-utility Usage

2,754.2 sq.ft.
799.8 sq.ft.
3,554.0 sq.ft.


Allocation Percentages

Utility	9,032.4 sq.ft. / 12,586.4 sq.ft.	=	71.8%
Non-utility	3,554.0 sq.ft. / 12,586.4 sq.ft.	=	28.2%

¹ Payroll Distribution Percentage obtained from Common Plant Allocation report of Mr. Glyn Hazelden. This percentage has been verified by Commission auditors.



REVISED 4-3-95

		CITY GAS COMPANY OF FLA.	
		CITY GAS COMPANY FLOOR PLAN	
DATE	1-10-95	DRAWN BY	H. W.
SCALE		CHECKED BY	
SHEET NO.	1 OF 1	DATE	

Plant Allocation - Schedule B-5

Account 390 - Line 11, Page 18

Description: Titusville Gate (Improvements)

Company Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$28,947	\$0	\$28,947

Staff Findings:

As determined from information provided by Company officials, the dollars shown in this account represent fencing and street improvements. My on-site evaluation determined that the fencing and street improvements are for both the natural gas gate station and the propane storage facility. Therefore, I recommend that an allocation be performed on a square footage basis. The gate station piping occupies 7,345 sq.ft and the propane facility occupies 10,032 sq.ft. The allocation should be made on a 42.3% utility and 57.7% non-utility ratio.

Staff Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$12,245	\$16,702	\$28,947

Calculations

Gate Station Facilities

36' x 152.3'	=	5,482.8 sq.ft.	
24' x 60.1'	=	1,442.4 sq.ft.	
35' x 24' x .5	=	<u>420.0</u> sq.ft.	
		7,345.2 sq.ft.	<u>Total Area</u> <u>Within Fence</u>

Propane Facilities

			7,345.2 sq.ft.
54.1' x 152.3'	=	8,239.4 sq.ft.	<u>10,032.2</u> sq.ft.
24.0' x 57.2'	=	1,372.8 sq.ft.	17,377.4 sq.ft.
35' x 24' x .5	=	<u>420.0</u> sq.ft.	
		10,032.2 sq.ft.	

Percentage Calculations

10,032 sq.ft. / 17,377 sq.ft.	=	57.7%	Non-utility
7,345 sq.ft. / 17,377 sq.ft.	=	42.3%	Utility

TITUSVILLE GATE STATION

SISSON AVE.

328.9'

2

18.4'

3

4

5
PIP 18.3'

6

10,032 sqft

GATE STATION

7345 sqft

164.8'

361.3'

CAPRON RD.



Plant Allocation - Schedule B-5

Account 390 - Line 12. Page 18

Description: Treasure Coast Sign

Company Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$2,772	\$0	\$2,772

Staff Findings:

This expenditure was identified as the "City Gas Company" sign installed at the former division office at 1323 N.W. St. Lucie West Boulevard. The division office has recently been moved to 1340 Bayshore Boulevard. This new office did not have a sign at the time of my on-site evaluation. Upon questioning company personnel, it was determined that the old sign is too large to be installed at the new office location, and there are no plans to use the old sign. It is therefore recommended that the costs associated with this sign be removed from rate base consideration due to it not being used and useful.

Staff Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$0	\$2,772	\$2,772

Plant Allocation - Schedule B-5

Account 391 - Line 16, Page 18

Description: Office Furniture & Equipment

Company Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$1,447,679	\$305,466	\$1,753,145

Staff Findings:

This office furniture and equipment exists in five office locations: (1) 955 Building-Hialeah, (2) 933 Building-Hialeah, (3) Medley Meter Shop, (4) 1001 Building-Hialeah and (5) Rockledge Office. The recommended allocation methodology is to apply the weighted average obtained by combining the allocation percentages calculated for each office location.

<u>Location</u>	<u>Utility %</u>
Rockledge Office -	71.8% *
955 Building -	82.2%
933 Building -	78.2%
1001 Building -	86.7%
Medley Meter Shop -	<u>86.1%</u> 405.0%

Weighted Average - $405.0\% / 5 = 81.0\%$ Utility

- * The only adjustment resulted from the variance in allocation methodology applied to the Rockledge Office. City Gas used 81.77% as the allocation percentage for the Rockledge Office.

Staff Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$1,420,047	\$333,098	\$1,753,145

EXHIBIT 2

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	13-MONTH												AVERAGE			
			Sept-95	Oct-95	NOV-95	Dec-95	Jan-96	Feb-96	Mar-96	Apr-96	May-96	Jun-96	Jul-96	Aug-96		Sep-96		
1	301	ORGANIZATION	\$0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	113,897
2	302	FRANCHISES & CONSENTS	113,897	113,897	113,897	113,897	113,897	113,897	113,897	113,897	113,897	113,897	113,897	113,897	113,897	113,897	113,897	25,275
3	303	MIS. INTANGIBLE PLANT	25,275	25,275	25,275	25,275	25,275	25,275	25,275	25,275	25,275	25,275	25,275	25,275	25,275	25,275	25,275	771,545
4	374	LAND	771,545	771,545	771,545	771,545	771,545	771,545	771,545	771,545	771,545	771,545	771,545	771,545	771,545	771,545	771,545	1,517,437
5	375	STRUCTURES & IMPROVEMENTS	1,507,398	1,508,398	1,509,398	1,510,398	1,514,898	1,515,898	1,516,898	1,521,398	1,522,398	1,523,398	1,524,398	1,525,398	1,526,398	1,526,398	1,526,398	158,310
6	387	OTHER EQUIPMENT	158,310	158,310	158,310	158,310	158,310	158,310	158,310	158,310	158,310	158,310	158,310	158,310	158,310	158,310	158,310	204,419
7	389	LAND	196,111	196,111	196,111	196,111	196,111	196,111	196,111	208,111	208,111	208,111	208,111	208,111	208,111	208,111	208,111	905,907
8	390	STRUCTURES & IMPROVEMENTS	890,522	890,522	890,522	890,522	891,522	891,522	896,522	907,522	917,522	927,522	927,522	927,522	927,522	927,522	927,522	1,672,736
9	391	OFFICE FURN & EQUIPMENT	1,629,229	1,632,782	1,640,462	1,648,162	1,656,862	1,664,562	1,672,262	1,680,962	1,688,662	1,696,362	1,704,062	1,711,762	1,719,462	1,719,462	1,719,462	675,526
10	392	TRANSPORTATION EQUIPMENT	701,742	696,411	691,080	685,749	680,418	675,087	669,756	664,425	664,094	663,763	663,432	663,101	662,770	662,770	662,770	45,302
11	393	STORES EQUIPMENT	44,472	44,772	44,772	44,772	45,072	45,072	45,372	45,372	45,672	45,672	45,672	45,972	45,972	45,972	45,972	915,532
12	394	TOOL, SHOP & GARAGE EQUIP	679,532	913,032	914,032	915,032	916,032	917,032	918,032	919,032	920,032	921,032	922,032	923,032	924,032	924,032	924,032	82,940
13	395	LABORATORY EQUIPMENT	82,940	82,940	82,940	82,940	82,940	82,940	82,940	82,940	82,940	82,940	82,940	82,940	82,940	82,940	82,940	366,541
14	397	COMMUNICATION EQUIPMENT	358,214	357,464	358,714	359,964	363,464	364,714	367,464	369,464	370,714	371,964	373,214	374,464	377,214	377,214	377,214	297,538
15	398	MISCELLANEOUS EQUIPMENT	156,311	164,611	187,263	209,955	232,627	265,299	307,971	330,643	353,315	375,987	398,659	421,331	444,003	444,003	444,003	0
16	399	OTHER TANGIBLE PROPERTY	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17		TOTAL	\$7,513,498	\$7,556,050	\$7,584,341	\$7,612,632	\$7,660,973	\$7,719,284	\$7,754,355	\$7,798,896	\$7,842,487	\$7,885,778	\$7,919,369	\$7,952,660	\$7,987,451	\$7,987,451	\$7,987,451	\$7,752,905

CITY GAS ALLOCATION

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	13-MONTH AVERAGE	NONUTILITY %	13-MONTH AVG NONUTILITY
20	301	ORGANIZATION	0	0.00%	0
21	302	FRANCHISES & CONSENTS	113,897	0.00%	0
22	303	MIS. INTANGIBLE PLANT	25,275	0.00%	0
23	374	LAND	771,545	71.29%	550,010
24	375	STRUCTURES & IMPROVEMENTS	1,517,437	21.11%	320,382
25	387	OTHER EQUIPMENT	158,310	0.00%	0
26	389	LAND	204,419	36.12%	73,827
27	390	STRUCTURES & IMPROVEMENTS	905,907	14.36%	130,118
28	391	OFFICE FURN & EQUIPMENT	1,672,736	17.42%	291,391
29	392	TRANSPORTATION EQUIPMENT	675,526	11.35%	76,672
30	393	STORES EQUIPMENT	45,302	11.35%	5,142
31	394	TOOL, SHOP & GARAGE EQUIP	915,532	11.35%	103,913
32	395	LABORATORY EQUIPMENT	82,940	0.00%	0
33	397	COMMUNICATION EQUIPMENT	366,541	11.35%	41,602
34	398	MISCELLANEOUS EQUIPMENT	297,538	0.00%	0
35	399	OTHER TANGIBLE PROPERTY	0	0.00%	0
36		TOTAL	\$7,752,905	21.64%	\$1,593,057

STAFF RECOMMENDATIONS

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	13-MONTH AVERAGE	NONUTILITY %	13-MONTH AVG NONUTILITY
17	301	ORGANIZATION	0	0.00%	0
18	302	FRANCHISES & CONSENTS	113,897	0.00%	0
19	303	MIS. INTANGIBLE PLANT	25,275	0.00%	0
20	374	LAND	771,545	74.44%	574,338
21	375	STRUCTURES & IMPROVEMENTS	1,517,437	23.08%	341,414
22	387	OTHER EQUIPMENT	158,310	0.00%	0
23	389	LAND	204,419	47.87%	97,849
24	390	STRUCTURES & IMPROVEMENTS	905,907	21.44%	194,242
25	391	OFFICE FURN & EQUIPMENT	1,672,736	19.00%	308,420
26	392	TRANSPORTATION EQUIPMENT	675,526	11.35%	81,034
27	393	STORES EQUIPMENT	45,302	11.35%	5,142
28	394	TOOL, SHOP & GARAGE EQUIP	915,532	11.95%	109,406
29	395	LABORATORY EQUIPMENT	82,940	0.00%	0
30	397	COMMUNICATION EQUIPMENT	366,541	11.35%	41,602
31	398	MISCELLANEOUS EQUIPMENT	297,538	0.00%	0
32	399	OTHER TANGIBLE PROPERTY	0	0.00%	0
33		TOTAL	7,752,905	23.00%	1,748,447

TOTAL STAFF ADJUSTMENT: \$155,900 - 1.96%

CITY GAS ALLOCATION

STAFF RECOMMENDATIONS

Line No.	A/C No.	Description	PLANT				Accumulated Depreciation			Plant				Accumulated Depreciation		
			% Nonutility	Utility	Non-Utility	Total	Utility	Non-Utility	Total	Non-utility Percent	Utility	Non-Utility	Total	Utility	Non-Utility	Total
1	374	Medley Facility	78.00%	\$ 153,843	\$ 545,445	\$ 699,288	0	0	0	78.00%	\$ 153,843	\$ 545,445	\$ 699,288	\$ 0	\$ 0	\$ 0
2	374	Titusville Gate	19.18%	18,752	4,450	23,202	0	0	0	71.50%	6,613	16,589	23,202	0	0	0
3	374	Treasure Coast Gate	0.00%	12,314	0	12,314	0	0	0	0.00%	12,314	0	12,314	0	0	0
4	374	Propane Sales	0.00%	12,195	0	12,195	0	0	0	100.00%	0	12,195	12,195	0	0	0
5	374	West Miami Gate	0.00%	7,300	0	7,300	0	0	0	0.00%	7,300	0	7,300	0	0	0
6	374	Opa Locks Gate	0.00%	6,000	0	6,000	0	0	0	0.00%	6,000	0	6,000	0	0	0
7	374	SW Gate	0.00%	5,259	0	5,259	0	0	0	0.00%	5,259	0	5,259	0	0	0
8	374	Rockledge Office	35.00%	195	105	300	0	0	0	35.00%	195	105	300	0	0	0
9	374	Revenswood North	100.00%	0	10	10	0	0	0	100.00%	0	10	10	0	0	0
10	374	Misc. Easements	0.00%	5,677	0	5,677	0	0	0	0.00%	5,677	0	5,677	0	0	0
11	374	TOTAL	71.29%	221,535	550,010	771,545	0	0	0	74.44%	197,201	574,344	771,545	0	0	0
12	375	Medley Facility Muller Office Imp.	100.00%	0	40,730	40,730	0	4,019	4,019	100.00%	0	40,730	40,730	0	4,019	4,019
13	375	Medley Balance	13.93%	598,811	96,915	695,726	191,599	31,009	222,608	13.93%	598,811	96,915	695,726	161,599	31,009	222,608
14	375	Propane Sales	80.00%	11,028	44,114	55,142	4,920	19,678	24,598	100.00%	0	55,142	55,142	0	24,598	24,598
15	375	Rockledge Office	18.23%	9,963	2,228	12,221	5,528	1,232	6,760	28.20%	8,775	3,446	12,221	4,854	1,906	6,760
16	375	Titusville Gate	0.00%	10,984	0	10,984	2,571	0	2,571	57.70%	4,848	6,338	10,984	1,848	725	2,571
17	375	SE Hialeah Gate	0.00%	605	0	605	294	0	294	0.00%	605	0	605	294	0	294
18	375	Hialeah #933 Building	21.79%	489,557	136,395	625,952	171,912	47,896	219,808	21.79%	489,557	136,395	625,952	171,912	47,896	219,808
19	375	New Additions - 1996	0.00%	60,000	0	60,000	892	0	892	18.45%	48,931	11,069	60,000	727	165	892
20	375	New Additions - 1997	0.00%	16076	0	16076	638	0	638	0.00%	16,076	0	16,076	638	0	638
19	375	TOTAL	21.11%	1,197,054	320,362	1,517,436	378,354	103,834	482,188	23.07%	1,167,401	350,035	1,517,436	371,670	110,318	482,188

Prepared By : Roger Fletcher

CITY GAS ALLOCATION

Line No.	A/C No.	Description	Plant			Accumulated Depreciation				Staff Recommendations				
			Percent	Utility	Non-Utility	Total	Non-Utility %	Utility	Non-Utility	Total	Non-Utility %	Utility	Non-Utility	Total
1	389	Rockledge Office	18.23%	\$ 85,085	\$ 14,711	\$ 99,796	0.00%	0	0	0	48.00%	\$ 41,962	\$ 38,734	\$ 80,696
2	389	Rockledge Rented Improvements	100.00%	0	9,000	9,000	0.00%	0	0	0	100.00%	0	9,000	9,000
3	389	Rockledge Proposed Parking Lot	100.00%	0	43,415	43,415	0.00%	0	0	0	100.00%	0	43,415	43,415
4	389	Hialeah General Office (933 & 953)	19.71%	27,300	8,700	34,000	0.00%	0	0	0	19.71%	27,300	8,700	34,000
5	389	New Additions - 1996	0.00%	29,000	0	29,000	0.00%	0	0	0	0.00%	29,000	0	29,000
6	389	New Additions - 1997	0.00%	8,308	0	8,308	0.00%	0	0	0	0.00%	8,308	0	8,308
7	389	TOTAL	36.12%	130,593	73,826	204,419	0.00%	0	0	0	47.87%	106,570	97,849	204,419
9	390	Hialeah # 955												
10	390	Hialeah #933	17.84%	200,341	43,801	243,842	17.84%	63,199	13,723	76,922	17.84%	200,341	43,801	243,842
11	390	Medley Meter Shop	21.79%	35,047	9,705	44,812	21.79%	1,877	523	2,400	21.79%	35,047	9,705	44,812
12	390	1001 Office	0.00%	9,915	0	9,915	0.00%	0	0	0	0.00%	9,915	0	9,915
13	390	Rockledge Office	13.35%	105,767	25,539	131,306	13.35%	4,725	728	5,453	13.35%	105,767	25,539	131,306
14	390	Titusville Gate	18.23%	224,220	49,988	274,208	18.23%	80,984	18,044	99,028	18.23%	196,881	77,327	274,208
15	390	Treasure Coast Sign	0.00%	7,580	0	7,580	0.00%	3,179	0	3,179	0.00%	7,580	0	7,580
16	390	Melbourne Antenna Site	0.00%	2,772	0	2,772	0.00%	201	0	201	0.00%	2,772	0	2,772
17	390	New Additions - 1996	100.00%	0	1,325	1,325	100.00%	0	0	0	100.00%	0	1,325	1,325
18	390	New Additions - 1997	0.00%	112,000	0	112,000	0.00%	1,580	0	1,580	0.00%	112,000	0	112,000
19	390	TOTAL	14.35%	775,789	130,118	905,907	17.57%	157,181	33,498	190,679	21.44%	711,665	194,242	905,907

EXHIBIT 2

Plant Allocation - Schedule G-1
Projected Test Year

Account 374 - Line 2, Page 178

Description: Titusville Gate (Land)

Company Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$18,752	\$4,450	\$23,202

Staff Findings:

This land was identified as the site of the Titusville Gate Station located near the intersection of Capon Road and Knox McRea Drive in Titusville. According to the City Gas Company Allocation only 19.2% of this property was to be assigned to a non-utility function. My on-site evaluation determined that an adjustment will be necessary to allocate for a larger non-utility function. I recommend that only 28.5% of the costs associated with the purchase of this property be allowed into rate base calculations.

The approximate dimensions of this property are 346' x 152' or 52,593 square feet. (See copy of the plot plan attached.) Located on this property is a natural gas gate station occupying 7,345 square feet, a propane storage tank and related facilities occupying 10,032 square feet, an area where 8-inch steel gas pipe is stored occupying 7,615 square feet, and the remaining area of the property was found to be vacant with no apparent use. This unused portion of the property represents a 27,584 square feet area. It is recommended that 71.5% of the total area that is represented by the propane facility, and the unused portion of the property be removed from rate base for they are not used and useful for a utility function.

Staff Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$6,613	\$16,589	\$23,202

Calculations
Titusville Gate Allocation

Total Square Footage of Property

$$\begin{aligned} 328.9' \times 152.4' &= 50,124.4 \text{ Sq.Ft.} \\ 32.4' \times 152.4' \times .5 &= \underline{2,468.9} \text{ Sq.Ft.} \\ &52,593.3 \text{ Sq.Ft.} \end{aligned}$$

Gate Station Facilities

$$\begin{aligned} 36' \times 152.3' &= 5,482.8 \text{ Sq.Ft.} \\ 24' \times 60.1' &= 1,442.4 \text{ Sq.Ft.} \\ 35' \times 24' \times .5 &= \underline{420.0} \text{ Sq.Ft.} \\ &7,345.2 \text{ Sq.Ft.} \end{aligned}$$

Propane Facilities

$$\begin{aligned} 54.1' \times 152.3' &= 8,239.4 \text{ Sq.Ft.} \\ 24.0' \times 57.2' &= 1,372.8 \text{ Sq.Ft.} \\ 35' \times 24' \times .5 &= \underline{420.0} \text{ Sq.Ft.} \\ &10,032.2 \text{ Sq.Ft.} \end{aligned}$$

Pipe Storage Area

$$50' \times 152.3' = 7,615 \text{ Sq.Ft.}$$

Vacant Area

$$\begin{aligned} 164.8' \times 152.4' &= 25,115.5 \text{ Sq.Ft.} \\ 32.4' \times 152.4' \times .5 &= \underline{2,468.9} \text{ Sq.Ft.} \\ &27,584.4 \text{ Sq.Ft.} \end{aligned}$$

Allocation Percentage Calculations

Gate Station Facilities - 7,345.2 Sq.Ft. / 52,593.3 Sq.Ft = 14.0%

Propane Facilities - 10,032.2 Sq.Ft. / 52,593.3 Sq.Ft. = 19.1%

Pipe Storage Area - 7,615 Sq.Ft. / 52,593.3 Sq.Ft. = 14.5%

Vacant Area - 27,584.4 Sq.Ft. / 52,593.3 Sq.Ft. = 52.4%

	<u>Utility</u>		<u>Non-utility</u>	
Gate Station	14.0%		19.1%	Propane Facilities
Pipe Storage	<u>14.5%</u>		<u>52.4%</u>	Vacant Area
	28.5%		71.5%	
	=====		=====	

Plant Allocation - Schedule G-1
Projected Test Year

Account 374 - Line 4, Page 178

Description: Propane Sales (Land)

Company Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$12,195	\$0	\$12,195

Staff Findings:

This land was identified as the site of the old propane sales facility located on 10th Avenue in Hialeah, Florida. My on-site evaluation of this location determined the propane pumps and piping are not operational, and there was no apparent use of this property. When questioned about the proposed use of this property, system officials indicated that they have plans to use this area to park company vehicles.

If company vehicles were to be parked at that location, it appears that security would be a prohibitive problem. The property is located approximately three blocks from their other offices and there is only a 4-foot fence at the rear of the property adjacent to the public rail station. It is my findings that at the time of my evaluation there was no apparent use of this property, and it is doubtful if it will provide a utility function in the future. It is therefore recommended that the costs associated with this property be removed from rate base consideration.

Staff Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$0	\$12,195	\$12,195

Plant Allocation - Schedule G-1
Projected Test Year

Account 375 - Line 15, Page 178

Description: Propane Sales (Structures)

Company Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$11,028	\$44,114	\$55,142

Staff Findings:

This structure was identified as a small block building located on 10th Avenue where propane sales had been conducted in the past. At the time of my evaluation this building was vacant and showed no apparent use. System officials indicated that this structure could possibly be used to store records in the future. It is my opinion that this building would not be secure enough to house system records. The building has no security systems and the windows are not secured. This building is located three blocks from the other offices of City Gas Company, and it is adjacent to the public rail station.

It is my findings that the costs shown in this account should be considered entirely non-utility for the structure is not used and useful, and it appears it will remain vacant.

Staff Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$0	\$55,142	\$55,142

Plant Allocation - Schedule G-1
Projected Test Year

Account 375 - Line 16, Page 178

Description: Rockledge - Office (Structure)

Company Allocation:	<u>Utility</u> \$9,993	<u>Non-utility</u> \$2,228	<u>Total</u> \$12,221
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Staff Findings:

My evaluation of the floor space usage of the Rockledge Office differs from the City Gas Allocation. The variance results from the treatment of the appliance storage area in the warehouse. In the City Gas Allocation the appliance storage area was allocated using the customer billing ratio and payroll distributions. In my evaluation, I totally eliminated the appliance storage area from rate base consideration as the appliance sales and leasing is a non-utility function. My allocation of the Rockledge Office floor space determined that only 71.8% is used for a utility and 28.2% for a non-utility functions. My calculations are attached.

Staff Allocation:	<u>Utility</u> \$8,775	<u>Non-utility</u> \$3,446	<u>Total</u> \$12,221
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Calculations
Rockledge Office Allocation

Total Square Footage, Rockledge Office

Operations	-	57.6' x 18.2'	=	1,048.3 sq.ft.
Commercial Rep.	-	22.7' x 10.7'	=	242.9 sq.ft.
Lobby Area	-	34.5' x 33.6'	=	1,159.2 sq.ft.
Service Dept.	-	32.3' x 48.2'	=	1,556.9 sq.ft.
*Break Area	-	29.8' x 12.1'	=	360.6 sq.ft.
Executive Area	-	46.9' x 28.0'	=	1,313.2 sq.ft.
Coffee & Sales	-	16.0' x 11.2'	=	179.2 sq.ft.
Warehouse	-	28.0' x 90.0'	=	2,520.0 sq.ft.
*Loading Dock-north	-	10.3' x 14.7'	=	151.4 sq.ft.
*Loading Dock-south	-	12.0' x 6.3'	=	75.6 sq.ft.
Appliance Warehouse	-	52.2' x 40.8'	=	2,129.8 sq.ft.
*Fleet Maintenance	-	27.9' x 30.9'	=	862.1 sq.ft.
2nd Floor Records	-	28.0' x 16.4'	=	459.2 sq.ft.
2nd Floor Storage	-	44.0' x 12.0'	=	528.0 sq.ft.
Total				<u>12,586.4 sq.ft.</u>

* Not considered in City Gas Allocation - 1,294.8 sq.ft. Total

Regulated Utility Usage

Operations	-	57.6' x 18.2'	=	1,048.3 sq.ft.
Meter Storage	-	30.0' x 12.0'	=	360.0 sq.ft.
Distribution Storage	-	28.0' x 22.5'	=	630.0 sq.ft.
2nd Floor Records	-	16.4' x 28.0'	=	459.2 sq.ft.
2nd Floor Regulators	-	12.0' x 24.0'	=	288.0 sq.ft.
Total				<u>2,785.5 sq.ft.</u>

Non-utility Usage Area

Appliance Display	-	6.0' x 18.0'	=	108.0 sq.ft.
Appliance Display	-	12.0' x 18.0'	=	216.0 sq.ft.
Appliance Storage N	-	10.2' x 38.8'	=	395.8 sq.ft.
" "	-	14.0' x 10.2'	=	142.8 sq.ft.
Appliance Storage S	-	17.7' x 52.2'	=	923.9 sq.ft.
" "	-	23.1' x 31.5'	=	727.7 sq.ft.
2nd Floor Appl Parts	-	20.0' x 12.0'	=	240.0 sq.ft.
Total				<u>2,754.2 sq.ft.</u>

Utility Area 2,785.5 sq.ft.
Non-utility Area 2,754.2 sq.ft.
Total 5,539.7 sq.ft.

Total Area 12,586.4 sq.ft.
Combined Usage - 5,539.7 sq.ft.
7,046.7 sq.ft.

Allocation of Combined Use Area - 7,046.7 sq.ft.

I recommend that the Combined Use Area be allocated using the payroll distribution percentage of 88.65% utility and 11.35% Non-utility.

Allocated to Utility

7,046.7 sq.ft. - Combined Area
X .8865
6,246.9 sq.ft.

Allocated to Non-utility

7,046.7 sq.ft. - Combined Area
X .1135
799.8 sq.ft.

Final Allocation

Utility Usage

2,785.5 sq.ft.
6,246.9 sq.ft.
9,032.4 sq.ft.

Non-utility Usage

2,754.2 sq.ft.
799.8 sq.ft.
3,554.0 sq.ft.

Allocation Percentages

Utility	9,032.4 sq.ft. / 12,586.4 sq.ft.	=	71.8%
Non-utility	3,554.0 sq.ft. / 12,586.4 sq.ft.	=	28.2%

¹ Payroll Distribution Percentage obtained from Common Plant Allocation report of Mr. Glyn Hazelden. This percentage has been verified by Commission auditors.

Plant Allocation - Schedule G-1
Projected Test Year

Account 375 - Line 17, Page 178

Description: Titusville Gate (Improvements)

Company Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$10,984	\$0	\$10,984

Staff Findings:

As determined from information provided by Company officials, the dollars shown in this account represent fencing and street improvements. My on-site evaluation determined that the fencing and street improvements are for both the natural gas gate station and the propane storage facility. Therefore, I recommend that an allocation be performed on a square footage basis. The gate station piping occupies 7,345 sq.ft., and the propane facility occupies 10,032 sq.ft. The allocation should be made on a 42.3% utility and 57.7% non-utility ratio.

Staff Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$4,646	\$6,338	\$10,984

Calculations

Gate Station Facilities

36' x 152.3'	=	5,482.8 sq.ft.	
24' x 60.1'	=	1,442.4 sq.ft.	
35' x 24' x .5	=	<u>420.0</u> sq.ft.	
		7,345.2 sq.ft.	<u>Total Area</u>
			<u>Within Fence</u>

Propane Facilities

54.1' x 152.3'	=	8,239.4 sq.ft.	7,345.2 sq.ft.
24.0' x 57.2'	=	1,372.8 sq.ft.	<u>10,032.2</u> sq.ft.
35' x 24' x .5	=	<u>420.0</u> sq.ft.	17,377.4 sq.ft.
		10,032.2 sq.ft.	

Percentage Calculations

10,032 sq.ft. / 17,377 sq.ft.	=	57.7%	Non-utility
7,345 sq.ft. / 17,377 sq.ft.	=	42.3%	Utility

Plant Allocation - Schedule G-1
Projected Test Year

Account 375 - Line 20. Page 178

Description: New Additions - 1996

Company Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$60,000	\$0	\$60,000

Staff Findings:

System officials identified the 1996 new additions as follows:

Roof Repair (#933 Building)	-	\$20,000
Hurricane Shutters (933, 955 & 1001 Buildings)	-	38,000
Vero Beach Gate Station Fence	-	1,000
Ocean Spray Gate Station Fence	-	<u>1,000</u>
Total		\$60,000

The roof repairs to the 933 building should be allocated using the percentage calculated for that building in the Common Plant Allocation of Mr. Glyn Hazelden, i.e., 78.21% Utility Usage.

Utility Usage

\$20,000
x .7821
\$15,642

Non-utility Usage

\$20,000
-15,642
\$ 4,358

The hurricane shutters expenditures should be allocated on a combined percentage of the three building on which they were installed. The calculation of the combined percentage, i.e., 82.34% is derived from the Common Plant Allocation Report of Mr. Glyn Hazelden.

Utility Usage

\$38,000
 X .8234
 \$31,289

Non-utility Usage

\$38,000
 -31,289
 \$ 6,711

The \$2,000 for fencing of the two Gate Stations should be allocated to utility operations.

Total Utility Usage

\$15,642
 31,289
 2,000
 \$48,931

Total Non-utility Usage

\$4,358
 6,711
 \$11,069

Staff Adjustment:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$48,931	\$11,069	\$60,000

Plant Allocation - Schedule G-1
Projected Test Year

Account 389 - Line 1, Page 179

Description: Rockledge Office (Land)

Company Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$65,982	\$14,714	\$80,696

Staff Findings:

The land charges shown in that account represent land for a propane storage facility and the land of the Rockledge Office Building. An allocation of this account will be necessary. The square footage occupied by the propane facility should be disallowed from rate base consideration, and the portion of the property on which the Rockledge Office and Parking Lot are located should be allocated on the same percentage ratio calculated for the office floor space usage in Account 375 - Line 15, Page 17, i.e., 71.8% Utility and 28.2% Non-utility. The calculations shown below determine that the land charges in this account should be allocated on a ratio of 52.0% Utility and 48.0% Non-utility basis.

Staff Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$41,962	\$38,734	\$80,696

Calculations
Rockledge Office - Land

Total Square Footage of Property

215' x 456'	=	98,040 sq.ft.	Remaining Area
Propane Storage Facility			<u>Rockledge Office</u>
126' x 215'	=	27,090 sq.ft.	98,040 sq.ft.
			- <u>27,090</u> sq.ft.
			70,950 sq.ft.

Allocation of Rockledge Office Portion

Utility

70,950 sq.ft.
x .718
50,942 sq.ft.

Non-utility

70,950 sq.ft.
x .282
20,008 sq.ft.

Final Allocation

Utility

50,942 sq.ft.
0
50,942 sq.ft.

Office Portion
Propane Facility

Non-utility

20,008 sq.ft.
27,090 sq.ft.
47,098 sq.ft.

Percentage Calculation

50,942 sq.ft. / 98,040 sq.ft. = 52.0% Utility
47,098 sq.ft. / 98,040 sq.ft. = 48.0% Non-utility

Plant Allocation - Schedule G-1
Projected Test Year

Account 390 - Line 13, Page 179

Description: Rockledge Office (Improvements)

Company Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$224,220	\$49,988	\$274,208

Staff Findings:

System officials stated that the \$274,208 worth of improvements are not identifiable to any specific portion of the Rockledge Office and should be considered as general improvements to entire structure as a whole. It is therefore recommended that this account total should be allocated on the same percentage ratio as was Account 375 - Line 15, Page 17, i.e., 71.8% Utility and 28.2% Non-utility functions.

My evaluation of the floor space usage of the Rockledge Office differs from the City Gas Allocation. The variance results from the treatment of the appliance storage area in the warehouse. In the City Gas Allocation the appliance storage area was allocated using the customer billing ratio and payroll distributions. In my evaluation, I totally eliminated the appliance storage area from rate base consideration as the appliance sales and leasing is a non-utility function. Allocation calculations are attached.

Staff Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$196,881	\$77,327	\$274,208

Calculations
Rockledge Office Allocation

Total Square Footage, Rockledge Office

Operations	-	57.6' x 18.2'	=	1,048.3 sq.ft.
Commercial Rep.	-	22.7' x 10.7'	=	242.9 sq.ft.
Lobby Area	-	34.5' x 33.6'	=	1,159.2 sq.ft.
Service Dept.	-	32.3' x 48.2'	=	1,556.9 sq.ft.
*Break Area	-	29.8' x 12.1'	=	360.6 sq.ft.
Executive Area	-	46.9' x 28.0'	=	1,313.2 sq.ft.
Coffee & Sales	-	16.0' x 11.2'	=	179.2 sq.ft.
Warehouse	-	28.0' x 90.0'	=	2,520.0 sq.ft.
*Loading Dock-north	-	10.3' x 14.7'	=	151.4 sq.ft.
*Loading Dock-south	-	12.0' x 6.3'	=	75.6 sq.ft.
Appliance Warehouse	-	52.2' x 40.8'	=	2,129.8 sq.ft.
*Fleet Maintenance	-	27.9' x 30.9'	=	862.1 sq.ft.
2nd Floor Records	-	28.0' x 16.4'	=	459.2 sq.ft.
2nd Floor Storage	-	44.0' x 12.0'	=	528.0 sq.ft.
		Total		12,586.4 sq.ft.

* Not considered in City Gas Allocation - 1,294.8 sq.ft. Total

Regulated Utility Usage

Operations	-	57.6' x 18.2'	=	1,048.3 sq.ft.
Meter Storage	-	30.0' x 12.0'	=	360.0 sq.ft.
Distribution Storage	-	28.0' x 22.5'	=	630.0 sq.ft.
2nd Floor Records	-	16.4' x 28.0'	=	459.2 sq.ft.
2nd Floor Regulators	-	12.0' x 24.0'	=	288.0 sq.ft.
		Total		2,785.5 sq.ft.

Non-utility Usage Area

Appliance Display	-	6.0' x 18.0'	=	108.0 sq.ft.
Appliance Display	-	12.0' x 18.0'	=	216.0 sq.ft.
Appliance Storage N	-	10.2' x 38.8'	=	395.8 sq.ft.
" " "	-	14.0' x 10.2'	=	142.8 sq.ft.
Appliance Storage S	-	17.7' x 52.2'	=	923.9 sq.ft.
" " "	-	23.1' x 31.5'	=	727.7 sq.ft.
2nd Floor Appl Parts	-	20.0' x 12.0'	=	240.0 sq.ft.
		Total		2,754.2 sq.ft.

Utility Area	2,785.5 sq.ft.	Total Area	12,586.4 sq.ft.
Non-utility Area	<u>2,754.2 sq.ft.</u>		- <u>5,539.7 sq.ft.</u>
Total	5,539.7 sq.ft.	Combined Usage	7,046.7 sq.ft.

Allocation of Combined Use Area - 7,046.7 sq.ft.

I recommend that the Combined Use Area be allocated using the payroll distribution percentage of 88.65% utility and 11.35% Non-utility¹.

Allocated to Utility

7,046.7 sq.ft. - Combined Area
X .8865
6,246.9 sq.ft.

Allocated to Non-utility

7,046.7 sq.ft. - Combined Area
X .1135
799.8 sq.ft.

Final Allocation

Utility Usage

2,785.5 sq.ft.
6,246.9 sq.ft.
9,032.4 sq.ft.

Non-utility Usage

2,754.2 sq.ft.
799.8 sq.ft.
3,554.0 sq.ft.

Allocation Percentages

Utility	9,032.4 sq.ft. / 12,586.4 sq.ft.	=	71.8%
Non-utility	3,554.0 sq.ft. / 12,586.4 sq.ft.	=	28.2%

¹ Payroll Distribution Percentage obtained from Common Plant Allocation report of Mr. Glyn Hazelden. This percentage has been verified by Commission auditors.

Plant Allocation - Schedule G-1
Projected Test Year

Account 390 - Line 14, Page 179

Description: Titusville Gate (Improvements)

Company Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$7,580	\$0	\$7,580

Staff Findings:

As determined from information provided by Company officials, the dollars shown in this account represent fencing and street improvements. My on-site evaluation determined that the fencing and street improvements are for both the natural gas gate station and the propane storage facility. Therefore, I recommend that an allocation be performed on a square footage basis. The gate station piping occupies 7,345 sq.ft., and the propane facility occupies 10,032 sq.ft. The allocation should be made on a 42.3% utility and 57.7% non-utility ratio.

Staff Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$3,206	\$4,374	\$7,580

Calculations

Gate Station Facilities

36' x 152.3'	=	5,482.8 sq.ft.	
24' x 60.1'	=	1,442.4 sq.ft.	
35' x 24' x .5	=	<u>420.0</u> sq.ft.	
		7,345.2 sq.ft.	<u>Total Area</u> <u>Within Fence</u>

Propane Facilities

			7,345.2 sq.ft.
			<u>10,032.2</u> sq.ft.
			17,377.4 sq.ft.
54.1' x 152.3'	=	8,239.4 sq.ft.	
24.0' x 57.2'	=	1,372.8 sq.ft.	
35' x 24' x .5	=	<u>420.0</u> sq.ft.	
		10,032.2 sq.ft.	

Percentage Calculations

10,032 sq.ft. / 17,377 sq.ft.	=	57.7%	Non-utility
7,345 sq.ft. / 17,377 sq.ft.	=	42.3%	Utility

Plant Allocation - Schedule G-1
Projected Test Year

Account 390 - Line 15, Page 179

Description: Treasure Coast Sign

Company Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$2,772	\$0	\$2,772

Staff Findings:

This expenditure was identified as the "City Gas Company" sign installed at the former division office at 1323 N.W. St. Lucie West Boulevard. The division office has recently been moved to 1340 Bayshore Boulevard. This new office did not have a sign at the time of my on-site evaluation. Upon questioning company personnel, it was determined that the old sign is too large to be installed at the new office location, and there are no plans to use the old sign. It is therefore recommended that the costs associated with this sign be removed from rate base consideration due to it not being used and useful.

Staff Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$0	\$2,772	\$2,772

Plant Allocation - Schedule G-1
Projected Test Year

Account 390 - Line 17, Page 179

Description: New Additions - 1996

Company Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$112,000	\$0	\$112,000

Staff Findings:

System officials have identified the 1996 new additions as follows:

Hurricane shutters for 933, 955 & 1001 buildings	-	\$32,000
Stand-by power system for 933, 955 & 1001 buildings	-	35,000
Brevard Office roof repair	-	15,000
Exterior Painting, renovation & company sign	-	<u>30,000</u>
Total		\$112,000

The allocation of the hurricane shutters and stand-by power system should be based on the combined percentage obtained from the Common Plant Allocation Report of Mr. Glyn Hazelden, i.e., 82.34% Utility Usage.

Utility Usage

\$67,000
X .8234
\$55,168

Non-utility Usage

\$67,000
-55,168
\$11,832

The roof repair, exterior painting and sign of the Rockledge Office should be allocated a 71.8% utility usage derived from my on-site evaluation of the Rockledge facility.

Utility Usage

\$45,000
x .718
\$32,310

Non-utility Usage

\$45,000
-32,310
\$12,690

Total Utility Usage

\$55,168
32,310
\$87,478

Total Non-utility Usage

\$11,832
12,690
\$24,522

Staff Adjustment:

Utility
\$87,478

Non-utility
\$24,522

Total
\$112,000

Plant Allocation - Schedule G-1
Projected Test Year

Account 390 - Line 18, Page 179

Description: New Additions - 1997

Company Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$18,147	\$0	\$18,147

Staff Findings:

System officials have identified these additions as follows:

Brevard-Upgrade/Renovation Office & Sales Dept.	-	\$35,000
Port St. Lucie-Leasehold Improvements	-	<u>2,000</u>
		\$37,000

It is recommended that these expenditures be allocated based on the Rockledge Office allocation percentage derived from my on-site evaluation of the facility, i.e., 71.8% Utility Usage.

Utility Usage

\$18,147
X .718
\$13,030

Non-utility Usage

\$18,147
13,030
5,117

Staff Adjustment:

Utility
\$13,030

Non-utility
\$5,117

Total
\$18,147

Plant Allocation - Schedule G-1
Projected Test Year

Account 391

Description: Office Furniture & Equipment

Company Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$1,381,345	\$291,391	\$1,672,736

Staff Findings:

This office furniture and equipment exists in five office locations: (1) 955 Building-Hialeah, (2) 933 Building-Hialeah, (3) Medley Meter Shop, (4) 1001 Building-Hialeah and (5) Rockledge Office. The recommended allocation methodology is to apply the weighted average obtained by combining the allocation percentages calculated for each office location.

<u>Location</u>		<u>Utility %</u>
Rockledge Office	-	71.8% *
955 Building	-	82.2%
933 Building	-	78.2%
1001 Building	-	86.7%
Medley Meter Shop	-	86.1%
		405.0%

Weighted Average - 405.0% / 5 = 81.0% Utility

* The only adjustment resulted from the variance in allocation methodology applied to the Rockledge Office. City Gas used 81.77% as the allocation percentage for the Rockledge Office.

Staff Allocation:	<u>Utility</u>	<u>Non-utility</u>	<u>Total</u>
	\$1,354,916	\$317,820	\$1,672,736

EXHIBIT 3

CALCULATIONS OF TEST YEAR +1 - RATE BASE
PREPARED BY: ROGER FLETCHER

ACCOUNT NUMBER	DESCRIPTION OF PROPOSED PURCHASES AND/OR CONSTRUCTION PROJECTS*	DATE OF PROPOSED PURCHASE OF CONSTRUCTION (XXXXXX)	PURCHASE PRICE OF CONSTRUCTION COSTS	STAFF ADJUSTMENT	ADJUSTED COSTS	NON-UTILITY PERCENTAGE	DATE OF RELATED RETIREMENT (XXXXXX)	RETIREMENT AMOUNT OF RELATED RETIREMENT	STAFF ADJUSTMENT	ADJUSTED RETIREMENT AMOUNT	SALVAGE VALUE OF RELATED RETIREMENT
375	DISTRIBUTION STRUCTURES	VARIOUS									
378	HIGHWAY & MUNI WORK & UNDERGROUND MAINS	VARIOUS	60,000	6,810	53,190	11.35%	N/A	0	0	0	
379	GATE STATIONS	VARIOUS	4,454,009	1,570,019	2,883,990	35.25%	VARIOUS	216,000	76,140	139,860	
380	SERVICE LINES	VARIOUS	367,200	80,000	287,200	21.79%	N/A	0	0	0	
381	METERS	VARIOUS	2,138,820	258,237	1,880,583	12.07%	VARIOUS	187,200	22,595	164,605	
382	METER INSTALLATIONS	VARIOUS	291,709	17,438	274,271	5.98%	VARIOUS	85,200	5,095	90,105	
383	REGULATORS	VARIOUS	95,218	8,004	87,214	8.41%	VARIOUS	20,784	1,748	19,036	
384	REGULATORS INSTALLATIONS	VARIOUS	92,644	3,963	88,681	4.30%	VARIOUS	1,848	79	1,769	
385	INDUSTRIAL M&R STATION EQUIP.	VARIOUS	46,671	5,048	41,623	10.82%	VARIOUS	8,928	966	7,962	
389	LAND	VARIOUS	226,619	0	226,619	0%	N/A	0	0	0	
390	GENERAL PLANT STRUCTURES	VARIOUS	29,000	19,000	10,000	65.52%	N/A	0	0	0	
391.2	OFFICE EQUIPMENT	VARIOUS	112,000	12,712	99,288	11.35%	N/A	0	0	0	
392.2	AUTOS & TRUCKS	VARIOUS	64,992	7,377	57,615	11.35%	VARIOUS	7,596	862	6,734	
393	STORES EQUIPMENT	VARIOUS	33,500	3,802	29,698	11.35%	VARIOUS	69,972	7,942	62,030	
394	TOOLS & EQUIPMENT	VARIOUS	1,500	0	1,500	0%	N/A	0	0	0	
397	COMMUNICATION EQUIPMENT	VARIOUS	129,965	0	129,965	0%	N/A	0	0	0	
398	OTHER	VARIOUS	27,500	3,121	24,379	11.35%	N/A	0	0	0	
		VARIOUS	133,476	0	133,476	0%	N/A	0	0	0	
	TOTAL		\$ 8,304,823	1,995,551	\$ 6,309,272			\$ 597,528	115,427	482,101	
							TOTAL RETIREMENTS				

**PLANT ADDITIONS - TEST YEAR +1
ALLOCATION METHODOLOGY**

ACCOUNT NUMBER	DESCRIPTION OF PROPOSED PURCHASES AND/OR CONSTRUCTION PROJECTS*	Method of Allocation
375	DISTRIBUTION STRUCTURES	Payroll Distributions @ 11.35%
376	HIGHWAY & MUNI WORK & UNDERGROUND MAINS	Actual Construction Project Evaluation
379	GATE STATIONS	Actual Construction Project Evaluation & Trending
380	SERVICE LINES	Actual Construction Project Evaluation & Trending
381	METERS	Actual Construction Project Evaluation & Trending
382	METER INSTALLATIONS	Actual Construction Project Evaluation & Trending
383	REGULATORS	Actual Construction Project Evaluation & Trending
384	REGULATORS INSTALLATIONS	Actual Construction Project Evaluation & Trending
385	INDUSTRIAL M&R STATION EQUIP.	N/A
389	LAND	Actual Construction Project Evaluation
390	GENERAL PLANT STRUCTURES	Payroll Distributions @ 11.35%
391.2	OFFICE EQUIPMENT	Payroll Distributions @ 11.35%
392.2	AUTOS & TRUCKS	Payroll Distributions @ 11.35%
393	STORES EQUIPMENT	N/A
394	TOOLS & EQUIPMENT	N/A
397	COMMUNICATION EQUIPMENT	Payroll Distributions @ 11.35%
398	OTHER	N/A

Plant Additions - Test Year +1
All Divisions

<u>Account</u>	<u>Adjustment</u>
376 - Mains	\$1,570,019
379 - Gate Station	80,000
380 - Services	258,237
381 - Meters	17,438
382 - Meter Inst.	8,004
383 - House Regulators	3,983
384 - Regulator Inst.	5,048
389 - Land & Land Rights	<u>19,000</u>
Total	\$1,961,727

ADJUSTED CONSTRUCTION PROJECTS
TEST YEAR +1
 (Account 376)

Miami Division

<u>Project</u>	<u>Cost</u>	<u>Revised Construction Date</u>
Homestead Lateral	\$440,000	Purchase - February 1997
Hamlet Homes	42,000	Cancelled
Lake By The Bay #II	56,400	Cancelled
Mayte Homes	39,000	Cancelled
Wetlzer Homes	<u>80,000</u>	Cancelled
	\$657,400	

Treasure Coast Division

<u>Project</u>	<u>Cost</u>	<u>Revised Construction Date</u>
Cashmere Blvd.-The Links	\$19,500	January 1997
Harbor Isles at Lake Charles	14,475	Cancelled
Palms at St. Lucie West	23,400	December 1996
Pultie Homes Condo Project	10,244	March 1997
Bayshore Blvd. Project	279,000	September 1996
US 1 To Treasure Coast Mall	<u>180,000</u>	November 1996
	\$526,619	

Vero Beach Division

<u>Project</u>	<u>Cost</u>	<u>Revised Construction Date</u>
Vero Beach North	\$386,000	February 1997

Total Adjustment \$1,570,019
 =====

Cancelled
 \$231,875

Rescheduled
 \$1,338,144

Plant Additions - Test Year +1
Miami Additions

<u>Account</u>	<u>Adjustment</u>
376 - Mains	\$657,400
380 - Services	23,808
381 - Meters	3,520
382 - Meter Inst.	2,112
383 - House Regulators	832
384 - Regulator Inst.	<u>1,024</u>
Total	\$688,696

Plant Additions - Test Year +1

Account 376 - Mains

Project: Homestead Lateral

Cost: \$440,000

Staff Findings:

City Gas Company has plans to purchase 16.8 miles of 4-inch steel main from Florida Gas Transmission (FGT). The main is part of the dual feed transmission system that supplies the City of Homestead Generating Plant. An agreement was reached with FGT to complete the sale and on February 29, 1996, FGT petitioned the Federal Energy Regulatory Commission (FERC) for abandonment and sale of this pipeline. Prior to receiving FERC approval, the City of Homestead entered a motion to intervene and protest the proposed sale. According to the FERC docket this matter will not be heard until January 1997. The sale of this pipeline to City Gas is not possible until the FERC proceedings have been completed. It will therefore be necessary to remove cost of purchasing this pipeline from the projected Test Year +1 calculations.

It is recommended that the dollars associated with the purchase of the Homestead Lateral be removed from the Test Year +1 calculations for the purchase of this facility is behind schedule and will not take place until Fiscal Year 1997.

Staff Adjustment:

Schedule G-1, Account 376, page 24 of 28, Line 6-Mains should be reduced by \$440,000 during April 1996. This adjustment will result in a total reduction to the account of \$440,000 for Fiscal Year 1996.

Plant Additions - Test Year +1

Account 376 - Mains

Project: Hamlet Homes (Miami)

Cost: \$42,000

Staff Findings:

This project was planned to provide gas service to the Hamlet Homes development. It was to consist of the installation of 4232 feet of main at a cost of approximately \$42,000. Construction of the gas main was to begin during June 1996. However, an agreement was not reached with the housing developer and this project had to be cancelled. System officials stated that this project will not take place.

City Gas Company's proposed construction budget indicates that main additions of \$42,000 will be booked during July 1996. Since this project has been cancelled, it is recommended that the dollars associated with installing gas main to the Hamlet Homes Development be removed from the Test Year +1 calculations.

Staff Adjustment:

Schedule G-1, Account 376, page 24 of 28, Line 6-Mains should be reduced by \$42,000 during July 1996. This adjustment will result in a total reduction to the account of \$42,000 for Fiscal Year 1996.

Plant Additions - Test Year +1

Account 376 - Mains

Project: Lakes By The Bay # II (Miami)

Cost: \$56,400

Staff Findings:

This project was planned to provide gas service to the Lakes By The Bay #II housing development. It was to consist of the installation of 5,315 feet of main at a cost of approximately \$56,400. Construction of the gas main was to begin during April 1996. However, an agreement was not reached with the housing developer and this project had to be cancelled. System officials stated that this project will not take place.

City Gas Company's proposed construction budget indicates that main additions of \$56,400 will be booked during May 1996. Since this project has been cancelled, it is recommended that the dollars associated with installing gas main to the Lakes By The Bay #II Housing Development be removed from the Test Year +1 calculations.

Staff Adjustment:

Schedule G-1, Account 376, page 24 of 28, Line 6-Mains should be reduced by \$56,400 during May 1996. This adjustment will result in a total reduction to the account of \$56,400 for Fiscal Year 1996.

Plant Additions - Test Year +1

Account 376 - Mains

Project: Mayte Homes (Miami)

Cost: \$39,000

Staff Findings:

This project was planned to provide gas service to the Mayte Homes housing development. It was to consist of the installation of 4,641 feet of main at a cost of approximately \$39,000. Construction of the gas main was to begin during January 1996. However, an agreement was not reached with the housing developer and this project had to be cancelled. System officials stated that this project will not take place.

City Gas Company's proposed construction budget indicates that main additions of \$56,400 will be booked during February 1996. Since this project has been cancelled, it is recommended that the dollars associated with installing gas main to the Mayte Homes Housing Development be removed from the Test Year +1 calculations.

Staff Adjustment:

Schedule G-1, Account 376, page 24 of 28, Line 6-Mains should be reduced by \$39,000 during February 1996. This adjustment will result in a total reduction to the account of \$39,000 for Fiscal Year 1996.

Plant Additions - Test Year +1

Account 376 - Mains

Project: Weltzer Homes (Miami)

Cost: \$80,000

Staff Findings:

This project was planned to provide gas service to the Weltzer Homes housing development. It was to consist of the installation of 6,883 feet of main at a cost of approximately \$80,000. Construction of the gas main was to begin during August 1996. However, an agreement was not reached with the housing developer and this project had to be cancelled. System officials stated that this project will not take place.

City Gas Company's proposed construction budget indicates that main additions of \$56,400 will be booked during September 1996. Since this project has been cancelled, it is recommended that the dollars associated with installing gas main to the Weltzer Homes Housing Development be removed from the Test Year +1 calculations.

Staff Adjustment:

Schedule G-1, Account 376, page 24 of 28, Line 6-Mains should be reduced by \$80,000 during September 1996. This adjustment will result in a total reduction to the account of \$80,000 for Fiscal Year 1996.

Plant Additions - Test Year +1

Service Line Installation Accounts

In an attempt to establish the adjustments necessary to reflect the reduced construction activities of the Miami Division during Fiscal Year 1996, a calculation was performed using information provided by Mr. Ramiro Sicre, Marketing Manager, Miami Division. This information identified projects that have been cancelled and described the proposed construction, including the estimated footage and number of services. According to Mr. Sicre's information 64 services would be installed in conjunction with the cancelled projects. To obtain the final adjustment figures, the 64 services and related equipment were multiplied by average cost of each item. These average costs were provided by system officials.

<u>Account</u>	<u>Description</u>	<u>Average Costs</u>	<u>Units</u>	<u>Adjustment Total</u>
380	Service lines	\$372	64	\$23,808
381	Meters	55	64	3,520
382	Meter Installation	33	64	2,112
383	House Regulators	13	64	832
384	Regulator Inst.	16	64	<u>1,024</u>
			Total	\$31,296

Plant Additions - Test Year +1

Vero Beach North Project
Summary

<u>Account Number</u>	<u>Adjustment</u>
379 - Gate Station	\$80,000
380 - Services	\$101,664
381 - Meters	\$2,280
382 - Meter Installation	\$873
383 - House Regulators	\$375
384 - Regulator Installation	\$435
389 - Land & Land Rights	<u>\$19,000</u>
Total	\$204,627

Plant Additions - Test Year +1

Account 376 - Mains

Project: Vero Beach North (City of Vero & Environs)

Cost: \$386,000

Staff Findings:

City Gas Company's proposed construction budget indicates that there would be \$386,000 in main additions during Fiscal Year 1996. These dollars were identified as the cost of purchasing an existing pipeline that, was previously owned and operated by Florida Gas Transmission. A territorial settlement has been reached and this pipeline has been purchased. Currently the pipeline is being operated at transmission pressures. Plans are to install a gate station to reduce the delivery pressure. Construction of this gate station is behind schedule and estimates are that it will not be in service until January 1997. According to system officials City Gas Company will not be able to serve customers from this pipeline until the gate station is in service.

The Projected Test Year +1 calculations presented in Schedule G-1 include the cost of this main as used and useful. The \$386,000 is shown as plant additions. At the time of my evaluation on July 20, 1996, City Gas Company was serving no customers from this pipeline. It therefore could not be considered used and useful.

It is recommended that an adjustment be made to remove the costs associated with the purchase of this pipeline from the Test Year +1 calculations. It will be appropriate to include it into the Projected Test Year calculation for it appears that completion of the new gate station will occur in the first quarter of Fiscal Year 1997. Until this pipeline is placed in service and customers are served, it is recommended that the \$386,000 be entered into Account 105 - Gas Plant Held For Future Use.

Staff Adjustment:

Schedule G-1, Account 376, page 24 of 28, Line 6 - Mains should be reduced by \$386,000 in the month of July 1996.

Plant Additions - Test Year +1

Account 379 - Gate Station

Project: Vero Beach North (City of Vero & Environs)

Cost: \$80,000

Staff Findings:

During June 1996, City Gas obtained a settlement with South Florida Natural Gas Company and purchased an existing gas main in Vero Beach, Florida. According to the proposed Test Year +1 budget set out in Schedule G-1, page 24 of 28, a new gate station costing \$80,000 would be completed and booked by June 1996. Upon discussing this project with Mr. Richard Wall, Vice President of Operations it was determined that construction of this gate station is behind schedule and will not be completed until Fiscal Year 1997. It is estimated that the new gate station will be completed and booked by January 1997.

My investigation determined that City Gas has obtained Florida Gas Transmission's and Federal Energy Regulatory Commission's approvals to construct this gate station. However, as of July 12, 1996 no land had been purchased for this gate station facility. It was also determined that the system's Continuing Property Records show no entries for any assets in the Vero Beach Division as of July 1996.

It is my determination that this gate station will not be constructed during Fiscal Year 1996 and it is recommended that an adjustment be made to the Test Year +1 proposed plant additions to reflect the delay of construction.

Staff Adjustment:

Schedule G-1, Account 379, page 24 of 28, line 8 - M&R Station Equipment, Gate should be reduced by \$80,000 in the Month of July 1996. The entry should read \$35,500.

Plant Additions - Test Year +1

Account 380 - Services

Project: Vero Beach North (City of Vero & Environs)

Cost: \$101,664

Staff Findings:

City Gas Company's proposed construction budget indicates that \$33,888 worth of service lines will be installed during each month of July, August and September 1996 for a total of \$101,664 during Fiscal Year 1996. My evaluation determined that the expenditures for service line installation has not taken place as of July 20, 1996 and according to Mr. Richard Wall, Vice President of Operations, the construction of these service lines will not take place until Fiscal Year 1997.

It is my estimates that construction of the related service lines will begin in February 1997 and continue through June 1997. It is recommended that the proposed service line installations be booked as follows:

\$33,888	-	March 1997
\$33,888	-	May 1997
\$33,888	-	July 1997
<u>\$101,664</u>		

Staff Adjustment:

Schedule G-1, Account 380, page 24 of 28, line 9 - Services should be reduced by \$33,888 for each of the months of August and September 1996 (FY 96). October 1997 (FY 97) should also be reduced by \$33,888.

Plant Additions - Test Year +1

Account 381 - Meters

Project: Vero Beach North (City of Vero & Environs)

Cost: \$2,280

Staff Findings:

City Gas Company's proposed construction budget indicates that \$760 worth of meters will be installed during each month of July, August and September 1996 for a total of \$2,280 during Fiscal Year 1996. My evaluation determined that the expenditures for meter installation has not taken place as of July 20, 1996 and according to Mr. Richard Wall, Vice President of Operations, the installation of these meters will not take place until Fiscal Year 1997.

It is my estimates that installation of these meters will begin in February 1997 and continue through June 1997. It is recommended that the proposed meter installations be booked as follows:

\$760	-	March 1997
\$760	-	May 1997
<u>\$760</u>	-	July 1997
\$2,280		

Staff Adjustment:

Schedule G-1, Account 381, page 24 of 28, line 10 - meters should be reduced by \$760 for each of the months of August and September 1996 (FY 96). October 1997 (FY 97) should also be reduced by \$760.

Plant Additions - Test Year +1
Account 382 - Meter Installation

Project: Vero Beach North (City of Vero & Environs)

Cost: \$873

Staff Findings:

City Gas Company's proposed construction budget indicates that \$291 worth of meter installations will be completed during each month of July, August and September 1996 for a total of \$873 during 1996. My evaluation determined that the expenditures for meter installations have not taken place as of July 20, 1996 and according to Mr. Richard Wall, Vice President of Operations, the installation of these meters will not take place until Fiscal Year 1997.

It is my estimates that installation of these meters will begin in February 1997 and continue through June 1997. It is recommended that the proposed meter installations be booked as follows:

\$291	-	March 1997
\$291	-	May 1997
<u>\$291</u>	-	July 1997
\$873		

Staff Adjustment:

Schedule G-1, Account 382, page 24 of 28, line 11 - meter installations should be reduced by \$291 for each of the months of August and September 1996 (FY 96). October 1997 (FY 97) should also be reduced by \$291.

Plant Additions - Test Year +1
Account 383 - House Regulators

Project: Vero Beach North (City of Vero & Environs)
Cost: \$375

Staff Findings:

City Gas Company's proposed construction budget indicates that \$125 worth of regulator will be installed during each month of July, August and September 1996 for a total of \$375 during 1996. My evaluation determined that the expenditures for regulators have not taken place as of July 20, 1996 and according to Mr. Richard Wall, Vice President of Operations, the installation of these regulators will not take place until Fiscal Year 1997.

It is my estimates that installation of these regulators will begin in February 1997 and continue through June 1997. It is recommended that the proposed regulators be booked as follows:

\$125	-	March 1997
\$125	-	May 1997
<u>\$125</u>	-	July 1997
\$375		

Staff Adjustment:

Schedule G-1, Account 383, page 24 of 28, line 12 - House Regulators should be reduced by \$125 for each of the months of August and September 1996 (FY 96). October 1997 (FY 97) should also be reduced by \$125.

Plant Additions - Test Year +1

Account 384 - House Regulators Installation

Project: Vero Beach North (City of Vero & Environs)
Cost: \$435

Staff Findings:

City Gas Company's proposed construction budget indicates that \$145 worth of regulator installations will be completed during each month of July, August and September 1996 for a total of \$435 during 1996. My evaluation determined that the expenditures for regulator installations have not taken place as of July 20, 1996 and according to Mr. Richard Wall, Vice President of Operations, the installation of these regulators will not take place until Fiscal Year 1997.

It is my estimates that installation of these regulators will begin in February 1997 and continue through June 1997. It is recommended that the proposed regulator installations be booked as follows:

\$145	-	March 1997
\$145	-	May 1997
<u>\$145</u>	-	July 1997
\$435		

Staff Adjustment:

Schedule G-1, Account 384, page 24 of 28, line 13 - House Regulator Installation should be reduced by \$145 for each of the months of August and September 1996 (FY 96). October 1997 (FY 97) should also be reduced by \$145.

Plant Additions Test Year +1

Account 389 - Land

Project: Vero Beach North (City of Vero & Environs)
Cost: \$19,000

Staff Findings:

City Gas Company's proposed construction budget indicates that \$19,000 would be spent in June 1996 to purchase land to locate the new gate station which is necessary to supply the Vero Beach North System. My evaluation of this expenditure determined that as of July 20, 1996, no land had been purchased for the Vero Beach North Gate Station. It is estimated that purchase of the land will not be completed and booked until November 1996.

Staff Adjustment:

Schedule G-1, Account 389, page 24 of 28, line 17 - Land & Land Rights should be reduced by \$19,000 in the month of July 1996. The entry should read \$0.

Plant Addition - Test Year +1
St. Lucie Additions

<u>Account</u>	<u>Adjustment</u>
376 - Mains	\$526,619
380 - Services	132,765
381 - Meters	11,638
382 - Meter Inst.	5,019
383 - Regulators	2,776
384 - Regulator Inst.	<u>3,589</u>
Totals	\$682,406

Plant Additions - Test Year +1

Account 376 - Mains

Project: Cashmere Blvd. (PGA development-The Links)

Cost: \$19,500

Staff Findings:

This proposed development involves the construction of 3,000 new homes by calendar year 2003. Construction of the subdivision was to begin during January 1996. However, this project is behind schedule due to problems with the land developer. City Gas Company is ready to extend a gas main to serve this development as soon as the land preparation is completed. System officials stated that this project is approximately one year behind schedule. Estimates are that gas main construction may begin by January 1997.

City Gas Company's proposed construction budget indicates that main additions of \$4,875 will be booked for each of the four months from February through May 1996 for a total of \$19,500. My evaluation of July 22, 1996 determined that no construction had taken place.

It is recommended that the dollars associated with installing gas main to "The Links" housing development be removed from the Test Year +1 calculations for no activity is planned until FY 97.

Staff Adjustment:

Schedule G-1, Account 376, page 24 of 28, Line 6 Mains should be reduced by \$4,875 during March, April, May and June 1996. This adjustment will result in a total reduction to the account of \$19,000 for Fiscal Year 1996.

Plant Additions - Test Year +1

Account 376 - Mains

Project: Harbor Isles at Lake Charles

Cost: \$14,475

Staff Findings:

This project was planned to provide gas service to the Town Houses of Lake Charles. Construction of the gas main was to begin during December 1995. However, this project has been cancelled, the town houses did not want gas service. System officials stated that this project will not take place.

City Gas Company's proposed construction budget indicates that main additions of \$4,825 will be booked for each of the three months of January, April and September 1996 for a total of \$14,475.

It is recommended that the dollars associated with installing gas main to the town houses at Lake Charles be removed from the Test Year +1 calculations for the project has been cancelled.

Staff Adjustment:

Schedule G-1, Account 376, page 24 of 28, Line 6 Mains should be reduced by \$4,825 during January, April and September 1996. This adjustment will result in a total reduction to the account of \$14,475 for Fiscal Year 1996.

Plant Additions - Test Year +1

Account 376 - Mains

Project: The Palms at St. Lucie West

Cost: \$23,400

Staff Findings:

This project was planned to provide gas service to a 400 unit apartment complex at St. Lucie West. Construction of the gas main was to begin during January 1996. However, this project has been delayed and system officials stated that this project should begin by December 1996 and continue through Fiscal Year 1997.

City Gas Company's proposed construction budget indicates that main additions of \$7,800 will be booked for each of the three months of April, July and September 1996 for a total of \$23,400.

It is recommended that the dollars associated with installing gas main to the apartment complex at St. Lucie West be removed from the Test Year +1 calculations for the project is behind schedule and will not take place until Fiscal Year 1997.

Staff Adjustment:

Schedule G-1, Account 376, page 24 of 28, Line 6 Mains should be reduced by \$7,800 during April, May and September 1996. This adjustment will result in a total reduction to the account of \$23,400 for Fiscal Year 1996.

Plant Additions - Test Year +1

Account 376 - Mains

Project: Pultie Homes Condo Project

Cost: \$10,244

Staff Findings:

My evaluation of July 15, 1996, determined that there has been no activity on this project. There are no approved plans available and the developer is having problems obtaining the necessary environmental permits. System officials stated that this gas main extension project will not take place during Fiscal Year 1996. It is possible for the project to start by March 1997 and continue through Fiscal Year 1997.

City Gas Company's proposed construction budget indicates that main additions of \$5,122 will be booked for each month of June and September 1996 for a total of \$10,244.

It is recommended that the dollars associated with installing gas main to the Pultie Homes Condo Project be removed from the Test Year +1 calculations for the project is behind schedule and will not take place until Fiscal Year 1997.

Staff Adjustment:

Schedule G-1, Account 376, page 24 of 28, Line 6 Mains should be reduced by \$5,122 during June and September 1996. This adjustment will result in a total reduction to the account of \$10,244 for Fiscal Year 1996.

Plant Additions - Test Year +1

Account 376 - Mains

Project: Bayshore Blvd. Project

Cost: \$279,000

Staff Findings:

This project consists of the installation of approximately 2.9 miles of 6-inch steel gas main along Bayshore Boulevard to connect with an existing pipeline paralleling Port St. Lucie Boulevard to the south. Since the initial planning the pipe size has been reduced to 4-inch polyethylene plastic pipe, which will reduce the total cost of the project to \$223,000.

My evaluation of July 15, 1996, determined that no construction on this project has occurred. Plans are to put the contract out for bid by August 1, 1996 and contractors will have two weeks to submit their bids. No materials have been ordered nor has any permitting been obtained. System officials estimate this project may begin sometime during September 1996 and take at least 6 to 8 weeks to complete. I am of the opinion that it will not be possible to book any of the cost of this project during Fiscal Year 1996. It is possible for the project's expenditures to appear in the Continuing Property Records by the first quarter of Fiscal Year 1997.

City Gas Company's proposed construction budget indicates that main additions of \$140,000 will be booked for each months of August and September 1996 for a total of \$279,000. It is recommended that the dollars associated with installing gas main along Bayshore Boulevard be removed from the Test Year +1 calculations for the project is behind schedule and will not take place until Fiscal Year 1997.

Staff Adjustment:

Schedule G-1, Account 376, page 24 of 28, Line 6 Mains should be reduced by \$140,000 during August and September 1996. This adjustment will result in a total reduction to the account of \$279,000 for Fiscal Year 1996.

Plant Additions - Test Year +1

Account 376 - Mains

Project: US 1 to Treasure Coast Mall

Cost: \$180,000

Staff Findings:

This project consists of the installation of approximately 12,400 feet of 6-inch steel gas main along US 1 to the Treasure Coast Mall. My evaluation of July 15, 1996, determined that no construction on this project has occurred. The bid package has been sent to interested contractors and their responses received. No materials have been ordered nor has any permitting been obtained. System officials have stated that there are existing conflicts with proposed highway construction that have to be settled prior to the initiation of pipeline construction. It is my estimate this project may begin sometime during November 1996 and take at least 6 to 8 weeks to complete. I am of the opinion that it will not be possible to book any of the cost of this project during Fiscal Year 1996. It may be possible for the project's expenditures to appear in the Continuing Property Records by the first quarter of Fiscal Year 1997.

City Gas Company's proposed construction budget indicates that main additions of \$180,000 will be booked during September 1996. It is recommended that the dollars associated with the installation of gas main south along US 1 be removed from the Test Year +1 calculations for the project is behind schedule and will not take place until Fiscal Year 1997.

Staff Adjustment:

Schedule G-1, Account 376, page 24 of 28, Line 6 Mains should be reduced by \$180,000 during September 1996. This adjustment will result in a total reduction to the account of \$180,000 for Fiscal Year 1996.

Plant Addition - Test Year +1
St. Lucie Additions

<u>Acct.</u>	<u>Description</u>	<u>City Gas Projections</u>	<u>Trended Expenditures</u>	<u>Adjustments</u>
380	Services	\$161,337	\$28,572	\$132,765
381	Meters	16,330	4,692	11,638
382	Meter Inst.	8,055	3,036	5,019
383	Regulators	3,280	504	2,776
384	Regulator Inst.	<u>3,985</u>	<u>396</u>	<u>3,589</u>
	Totals	\$192,987	\$37,200	\$155,787

Plant Additions - Test Year +1
Service Line Installation Accounts

In an attempt to establish the adjustments necessary to reflect the reduced construction activities in the St. Luice Division during Fiscal Year 1996, I have used the methodology of trending actual expenditures shown in the City Gas Company's "Utility Plant Ledger" for the first five months of Fiscal Year 1996 to project spending through the entire twelve months of FY 96. I have limited the scope of accounts trended to those involving the service line and riser installation i.e. Accounts 380, 381, 382, 383 and 384. Shown below are the actual ledger entries and calculation made to trend the actual expenditures of FY 96.

Account 380 - Service Lines

<u>1/2" Plastic</u>			<u>Costs</u>	
<u>Date</u>	<u>Units</u>	<u>Feet</u>	<u>Additions</u>	<u>Retirements</u>
2-29-96	12	640'	\$3,413	-
3-31-96	6	344'	1,735	-
4-30-96	1	38'		(138)
5-31-96	15	1,034'	<u>6,381</u>	-
	5 Month Total		\$11,529	<u>(138)</u>
<u>1 1/4" Plastic</u>				
5-31-96	1	68'	\$376	-
	5 Month Total		<u>\$11,905</u>	<u>(138)</u>

Note: No other entries were shown in Account 380.

5 Month Total \$11,905 / 5 = \$2,381 Monthly Average

Monthly Average	\$2,381	
	<u>X 12</u>	
	\$28,572	Trended 12 Month Total
		(Account 380)

Account 382 - Meter Installations

<u>Date</u>	<u>Units</u>	<u>Additions</u>	<u>Costs</u> <u>Retirements</u>
1-96		-	(\$17)
2-96		-	(17)
3-96		\$1,265	-
3-96		-	(17)
4-96		-	(17)
	5 Month Total	<u>\$1,265</u>	<u>(\$51)</u>

Note: No other entries shown in Account 382.

5 Month Total \$1,265 / 5 = \$253 Monthly Average

Monthly Average \$253
X 12
 \$3,036 Trended 12 Month Total
 (Account 382)

Account 383 - House Regulators

<u>Date</u>	<u>Units</u>	<u>Additions</u>	<u>Costs</u> <u>Retirements</u>
3-96	3	\$210	-
	5 Month Total	<u>\$210</u>	

Note: No other entries shown in Account 383.

5 Month Total \$210 / 5 = \$42 Monthly Average

Monthly Average \$42
X 12
 \$504 Trended 12 Month Total
 (Account 383)

Account 384 - House Regulator Installations

<u>Date</u>	<u>Units</u>	<u>Additions</u>	<u>Costs</u>	<u>Retirements</u>
1-96	1	-		(\$8)
2-96	1	-		(8)
3-96		\$152		-
3-96	1	-		(8)
4-96	1	-		(8)
5-96	1	-		(8)
		<u>12</u>		<u>-</u>
	5 Month Total	\$164		(\$32)

Note: No other entries shown in Account 384.

5 Month Total \$164 / 5 = \$33 Monthly Average

Monthly Average \$33
x 12
\$396 Trended 12 Month Total
(Account 384)

CALCULATIONS OF PROJECTED TEST YEAR - RATE BASE

PREPARED BY: ROGER FLETCHER

ACCOUNT NUMBER	DESCRIPTION OF PROPOSED PURCHASES AND/OR CONSTRUCTION PROJECTS*	DATE OF PROPOSED PURCHASE OF CONSTRUCTION (XXXXXX)	PURCHASE PRICE OF CONSTRUCTION COSTS	STAFF ADJUSTMENT	ADJUSTED COSTS	NON-UTILITY PERCENTAGE	DATE OF RELATED RETIREMENT (XXXXXX)	RETIREMENT AMOUNT OF RELATED RETIREMENT	STAFF ADJUSTMENT	ADJUSTED RETIREMENT AMOUNT	SALVAGE VALUE OF RELATED RETIREMENT
375	DISTRIBUTION STRUCTURES	VARIOUS	19,000	2,157	16,843	11.35%	N/A	0	0	0	
376	HIGHWAY & MUNI WORK & UNDERGROUND MAINS	VARIOUS	6,433,470	0	6,433,470	0%	VARIOUS	216,000	0	216,000	
379	GATE STATIONS	VARIOUS	325,000	0	325,000	0%	N/A	0	0	0	
380	SERVICE LINES	VARIOUS	2,573,883	0	2,573,883	0%	VARIOUS	187,200	0	187,200	
381	METERS	VARIOUS	336,250	0	336,250	0%	VARIOUS	85,200	0	85,200	
382	METER INSTALLATIONS	VARIOUS	120,147	0	120,147	0%	VARIOUS	20,784	0	20,784	
383	REGULATORS	VARIOUS	102,583	0	102,583	0%	VARIOUS	1,848	0	1,848	
384	REGULATORS INSTALLATIONS	VARIOUS	58,804	0	58,804	0%	VARIOUS	8,928	0	8,928	
385	INDUSTRIAL M&R STATION EQUIP.	VARIOUS	90,404	0	90,404	0%	N/A	0	0	0	
389	LAND	VARIOUS	12,000	0	12,000	0%	N/A	0	0	0	
390	GENERAL PLANT STRUCTURES	VARIOUS	37,000	4,200	32,800	11.35%	N/A	0	0	0	
391.2	OFFICE EQUIPMENT	VARIOUS	102,000	11,577	90,423	11.35%	VARIOUS	7,596	882	8,734	
392.2	AUTOS & TRUCKS	VARIOUS	31,000	3,519	27,481	11.35%	VARIOUS	69,972	7,942	82,030	
393	STORES EQUIPMENT	VARIOUS	1,500	0	1,500	0%	N/A	0	0	0	
394	TOOLS & EQUIPMENT	VARIOUS	12,000	0	12,000	0%	N/A	0	0	0	
397	COMMUNICATION EQUIPMENT	VARIOUS	22,500	2,554	19,946	11.35%	N/A	0	0	0	
398	OTHER	VARIOUS	302,064	0	302,064	0%	N/A	0	0	0	
	TOTAL		\$ 10,579,805 \$	24,007	\$ 10,555,798		TOTAL RETIREMENTS	\$ 597,528	8,804	588,724	

**PLANT ADDITIONS -- PROJECTED TEST YEAR
ALLOCATION METHODOLOGY**

ACCOUNT NUMBER	DESCRIPTION OF PROPOSED PURCHASES AND/OR CONSTRUCTION PROJECTS*	Method of Allocation
375	DISTRIBUTION STRUCTURES	Payroll Distributions @ 11.35%
376	HIGHWAY & MUNI WORK & UNDERGROUND MAINS	N/A
379	GATE STATIONS	N/A
380	SERVICE LINES	N/A
381	METERS	N/A
382	METER INSTALLATIONS	N/A
383	REGULATORS	N/A
384	REGULATORS INSTALLATIONS	N/A
385	INDUSTRIAL M&R STATION EQUIP.	N/A
389	LAND	N/A
390	GENERAL PLANT STRUCTURES	Payroll Distributions @ 11.35%
391.2	OFFICE EQUIPMENT	Payroll Distributions @ 11.35%
392.2	AUTOS & TRUCKS	Payroll Distributions @ 11.35%
393	STORES EQUIPMENT	N/A
394	TOOLS & EQUIPMENT	N/A
397	COMMUNICATION EQUIPMENT	Payroll Distributions @ 11.35%
398	OTHER	N/A

EXHIBIT 4

CMP SUPPORT

	SEP-06	OCT-06	NOV-06	DEC-06	JAN-07	FEB-07	MAR-07	APR-07	MAY-07	JUN-07	JUL-07	AUG-07	SEP-07
1996													
BEGINNING CMP BALANCE		1,943,818	2,075,862	1,808,348	1,872,185	1,808,642	1,800,734	1,888,038	2,322,006	1,881,118	2,341,308	2,817,344	2,417,388
CAPITAL SPENDING		(581,788)	(713,142)	(887,438)	(870,288)	(444,732)	(438,814)	(818,448)	(888,818)	(878,388)	(878,388)	(888,834)	(1,888,388)
PLANT ADDITIONS PER MFR P 183, 185		713,142	887,438	878,288	444,732	438,814	818,448	888,818	878,388	878,388	888,834	1,888,388	1,841,388
CMP BALANCE PER MFR P 184, 185	1,543,818	2,075,862	1,808,348	1,872,185	1,808,642	1,800,734	1,888,038	2,322,006	1,881,118	2,341,308	2,817,344	2,417,388	2,408,388
1997													
BEGINNING CMP BALANCE		2,488,388	2,534,887	2,348,483	2,170,188	2,707,888	2,188,142	1,848,038	1,888,708	1,848,218	1,848,778	2,888,888	2,811,888
CAPITAL SPENDING		(1,841,388)	(842,877)	(887,873)	(888,188)	(1,348,188)	(884,232)	(888,388)	(887,388)	(887,388)	(881,888)	(1,221,888)	(1,348,888)
PLANT ADDITIONS PER MFR P 183, 185		887,877	887,873	888,188	1,348,188	884,232	888,388	887,388	887,388	881,888	1,221,888	1,348,888	1,211,888
CMP BALANCE PER MFR P 184, 185	2,488,388	2,534,887	2,348,483	2,170,188	2,707,888	2,188,142	1,848,038	1,888,708	1,848,218	1,848,778	2,888,888	2,811,888	2,273,888

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SENT BY: City Gas Co./Miami ; 7-20-06 ; 15:10 ;

GLL
7/20/06
CMP JLS

EXHIBIT 5

Angela Brewster

CITY GAS COMPANY OF FLORIDA

INTER-OFFICE MEMORANDUM

TO: See Distribution below

FROM: J. A. Wutzler *JAW*

DATE: July 5, 1994

SUBJECT: Annual Physical Inventory of Materials and Supplies

Our annual physical inventory of materials and supplies will be required as of the close of business Friday, July 29, 1994.

Materials to be inventoried

Non Utility

- ① Copper tubing, aluminum tubing
2. Pipe - coated and galvanized, etc.
- ③ Brass - valves only
- ④ Venting materials (except collars)
5. Galvanized fittings - all unions and valves
- other fittings 1" or larger except couplings, plugs, caps, nipples, bell reducers, and bushings which will not be counted.
6. All Mueller, Rockwell, and Dresser fittings - be sure to show model number.
- ⑦ All Maxitrol appliance regulators.
8. All expansion plugs and leak clamps.
- ⑨ All flex connectors.
10. Transition fittings
- ⑪ Dryer vent hose and dryer vent kits

We will not inventory appliance parts, truck stocks, and meter parts at this time.

Recording of inventory

Inventories will be taken on pre-numbered tickets. You will be given an adequate supply of tickets prior to inventory and you must account for and return each ticket, whether good, void or not used. If you make a mistake on the ticket, write "void" across the face of the ticket but keep it to turn in with your other tickets.

Give adequate description of all materials - what it is, whether brass or galvanized, size and manufacturer. In the case of Dresser fittings, Rockwell valves, and similar specialties, be sure to include the model number.

The counting of inventories should start on Wednesday, July 27th, and must be completed by the close of business July 29th. This gives you three working days to complete the counts.

As each item of inventory is counted, record it on the back of the inventory ticket and place it in the bin. Your counts must be adjusted for materials issued or materials received after the count by making notations on the back of the ticket.

...Y GAS COMPANY OF FLORIDA
M & S INVENTORY - MIAMI
AUGUST 31, 1995

Material	Size	LOC	TAG #	QUANTITY IN STOCK	PRICING OF MATERIALS		
					QUANTITY	Unit Cost	Total
Aluminum Tub	1/4	W	001	200	200	0.2000	40.00
Aluminum Tub	3/16	W	002	35	35	0.2205	7.72
Aluminum Tub	3/8 x 50	W	004	30	30	0.32	9.60
Aluminum Tub	5/16	W	003	90	90	0.2214	19.93
B-Vent	3" 45 Deg. Elbow	W	161	6	6	4.85	29.10
B-Vent	3" Adj. L. Offset	W	162	1	1	11.91	11.91
B-Vent	3 x 6	W	163	13	13	14.16	184.08
B-Vent	3 x 12	W	164	12	12	15.45	185.40
B-Vent	3 x 24	W	165	5	5	18.5	92.50
B-Vent	3 x 4	W	166	1	1	12.5	12.50
B-Vent	ROOF JACKS 3	W	167	24	24	12.45	298.80
Copper Tubbing	1/2	W	007,204	400	400	0.4100	164.00
Copper Tubbing	1/4	W	005	100	100	0.2200	22.00
Copper Tubbing	3/8	W	006	80	80	0.3400	27.20
Copper Tubbing	5/8	W	008	50	50	0.4322	21.61
Dresser Style 90	1	W	011, 523	7	7	4.16	29.12
Dresser Style 90	1 1/4	W	012, 520	71	71	8.72	619.12
Dresser Style 90	1/2 x 6	W	009	188	188	8.96	1,684.48
Dresser Style 90	2 x 6	W	014,519	16	16	11.76	188.16
Dresser Style 90	3/4 x 6	W	010, 521	24	24	8.13	195.12
Dryer Vent Hose	4 x 25 (Alum Flex Duct)	W	015	8	8	14.63	117.04
Dryer Vent Kit	4	W	016	10	10	10.64	106.40
Elis	1	W	017, 516	1	1	1.00	1.00
Elis	1 x 1/2	W	024	24	24	1.20	28.80
Elis	1 x 3/4	W	023	60	60	1.15	69.00
Elis	1 1/2	W	019	12	12	2.03	24.36
Elis	1 1/2 x 1/2	W	028	40	40	1.39	55.60
Elis	1 1/2 x 3/4	W	029	35	35	2.75	96.25
Elis	1 1/2 x 1	W	030	22	22	2.75	60.50
Elis	1 1/2 x 1 1/4	W	031	21	21	2.98	62.58
Elis	1 1/4	W	018	12	12	1.53	18.36
Elis	1 1/4 x 1	W	025	19	19	1.97	37.43
Elis	1 1/4 x 1/2	W	027	61	61	1.69	103.09
Elis	1 1/4 x 3/4	W	026	35	35	2.32	81.20
Elis	2	W	020	19	19	3.37	64.03
Elis	2 1/2	W	177,502,518	26	26	3.89	101.14
Elis	2 x 1 1/2	W	034	23	23	3.62	83.26
Elis	2 x 2 1/2	W	035	4	4	11.81	47.24
Elis	2 x 1	W	032	24	24	3.38	81.12
Elis	2 x 1 1/4	W	033	19	19	4.14	78.66
Elis	2 x 3/4	W	036	30	30	2.16	64.80
Elis	2 1/2 x 1 1/2	W	180	6	6	13.14	78.84
Elis	3	W	021, 504, 179	38	38	11.91	452.58
Elis	3 x 2	W	037, 509	6	6	17.15	102.90
Elis	4	W	022, 510	8	8	18.55	148.40
Elis	4x2	W	038, 508	7	7	27.72	194.04
Elis - 45 Degree 1		W	039	26	26	0.74	19.24
Elis - 45 Degree 1 1/2		W	041	43	43	1.66	71.38
Elis - 45 Degree 1 1/4		W	040	39	39	1.73	67.47
Elis - 45 Degree 2		W	042	10	10	2.37	23.70
Elis - 45 Degree 3		W	179	2	2	2.85	5.70
Elis - Reducer 2 1/2		W	043	0	0	4.01	0.00
Galv. Pipe	1	W	044	84	84	1.3700	115.08
Galv. Pipe	1 1/2	W	049	63	63	1.8127	101.60
Galv. Pipe	1 1/4	W	048	21	21	1.7578	36.91
Galv. Pipe	1/2	W	045	105	105	0.8300	87.15

2776.00

2663.41

Y GAS COMPANY OF FLORIDA
M & S INVENTORY - MIAMI
AUGUST 31, 1995

				PRICING OF MATERIALS			
Material	Size	LOC	TAG #	QUANTITY IN STOCK	QUANTITY	Unit Cost	Total
Galv. Pipe	2	W	060	21	21	1.5700	32.97
Galv. Pipe	3/4	W	047	21	21	0.9900	20.79
Galv. Pipe	3/8	W	046	252	252	0.2610	65.77
Leak Clamps	1 x 3	W	069	12	12	13.74	164.88
Leak Clamps	1 x 6	W	077, 196	37	37	35.39	1,309.43
Leak Clamps	1 1/4 x 3	W	075	99	99	15.43	1,527.57
Leak Clamps	1 1/4 x 6	W	076	7	7	20.91	146.37
Leak Clamps	1/2 x 3	W	065	38	38	15.54	590.52
Leak Clamps	1/2 x 6	W	073	62	62	18.5	1,147.00
Leak Clamps	2 x 7 1/2	W	062	2	2	7.00	14.00
Leak Clamps	2 x 10	W	060	3	3	20.00	60.00
Leak Clamps	2 x 9	W	063	19	19	7.00	133.00
Leak Clamps	2 x 12	W	061	9	9	8.16	73.44
Leak Clamps	3 x 9	W	065	4	4	22.74	90.96
Leak Clamps	3 x 12	W	064	7	7	22.74	159.18
Leak Clamps	3 x 6	W	066	7	7	22.74	159.18
Leak Clamps	3/4 x 3	W	066	42	42	15.90	667.80
Leak Clamps	3 x 18	W	201	1	1	35.4	35.40
Leak Clamps	3/4 x 6	W	067, 524	59	59	29.17	1,721.03
Leak Clamps	4 x 6	W	067, 196	3	3	57.02	171.06
Leak Clamps	4 x 7.5	W	068	1	1	43.10	43.10
Leak Clamps	4 x 8	W	069	3	3	48.36	145.14
Leak Clamps	6 X 8	W	070	0	0	17.90	0.00
Leak Clamps	6 x 15	W	197	9	9	140.91	1,268.19
Leak Clamps	6 x 12 1/2	W	198	5	5	100.77	503.85
Leak Clamps	8 x 12	W	071, 199	6	6	44.00	264.00
Leak Clamps	6.96 x 12	W	200	4	4	46.25	185.00
Leak Clips - Full	8 x 15	W	190	4	4	65.28	261.12
Leak Clips - Full	1 1/4 x 6	W	072	4	4	33.73	134.92
Leak Clips - Full	1/2 x 6	W	052	77	77	33.12	2,550.24
Leak Clips - Full	1/2 x 3	W	061	76	76	15.90	1,208.40
Leak Clips - Full	3/4 x 3	W	063	10	10	15.74	157.40
Leak Clips - Full	3/4 x 6	W	054	46	46	33.30	1,531.80
Leak Clips - Half	2 x 3	W	078	50	50	4.81	240.50
Leak Clips - Half	2 x 6	W	079	30	30	8.72	261.60
Rain Caps	3	W	080	9	9	4.66	41.94
Rain Caps	4	W	081	12	12	6.29	75.48
Regulators	20 RV	W	082	64	64	9.84	629.76
Regulators	210D	W	083	2	2	47.19	94.38
Regulators	47 RV - 35 RV	W	084	1	1	9.22	9.22
Regulators	48 RV	W	085	78	78	10.93	852.54
Regulators	61 RV	W	067	6	6	52.59	315.54
Regulators	81 RV	W	066, 531	8	8	58.29	466.32
Riser	3/4	W	089	28	28	16.97	475.16
Saddle Tees	1 1/4 x 1/2	W	090	22	22	26.85	590.70
Saddle Tees	2 x 1/2	W	091	4	4	28.84	115.36
Tees	1	W	092	71	71	1.48	105.08
Tees	1 x 1 x 1/2	W	112	25	25	1.40	35.00
Tees	1 x 1 x 3/4	W	113	163	163	1.33	216.79
Tees	1 x 1/2 x 1	W	114	31	31	1.95	60.45
Tees	1 x 3/4 x 3/4	W	181, 182	114	114	2.11	240.54
Tees	1 x 3/4 x 1/2	W	116	17	17	1.40	23.80
Tees	1 x 3/4 x 1	W	116	431	431	3.11	1,340.41
Tees	1 1/2	W	094, 527	128	128	3.93	503.04
Tees	1 1/2 x 3/4 x 1 1/2	W	104	7	7	2.99	20.93
Tees	1 1/2 x 1 1/2 x 3/4	W	103	78	78	2.55	198.90

17045.61

7926.16

UTILITY GAS COMPANY OF FLORIDA
M & S INVENTORY - MIAMI
AUGUST 31, 1995

PRICING OF MATERIALS

Material	Size	LOC	TAG #	QUANTITY IN STOCK	PRICING OF MATERIALS		
					QUANTITY	Unit Cost	Total
Tees	1 1/2 x 1 1/2 x 1	W	100	22	22	4.16	91.52
Tees	1 1/2 x 1 1/2 x 1/2	W	102	34	34	1.90	64.60
Tees	1 1/2 x 1 1/2 x 1 1/4	W	101	14	14	3.73	52.22
Tees	1 1/4	W	093, 526	43	43	2.34	100.62
Tees	1 1/4 x 1 1/4 x 1	W	106, 183	29	29	3.70	107.30
Tees	1 1/4 x 1	W	178	24	24	2.72	65.28
Tees	1 1/4 x 1 1/4 x 1 1/2	W	107	31	31	3.73	115.63
Tees	1 1/4 x 1 1/4 x 1/2	W	108	31	31	1.55	48.05
Tees	1 1/4 x 3/4 x 1 1/4	W	111	17	17	3.12	53.04
Tees	1 1/4 x 3/4 x 1 1/4	W	110	14	14	3.11	43.54
Tees	1 1/4 x 1 X 1 1/4	W	109	12	12	2.53	30.36
Tees	1 1/4 x 1 1/4 x 3/4	W	096, 507, 526	30	30	4.86	145.80
Tees	2	W	098	5	5	5.42	27.10
Tees	2 (4WAY)	W	124	0	0	5.89	0.00
Tees	2 x 2 x 1 1/2	W	127	13	13	5.45	70.85
Tees	2 x 2 x 3/4	W	123, 525	17	17	4.91	83.47
Tees	2 x 2 x 1	W	189	8	8	5.65	45.20
Tees	2 x 2 x 1 1/2	W	125	0	0	5.32	0.00
Tees	2 x 2 x 1 1/4	W	122	6	6	6.82	40.92
Tees	2 X 1 1/4 X 2	W	126	7	7	5.33	37.31
Tees	2 x 2 x 1/2	W	099	0	0	10.00	0.00
Tees	2 1/2	W	118	14	14	5.70	79.80
Tees	2 1/2 x 2 1/2 x 1	W	191	3	3	5.70	17.10
Tees	2 1/2 x 2 1/2 x 3/4	W	119	13	13	5.70	74.10
Tees	2 1/2 x 2 1/2 x 1 1/4	W	121	16	16	5.42	86.72
Tees	2 x 1 1/2 x 2	W	096, 501, 503	28	28	14.49	405.72
Tees	3	W	097, 511	6	6	29.54	177.24
Tees	4	W	128,	6	6	13.00	78.00
Tees	4 x 2 1/2	W	131	14	14	9.33	130.62
Transition Fitting	1	W	129	51	51	7.97	406.47
Transition Fitting	1/2	W	130	204	204	8.14	1,660.56
Transition Fitting	3/4	W	137, 530	26	26	2.86	74.36
Unions	1	W	139	52	52	4.84	241.28
Unions	1 1/2	W	138, 529	63	63	4.15	261.45
Unions	1 1/4	W	135	115	115	6.03	693.45
Unions	1/2	W	29	29	29	2.54	73.66
Unions	1/4	W	132	25	25	3.48	87.00
Unions	1/8	W	140, 513	14	14	5.79	81.06
Unions	2	W	142, 517	3	3	4.42	13.26
Unions	2 1/2	W	141, 514	26	26	16.18	420.68
Unions	3	W	136	175	175	5.85	1,023.75
Unions	3/4	W	134	120	120	2.95	354.00
Unions	3/8	W	143, 515	2	2	45.65	91.30
Unions	4	W	148, 505, 536	51	51	26.73	1,363.23
Valves	1 1/2 HP	W	194	1	1	20.05	20.05
Valves	1 1/2 LH	W	147	10	10	20.65	206.50
Valves	1 1/4 HP	W	193	1	1	16.04	16.04
Valves	1 1/4 LH	W	146	55	55	16.68	917.40
Valves	1 HP	W	184	5	5	7.00	35.00
Valves	1 LH	W	160	32	32	3.30	105.60
Valves	1/2 x- 1/2 fl mpt	W	158	35	35	3.17	110.95
Valves	1/2 x 3/8 fl mpt	W	155	273	273	3.39	925.47
Valves	1/2 FL	W	186	66	66	11.73	774.18
Valves	1/2 HP	W	152	6	6	5.49	32.94
Valves	1/2 LH	W	150	8	8	12.23	97.84
Valves	1/2 MTR	W	157	268	268	3.15	844.20
Valves	1/2 x 3/8 fl flpt	W					

7754.39

...TY GAS COMPANY OF FLORIDA
M & S INVENTORY - MIAMI
AUGUST 31, 1995

PRICING OF MATERIALS

Material	Size	LOC	TAG #	QUANTITY	PRICING OF MATERIALS		
				IN STOCK	QUANTITY	Unit Cost	Total
Valves	1/2 X 1/2 X 3/4 HP	W	144	41	41	20.66	847.06
Valves	2HP	W	149	34	34	40.18	1,366.12
Valves	2HP	W	506, 535	17	17	61.25	1,041.25
Valves	2 MTR	W	187	5	5	30.56	152.80
Valves	4HP	W	533	12	12	85.2	1,022.40
Valves	6HP	W	532	8	8	114.3	914.40
Valves	3HP	W	534, 537	6	6	41.00	246.00
Valves	3/4 HP	W	146	324	324	16.86	5,462.84
Valves	3/4 LH	W	163	0	0	4.89	0.00
Valves	3/4 MTR	W	151, 188	66	66	20.01	1,320.66
Valves	3/8 FL	W	155	2	2	2.98	5.96
X-plugs	1	W	170	143	143	9.01	1,288.43
X-plugs	1 1/2	W	172	145	145	11.29	1,637.05
X-plugs	1 1/4	W	171	239	239	10.17	2,430.63
X-plugs	1/2	W	168, 522	566	566	7.89	4,465.74
X-plugs	2	W	173	109	109	18.46	2,012.14
X-plugs	3/4	W	169	773	773	8.06	6,230.38
XTC Pipe	1	W	176	4	4	1.74	6.96
XTC Pipe	1/2	W	174	0	0	0.5855	0.00
XTC Pipe	3/4	W	175	1	1	0.7041	0.70
XTC Pipe	2	W	202	1	1	2.75	2.75

PHYSICAL INVENTORY: 73,844.01
UNACCOUNTED FOR: JVA/ 3,823.10
77,667.11
G/L BALANCE: 77,667.11

29607.01

63,712.58

CITY GAS COMPANY OF FLORIDA
M & S INVENTORY - BREVARD
AUGUST 31, 1995

MATERIAL	SIZE	LOC	TAG #	QUAN IN STOCK	PRICING OF MATERIALS		
					QUANTITY	UNIT COST	TOTAL
ALUMINUM TUB	1/4	W	274				
ALUMINUM TUB	1/2	W	267;268;269	12	12		
ALUMINUM TUB	3/8	W	276	46	46	0.2150	2.58
ALUMINUM TUB	5/16	W	270	50	50	0.2432	16.99
COPPER TUB	3/16	W	273	20	20	0.1855	12.16
COPPER TUB	5/16	W	272	20	20	0.2925	3.71
COPPER TUB	1/2	W	265	8	8	0.4525	5.85
COPPER TUB	1/4	W	266;271;275	700	700	0.4900	3.62
COPPER TUB	3/8	W	264	478	478	0.2446	343.00
DRAFT HOOD CONN.	4	W	458	550	550	0.3800	116.43
DRESSER STYLE 90	1 x 12	W	333	18	18	2.49	209.00
DRESSER STYLE 90	1 1/4 x 1 1/4	W	334	14	14	9.18	44.82
DRESSER STYLE 90	3/4 x 3/4	W	332	11	11	14.5	128.52
DRESSER STYLE 90	1/2 x 3/4	W	330	24	24	11.52	159.50
DRESSER STYLE 90	1/2 x 1/2	W	331;336	9	9	10.07	278.48
DRESSER STYLE 90	2 x 2	W	335	86	86	9.53	90.63
DRYER VENT HOOD	4	W	417;449	25	25	20.56	819.58
DRYER VENT HOSE	4 x 5	W	425	109	109	3.11	514.00
DRYER VENT HOSE	4 x 8	W	382	36	36	3.52	338.99
ELLS	1 X 3/4	W	445	52	52	4.22	128.72
ELLS	1 x 1/2	W	424	140	140	1.06	219.44
ELLS	1 X 3/4 X 3/4	W	439	2	2	1.08	148.40
ELLS	1 1/2 X 1	W	436	111	111	0.95	2.16
ELLS	1 1/2 X 3/4	W	428	14	14	2.27	105.45
ELLS	1 1/4 X 1 1/2	W	426	46	46	3.37	31.78
ELLS	1 1/4 X 3/4	W	427	1	1	2.11	155.02
ELLS	1 1/4 x 1/2	W	292	91	91	2.13	2.11
ELLS	2 X 1 1/2	W	421	4	4	1.81	193.83
ELLS	2 X 1 1/4	W	433	8	8	3.46	7.24
ELLS	2 x 3/4	W	408	11	11	3.74	27.88
ELLS	2 X 1	W	401	4	4	3.53	41.14
ELLS	3	W	285	8	8	7.05	14.12
ELLS	4 x 3	W	288	1	1	16.08	58.40
ELLS - 45 DEGREE	1	W	400;498	1	1	2.84	16.08
ELLS - 45 DEGREE	1 1/2	W	462;281	26	26	2.25	2.84
ELLS - 45 DEGREE	1 1/4	W	401	41	41	1.79	58.50
ELLS - 45 DEGREE	2	W	403;490	1	1	2.65	73.39
ELLS - 90 DEGREE	1	W	296;396	35	35	2.26	2.85
ELLS - 90 DEGREE	1 1/2	W	394;288	148	148	0.91	79.10
ELLS - 90 DEGREE	1 1/4	W	395;282	27	27	1.52	134.88
ELLS - 90 DEGREE	2	W	393;407	32	32	1.41	41.04
ELLS - 90 DEGREE	2 1/2	W	284	24	24	3.03	45.12
ELLS - STREET	1	W	416	1	1	2.42	72.72
ELLS - STREET	1 1/2	W	423	12	12	0.95	2.42
ELLS - STREET	1 1/4	W	429	8	8	1.79	11.40
FLASHING	3	W	455	10	10	1.18	14.32
FLEX HOSE	1/2 x 12	W	296	12	12	3.13	11.80
FLEX HOSE	1/2 X 80	W	404	16	16	12.50	37.56
FLEX HOSE	3/4 X 80	W	405	53	53	13.25	200.00
FLEX HOSE	3/8 x 12	W	297	13	13	14.31	702.25
GALV. PIPE	1 1/2	W	483	21	21	4.24	186.03
GALV. PIPE	1 1/4	W	482	84	84	1.8127	89.04
GALV. PIPE	1/2	W	480	188	188	1.1600	135.47
GALV. PIPE	2	W	464	482	482	0.3578	194.88
GALV. PIPE	3/4	W	461	21	21	1.5370	165.30
LEAK CLAMPS	3 x 12.5	W	301	482	482	1.5370	32.28
				12	12	0.4800	221.78
						22.74	272.88

1988.71

1351.39

1022.57

CITY GAS COMPANY OF FLORIDA
M & S INVENTORY - BREVARD
AUGUST 31, 1996

MATERIAL	SIZE	LOC	TAG #	QUAN IN STOCK	PRICING OF MATERIALS		
					QUANTITY	UNIT COST	TOTAL
LEAK CLAMPS	4x12.5	W	303				
LEAK CLAMPS	6x12.5	W	304;305	6	6		
LEAK CLAMPS - FULL	1 1/4 X 9	W	329	15	15	54.95	329.70
LEAK CLAMPS - FULL	2x12.5	W	307	9	9	20.00	300.00
LEAK CLAMPS - FULL	2 x 6	W	308;323	8	8	9.32	83.88
LEAK CLAMPS - FULL	3 x 9	W	328	42	42	6.25	50.00
LEAK CLAMPS - FULL	3 x 12	W	322;326	6	6	10.33	433.86
LEAK CLAMPS - FULL	3x18	W	306	13	13	6.52	51.12
LEAK CLAMPS - FULL	3x7.5	W	302	2	2	6.52	84.76
LEAK CLAMPS - FULL	4 x 9	W	325	2	2	15.42	30.84
LEAK CLAMPS - FULL	4 x 12	W	327	1	1	6.41	12.82
LEAK CLAMPS - HALF	1 1/4 X 3	W	319	1	1	9.16	9.16
LEAK CLAMPS - HALF	1 1/4 X 6	W	320	11	11	12.5	12.50
LEAK CLAMPS - HALF	1 X 6	W	318	20	20	15.43	189.73
LEAK CLAMPS - HALF	1/2	W	315	11	11	18.5	370.00
LEAK CLAMPS - HALF	1/2 x 6	W	316	25	23	35.39	389.29
LEAK CLAMPS - HALF	2x6	W	321	25	25	4.01	92.23
LEAK CLAMPS - HALF	3 x 6	W	324	7	7	4.38	106.50
LEAK CLAMPS - HALF	3/4 X 6	W	317	4	4	5.82	40.74
REGULATORS	10RV	W	410	21	21	6.83	27.32
REGULATORS	20RV	W	294	82	82	6.03	128.63
REGULATORS	210D	W	414	149	149	3.29	269.78
REGULATORS	47 RV	W	290	1	1	5.68	846.32
REGULATORS	48RV	W	289	174	174	215.21	215.21
REGULATORS	53 RV	W	357;411	113	113	5.95	1,035.30
REGULATORS	60 RV	W	412	14	14	6.07	787.61
REGULATORS	61 RV	W	413	3	3	23.03	322.42
TEES (SADDLE)	1 1/4	W	350	2	2	23.33	69.99
TEES (SADDLE)	2 X 1/2	W	349	27	27	43.45	86.90
TEES (SADDLE)	2	W	381	6	6	25.39	685.53
TEES	4 X 2	W	440	5	5	27.56	185.36
TEES	1	W	239;387	1	1	37.4	187.00
TEES	1 X 1 X 3/4	W	300;415	53	53	42.56	42.56
TEES	1 X 3/4 X 1	W	443	96	96	1.15	60.95
TEES	1 X 3/4 X 3/4	W	439	19	19	1.46	140.16
TEES	1 1/2	W	281;385	111	111	3.11	59.09
TEES	1 1/2 X 1 1/2 X 1	W	408	30	30	1.94	215.34
TEES	1 1/4	W	293;396	11	11	2.25	67.50
TEES	1 1/4 X 3/4 X 1 1/4	W	434	29	29	2.59	28.49
TEES	1 1/4 X 1 1/4 X 1 1/2	W	444	10	10	2.12	61.48
TEES	1 1/4 X 1 1/4 X 3/4	W	293	21	21	3.58	35.80
TEES	1 1/4 X 1 X 1 1/4	W	430	3	3	3.73	78.33
TEES	2	W	422	37	37	2.26	6.78
TEES	2 X 2 X 3/4	W	436	14	14	3.11	115.07
TEES	2 X 1 1/2 X 1 1/2	W	432	26	26	4.45	62.30
TEES	2 x 3/4 x 2	W	437	2	2	4.53	117.78
TOP HALF	1 1/4	W	465	15	15	5.62	11.24
TOP HALF	3/4	W	466;467	0	0	4.82	72.30
UNIONS	1	W	280	405	405	8.43	0.00
UNIONS	1 1/2	W	277;291	33	33	7.89	3,114.45
UNIONS	1 1/4	W	279;390	21	21	2.45	80.85
UNIONS	1/2	W	296	18	18	4.20	88.20
UNIONS	3/8	W	409	205	205	3.75	67.50
UNIONS	2	W	278;392	15	15	4.03	826.15
UNIONS	3	W	287	20	20	4.56	68.40
UNIONS	3/4	W	419	1	1	5.31	106.20
				211	211	31.38	31.38
						2.01	424.11

2724.08

7020.30

CITY GAS COMPANY OF FLORIDA
M & S INVENTORY - BREVARD
AUGUST 31, 1995

MATERIAL	SIZE	LOC	TAG #	QUAN IN STOCK	PRICING OF MATERIALS		
					QUANTITY	UNIT COST	TOTAL
VALVES	1 1/2 HP	W	344;446	65	65		
VALVES	1 1/2 LH	W	282	10	10	32.00	2,080.00
VALVES	1 1/4 HP	W	345	16	16	18.00	180.00
VALVES	1 1/4 LH	W	281	7	7	26.61	180.00
VALVES	1 1/4 MTR	W	338	65	65	13.50	425.76
VALVES	1 HP	W	348;447	93	93	31.80	94.50
VALVES	1 LH	W	260	11	11	18.99	2,067.00
VALVES	1 MTR	W	339	32	32	8.97	1,766.07
VALVES	1/2 X 1/2 fl mipt	W	253;255	174	174	41.16	98.67
VALVES	1/2 FL	W	251	65	65	3.69	1,317.12
VALVES	1/2 HP	W	342	87	87	3.69	642.06
VALVES	1/2 LH	W	257	27	27	17.23	239.85
VALVES	1/2 MTR	W	341	23	23	3.72	1,499.01
VALVES	1/2 x 3/8 fl flpt	W	256	82	82	4.69	100.44
VALVES	1/2 X 3/8 fl mipt	W	254	86	86	3.72	107.87
VALVES	2 HP	W	254	11	11	3.69	305.04
VALVES	2 LH	W	343	4	4	48.76	317.34
VALVES	2 MTR	W	283	13	13	19.56	536.38
VALVES	3/4 HP	W	337	3	3	19.40	78.20
VALVES	3/4 LH	W	347	27	27	18.02	252.20
VALVES	3/8 FL	W	289	60	60	3.63	54.06
VALVES	3/8 LH	W	288	19	19	3.89	98.01
VENT CAP	3/4 MTR	W	340	119	119	3.60	221.40
VENT CAP	3	W	449	3	3	18.44	68.40
VENT ELL 90	4	W	460	7	7	3.51	2,313.36
VENT ELL 45	3	W	463	24	24	6.29	10.53
VENT PIPE	3 x 2	W	454	6	6	14.56	44.03
VENT PIPE	3 x 3	W	456	9	9	12.15	349.44
VENT PIPE	3 x 1	W	451	14	14	4.92	72.90
VENT PIPE	4 X 1	W	452	18	18	5.21	44.28
X-PLUGS	4 X 3	W	459	9	9	2.43	72.94
X-PLUGS	1	W	457	3	3	4.16	43.74
X-PLUGS	1 1/2	W	311	43	43	7.46	37.44
X-PLUGS	1 1/4	W	312	68	68	9.06	22.38
X-PLUGS	1/2	W	314	20	20	9.50	389.58
X-PLUGS	2	W	309	182	182	10.08	646.00
X-PLUGS	3/4	W	313	7	7	6.41	201.60
			310	25	25	15.75	974.32
						6.77	110.25
							189.25

3621.99

2491.00

20,220.04

PHYSICAL INVENTORY	38,450.16
JV 490:	3,809.39
JV491:	5,083.60
UNACCOUNTED FOR:	10,825.17
<u>G/L BALANCE:</u>	<u>58,268.32</u>
	58,268.32

Date
9-30-95

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Of 1

tran code 1	ID 7	ACCOUNT CENTER		SOURCE	DEBIT AMOUNT		CREDIT AMOUNT		ID 73	(29 Characters ONLY) DESCRIPTION	COMMENTS NOTES (NOT KEY PUNCHED)
		32	34 44		50 62	72	62	72			
PT 10	1	16300	000	J E 7 9 4 9 1	14,748.27				2		
60		15400	100				3,823.10			To adjust G/L to physical inventory	
60		15400	300				10,925.17				
10		30070	300		7,625.40						
60		15400	300				5,083.60			To record meter valves understated	
60		16300	000				2,541.80			ALL UTILITY	
PAGE TOTALS					22,373.67		22,373.67				
GRAND TOTALS					22,373.67		22,373.67				
PREPARED BY											
APPROVED BY											CHECKED BY
											KP

CITY GAS COMPANY OF FLORIDA
 MATERIALS AND SUPPLIES ISSUED
 ANALYSIS OF 3/4 METER VALVES

September '94		(A)	(B)	(B-A)
		@ \$5.24	@ \$19.44	Difference
Operations	5 @ \$5.24 =	\$26.20	\$97.20	\$71.00
Service	13 @ \$5.24 =	\$68.12	\$252.72	\$184.60
Medley	60 @ \$5.24 =	\$314.40	\$1,166.40	\$852.00
Booked as	78 @ \$5.24 =	\$408.72		
S/B:	78 @ \$19.44 =	\$1,516.32	\$1,516.32	
Adjustment needed:		\$1,107.60		\$1,107.60

October '94		(A)	(B)	(B-A)
		@ \$5.24	@ \$19.44	Difference
Operations	1 @ \$5.24 =	\$5.24	\$19.44	\$14.20
Service	36 @ \$5.24 =	\$188.64	\$699.84	\$511.20
Medley	0 @ \$5.24 =	\$0.00	\$0.00	\$0.00
Booked as	37 @ \$5.24 =	\$193.88		
S/B:	37 @ \$19.44 =	\$719.28	\$719.28	
Adjustment needed:		\$525.40		\$525.40

November '94		(A)	(B)	(B-A)
		@ \$5.24	@ \$19.44	Difference
Operations	28 @ \$5.24 =	\$146.72	\$544.32	\$397.60
Service	64 @ \$5.24 =	\$335.36	\$1,244.16	\$908.80
Medley	0 @ \$5.24 =	\$0.00	\$0.00	\$0.00
Booked as	92 @ \$5.24 =	\$482.08		
S/B:	92 @ \$19.44 =	\$1,788.48	\$1,788.48	
Adjustment needed:		\$1,306.40		\$1,306.40

December '94		(A)	(B)	(B-A)
		@ \$5.24	@ \$19.44	Difference
Operations	1 @ \$5.24 =	\$5.24	\$19.44	\$14.20
Service	76 @ \$5.24 =	\$398.24	\$1,477.44	\$1,079.20
Medley	0 @ \$5.24 =	\$0.00	\$0.00	\$0.00
Booked as	77 @ \$5.24 =	\$403.48		
S/B:	77 @ \$19.44 =	\$1,496.88	\$1,496.88	
Adjustment needed:		\$1,093.40		\$1,093.40

January '95		(A)	(B)	(B-A)
		@ \$5.24	@ \$19.44	Difference
Operations	8 @ \$5.24 =	\$41.92	\$155.52	\$113.60
Service	0 @ \$5.24 =	\$0.00	\$0.00	\$0.00
Medley	0 @ \$5.24 =	\$0.00	\$0.00	\$0.00
Booked as	8 @ \$5.24 =	\$41.92		
S/B:	8 @ \$19.44 =	\$155.52	\$155.52	
Adjustment needed:		\$113.60		\$113.60

*Look to Meter
 Installation
 30070.300*

**CITY GAS COMPANY OF FLORIDA
MATERIALS AND SUPPLIES ISSUED
ANALYSIS OF 3/4 METER VALVES**

February '95

		(A)	(B)	(B-A)
		@ \$5.24	@ \$19.44	Difference
Operations	14 @ \$5.24 =	\$73.36	\$272.16	\$198.80
Service	1 @ \$5.24 =	\$5.24	\$19.44	\$14.20
Medley	0 @ \$5.24 =	\$0.00	\$0.00	\$0.00
Booked as	15 @ \$5.24 =	\$78.60		
S/B:	15 @ \$19.44 =	\$291.60	\$291.60	
Adjustment needed:		\$213.00		\$213.00

March '95

		(A)	(B)	(B-A)
		@ \$5.24	@ \$19.44	Difference
Operations	6 @ \$5.24 =	\$31.44	\$116.64	\$85.20
Service	0 @ \$5.24 =	\$0.00	\$0.00	\$0.00
Medley	0 @ \$5.24 =	\$0.00	\$0.00	\$0.00
Booked as	6 @ \$5.24 =	\$31.44		
S/B:	6 @ \$19.44 =	\$116.64	\$116.64	
Adjustment needed:		\$85.20		\$85.20

April '95

		(A)	(B)	(B-A)
		@ \$5.24	@ \$19.44	Difference
Operations	10 @ \$5.24 =	\$52.40	\$194.40	\$142.00
Service	2 @ \$5.24 =	\$10.48	\$38.88	\$28.40
Medley	0 @ \$5.24 =	\$0.00	\$0.00	\$0.00
Booked as	12 @ \$5.24 =	\$62.88		
S/B:	12 @ \$19.44 =	\$233.28	\$233.28	
Adjustment needed:		\$170.40		\$170.40

May '95

		(A)	(B)	(B-A)
		@ \$5.24	@ \$19.44	Difference
Operations	23 @ \$5.24 =	\$120.52	\$447.12	\$326.60
Service	1 @ \$5.24 =	\$5.24	\$19.44	\$14.20
Dial	1 @ \$5.24 =	\$5.24	\$19.44	\$14.20
Booked as	25 @ \$5.24 =	\$131.00		
S/B:	25 @ \$19.44 =	\$486.00	\$486.00	
Adjustment needed:		\$355.00		\$355.00

June '95

		(A)	(B)	(B-A)
		@ \$5.24	@ \$19.44	Difference
Operations	5 @ \$5.24 =	\$26.20	\$97.20	\$71.00
Service	3 @ \$5.24 =	\$15.72	\$58.32	\$42.60
Medley	0 @ \$5.24 =	\$0.00	\$0.00	\$0.00
Booked as	8 @ \$5.24 =	\$41.92		
S/B:	8 @ \$19.44 =	\$155.52	\$155.52	
Adjustment needed:		\$113.60		\$113.60

In the months of July and August, there were no Meter Valves requisitioned.

Date
9/30/95

CITY GAS COMPANY OF FLORIDA
An NUI Company
JOURNAL ENTRY

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LINE NO	ID	ACCOUNT	CENTER	SOURCE	DEBIT AMOUNT	CREDIT AMOUNT	ID	(20 Characters ONLY) DESCRIPTION	COMMENTS NOTES (NOT KEY FUNDED)				
										73	74		
1	7	14	32	34 44	50	62	72	62	72	73	74		
PT 10	1	18610	300	J E 7 9	211.68								
10		30170	300		47.93				UTILITY PORTION				
60		15400	300					3809.39					
60		15400	200					543.95					
60		16300	000					2,176.68					
10		46200	200		815.93								
PAGE TOTALS					1,075.54	6,530.02							
GRAND TOTALS					6,530.02	6,530.02							

PREPARED BY

APPROVED BY

CHECKED BY

KF

CITY GAS COMPANY OF FLORIDA
MATERIALS AND SUPPLIES ISSUED
BREVARD DIVISION

MEDLEY

199.12 M & S
70.56 STORES

211.68

SEPTEMBER, 1995

MATERIAL	SIZE	ISSUES	UNIT COST	TOTAL
FLEX HOSE	1/2X60	8	13.25	106.00
FLEX HOSE	3/8x12	4	4.24	16.96
REGULATORS	48RV	2	6.97	13.94
DRYER VENT HOSE	4 x 8	1	4.22	4.22

CITY GAS COMPANY OF FLORIDA
MATERIALS AND SUPPLIES ISSUED
BREVARD DIVISION

31.5 M & S
15.98 STORES

47.93

SEPTEMBER, 1995

MATERIAL	SIZE	ISSUES	UNIT COST	TOTAL
ELLS	1 X 3/4	10	1.06	10.60
UNIONS	3/4	1	2.01	2.01
OVAL VENT	4x5	1	19.34	19.34

CITY GAS COMPANY OF FLORIDA
 MATERIALS AND SUPPLIES ISSUED
 BREVARD DIVISION

OPERATIONS

2.66
~~320.05~~ M & S
 110.03 STORES
 131.33

 330.09 *393.99*

SEPTEMBER, 1995

MATERIAL	SIZE	ISSUES	UNIT COST	TOTAL
RISER	1/2	7	19.08	133.56
VALVES	3/4 MTR	3	5.24 <i>19.44</i>	15.72 <i>58.32</i> CHECK
LEAK CLAMPS - FULL	2 x 6	2	10.33	20.66 CHECK
VALVES	1 MTR	1	41.16	41.16 ORDER
DRESSER STYLE 90	1/2x6	1	8.96	8.96
				<hr/> <i>262.66</i>

CITY GAS COMPANY OF FLORIDA
MATERIALS AND SUPPLIES ISSUED
BREVARD DIVISION

257.28 M & S
127.14 STORES

381.42

SEPTEMBER, 1995

MATERIAL	SIZE	ISSUES	UNIT COST	TOTAL
GALV. PIPE	1/2	42	0.3578	15.03
ALUMINUM TUB	1/4	20	0.2150	4.30
VALVES	1 1/4 HP	4	26.61	106.44
FLEX HOSE	3/8x12	2	4.24	8.48
45 OVAL FLAT ELL	4	2	5.10	10.20
VALVES	2 HP	1	48.76	48.76 CHECK
OVAL VENT CAP	4	1	7.34	7.34
ADAPTER - OVAL	4	1	4.35	4.35
DRYER VENT HOSE	4 x 5	1	3.52	3.52
OVAL VENT	4x1	1	5.44	5.44
OVAL VENT	4x2	1	8.88	8.88
OVAL VENT	4x3	1	12.20	12.20
OVAL VENT	4x5	1	19.34	19.34

CITY GAS COMPANY OF FLORIDA
 MATERIALS AND SUPPLIES ISSUED
 BREVARD DIVISION

3,138 M & S
 1,559.89 STORES

4,679.07

~~AUGUST, 1995~~

September, 1995

MATERIAL	SIZE	ISSUES	UNIT COST	TOTAL
COPPER TUB	3/8	250	0.3800	95.00
COPPER TUB	1/2	200	0.4900	98.00
DRAFT HOOD CONN.	5	50	2.49	124.50
X-PLUGS	3/4	32	6.77	216.64
X-PLUGS	1/2	19	6.41	121.79
UNIONS	1	17	2.45	41.65
FLEX HOSE	1/2 x 12	17	12.50	212.50 CHECK
FLEX HOSE	1/2 X 24	17	12.50	212.50 CHECK
VALVES	1/2 X 1/2 fl mlpt	16	3.69	59.04
VALVES	1/2 FL	16	3.69	59.04 CHECK
TOP HALF	3/4	16	5.05	80.80 CHECK
VALVES	1/2 x 1/2 fl flpt	14	3.72	52.08
REGULATORS	47 RV	12	5.95	71.40 CHECK
ELLS - 90 DEGREE	1 1/4	11	1.41	15.51
VALVES	1/2 X 3/8 fl mlpt	10	3.69	36.90
REGULATORS	53 RV	10	23.03	230.30
ELLS	1 x 1/2	7	1.08	7.56 CHECK
DRYER VENT HOSE	4 x 8	7	4.22	29.54
TEES	1 1/4	6	2.12	12.72
ELLS - 90 DEGREE	2	6	3.03	18.18
ELLS - 90 DEGREE	2 1/2	6	2.42	14.52 ORDER
ELLS - 90 DEGREE	3	6	7.75	46.50
ELLS - 90 DEGREE	1	5	0.91	4.55 CHECK
VALVES	2 HP	5	48.76	243.80
VALVES	2 LH	5	19.55	97.75 ORDER
VALVES	3/4 H/P	5	18.02	90.10
VALVES	3/8 x 3/8 fl flpt	5	3.93	19.65
VALVES	1/2 LH	4	3.72	14.88
FLEX HOSE	1/2X60	4	13.25	53.00
FLEX HOSE	3/4X60	4	14.31	57.24
ELLS	1 1/2 X 1	3	2.27	6.81
TEES	1 1/2 X 1 1/2 X 1	3	2.59	7.77
ELLS	1 1/2 X 3/4	3	3.37	10.11
VALVES	1 1/2 LH	3	18.00	54.00
ELLS	1 1/4 x 1	3	1.60	4.80 CHECK
ELLS	1 1/4 x 1/2	3	1.81	5.43
TEES	1 1/4 X 1 1/4 X 3/4	3	2.26	6.78
VALVES	1 1/4 HP	3	26.61	79.83
VALVES	1 1/4 MTR	3	31.80	95.40
LEAK CLAMPS - FULL	1 x 6	3	7.50	22.59
LEAK CLAMPS - FULL	1/2 x 2.75	3	15.42	46.26 ORDER
DRESSER STYLE 90	1/2x6	3	8.96	26.88
DRESSER STYLE 90	2x12	3	14.38	43.14 ORDER
UNIONS	3/4	3	2.01	6.03
VALVES	3/4 LH	3	3.63	10.69 CHECK
VALVES	3/8 FL	3	3.69	11.07 CHECK
ELLS	1 X 3/4	2	1.06	2.12
GALV. PIPE	1 1/2	2	1.6127	3.23

CITY GAS COMPANY OF FLORIDA
 MATERIALS AND SUPPLIES ISSUED
 BREVARD DIVISION

3,100.38 M & S
 1,559.69 STORES

4,679.07

AUGUST, 1995

MATERIAL	SIZE	ISSUES	UNIT COST	TOTAL
ELLS	1 1/4 X 3/4	2	2.13	4.26
ELLS	2 X 1 1/2	2	3.46	6.92 CHECK
REGULATORS	20RV	2	5.88	11.36
FLEX HOSE	3/8x12	2	4.24	8.48
OVAL FLASHING	4	2	8.24	16.48
DRYER VENT HOSE	4 x 5	2	3.52	7.04
OVAL VENT	4x1	2	5.44	10.88
TOP HALF	1	1	8.31	8.31 CHECK
TEES	1 X 1 X 3/4	1	1.46	1.46 CHECK
X-PLUGS	1 1/4	1	10.08	10.08
UNIONS	1 1/4	1	3.75	3.75
VALVES	1 HP	1	18.99	18.99
VALVES	1 MTR	1	41.16	41.16
RISER	1/2	1	19.08	19.08
TOP HALF	1/2	1	7.00	7.00 CHECK
VALVES	1/2 MTR	1	4.69	4.69 CHECK
VALVES	1/2 x 3/8 fl flpt	1	3.72	3.72
X-PLUGS	2	1	15.75	15.75
VENT INCREASER	3 X 4	1	5.29	5.29
VALVES	3/8 LH	1	3.60	3.60
REGULATORS	48RV	1	6.97	6.97
REGULATORS	60 RV	1	23.33	23.33 ORDER

Total Utility \$ 2297.79