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January 15, 1997

Ms. Blanca Bayo, Director  
Division of Records and Reporting  
Room 110, Easley Building  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

**BY HAND DELIVERY**

Re: Docket No. **970003-GU**- South Florida Natural Gas Company

Dear Ms. Bayo:

Enclosed are an original and fifteen copies on behalf of South Florida Natural Gas Company in connection with the hearings scheduled to begin February 19, 1997 in this docket are the original and 15 copies of the following:

1. Petition for Approval of South Florida Natural Gas Company's Purchased Gas Cost Recovery Factor;
2. Direct Testimony of L. Defrain; and
3. Schedules E-1, E-1/R, E-2, E-3, E-4 and E-5.

Please indicate receipt of this document by stamping the enclosed extra copy of this letter.

Thank you for your assistance in this matter.

Sincerely,

*Norman H. Horton, Jr.*  
Norman H. Horton, Jr.

*APA-1  
FAC/Valien  
leg-1  
LIV-3  
SEC 1*

NHH:ajb  
Enclosures  
cc: Ms. Anne V. Wood  
Mr. L. Defrain  
Parties of Record

*Petition*  
DOCUMENT NUMBER-DATE  
00528 JAN 15 97  
FPSC-RECORDS/REPORTING

*testimony & schedules*  
DOCUMENT NUMBER-DATE  
00529 JAN 15 97  
FPSC-RECORDS/REPORTING

ORIGINAL  
FILE COPY

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Purchased Gas Adjustment )  
(PGA) True-up )

DOCKET NO. 970003-GU

DIRECT TESTIMONY OF L. DEFRAIN

On Behalf of South Florida Natural  
Gas Company

Submitted for filing: January 15, 1997

AFA - 1

EAG/Make

Key - 1

11W - 31 orig

SEC - 1

DOCUMENT FROM THE

00529 JAN 15 1997

FPSC-RECORDS/REPORTING

1 Q. Please state your name, occupation, and business  
2 address.

3 A. My name is Lou J. Defrain. I am Secretary-Treasurer  
4 of South Florida Natural Gas Co. ("SFNG"). My  
5 business address is 101 Northwest 202 Terrace, Miami,  
6 Florida.

7 Q. What is the purpose of your testimony?

8 A. The purpose of my testimony is to discuss SFNG's  
9 calculation of its levelized purchased gas adjustment  
10 factor for the period April 1, 1997 through March 31,  
11 1998.

12 Q. Would you please identify the Composite Exhibit which  
13 you are sponsoring with this testimony?

14 A. Yes. As Composite Exhibit LD-1, I am sponsoring  
15 Schedules E-1, E-1/R, E-2, E-3, E-4, and E-5.

16 Q. Were these schedules prepared under your direction and  
17 supervision?

18 A. Yes, they were.

19 Revised Estimate April 1996 - March 1997

20 Q. What is the revised estimate of total purchased gas  
21 costs for the period April 1996 - March 1997?

22 A. The revised projection of purchased gas cost for the  
23 current period is \$973,327.

24 Q. What is the revised projection of gas revenue to be  
25 collected for the current period?

1 A. As shown on Schedule E-2, the company estimates the  
2 total gas revenue to be collected during the period to  
3 be \$782,235. This amount includes a refund of prior  
4 period overcollections in the amount of \$112,492.  
5 Therefore, the revenue collected to cover the current  
6 period's gas cost is estimated to be \$894,727.

7 Q. What is the revised true-up amount, including  
8 interest, estimated for the April 1996 - March 1997  
9 period?

10 A. The company estimates the revised true-up, including  
11 interest, to be an undercollection of \$75,329.

12 April 1997 - March 1998 Projection

13 Q. How did you develop your projection of SFNG's cost of  
14 gas for the April 1997 - March 1998 period?

15 A. Our first step was to estimate our supply requirements  
16 for each of the twelve months in the period. Our  
17 projected supply requirements are based on our  
18 projected sales and company use for each month. Once  
19 we develop our supply requirements, we can then  
20 determine how these requirements will be met. In  
21 other words, we match our estimated requirements with  
22 the gas supply that is available to us. All of our  
23 gas requirements will be met utilizing firm  
24 transportation service on FGT for the projected period  
25 of April 1997 - March 1998. Due to the complexity of

1 transporting on FGT's system after implementation of  
2 FERC Order 636, and the new gas control requirements  
3 on all transporters, we have contracted with an energy  
4 services firm who furnishes our gas supply, arranges  
5 for transportation of the supply to our system,  
6 monitors volumes and adjusts receipts/deliveries as  
7 necessary, and makes all nominations and balancing  
8 arrangements.

9 Q. Please describe the general steps or mechanics of  
10 projecting the total cost of gas for the April 1997 -  
11 March 1998 period.

12 A. As shown on Schedule E-1 lines 1 - 11, the total cost  
13 of gas consists of the cost of no-notice  
14 transportation service (NNTS) on FGT, the demand and  
15 commodity costs of firm transportation service (FTS)  
16 on FGT, and the commodity cost of gas estimated to be  
17 paid to our supplier during the period.

18 The cost of NNTS service (line 2) is based on  
19 SFNG's contract level with FGT and an estimation of  
20 FGT's reservation charge for this service. The  
21 reservation charge utilized for the period is the  
22 current rate in effect.

23 The demand and commodity portions of  
24 transportation system supply are shown on Schedule E-  
25 1, lines 1, 4, and 5. The commodity pipeline amount

1 (line 1) is based on FGT's current FTS commodity rate  
2 multiplied by the number of therms projected to be  
3 transported for system supply.

4 The commodity other (line 4) is based on data  
5 shown on Schedule E-3 which details our projected  
6 direct supplier purchases for the twelve-month period.  
7 We projected the "FTS" commodity cost on line 4 using  
8 a combination of analyses. We analyzed the 1995 and  
9 1996 monthly prices of natural gas delivered to FGT by  
10 zone as reported in Inside FERC Gas Market Report. We  
11 also reviewed the recent NYMEX postings for the  
12 period January 1997 through March 1997. We developed  
13 our monthly index price of gas using the above data  
14 and allowing for seasonal trends and current market  
15 pricing. To this index, we added compressor fuel and  
16 our supplier's estimated margin for first of the month  
17 pricing and swing service.

18 The demand component of SFNG's cost of gas (line  
19 5) for the months of April 1997 - March 1998 is  
20 calculated by multiplying SFNG's contract level for  
21 capacity with FGT by FGT's current FTS demand rate.

22 Q. Based on the projected total cost of gas and projected  
23 sales, what is the weighted average cost per therm for  
24 the twelve-month period ended March 1998?

25 A. This figure is shown on Schedule E-1, line 40, and is

1 40.008 cents per therm. To arrive at the total PGA  
2 factor, the 40.008 cents per therm is adjusted for the  
3 estimated total true-up through March 1997 (shown on  
4 Schedule E-4) and for revenue-related taxes.

5 Q. What is the projected PGA factor for the period April  
6 1997 - March 1998?

7 A. The projected PGA factor for the period is 43.569  
8 cents per therm.

9 Q. The estimated total true-up for the twelve months  
10 ended March 1997 as calculated on Schedule E-4 is  
11 included in the projected PGA factor for the period  
12 April 1997 - March 1998. Please explain how it was  
13 calculated.

14 A. The final true-up amount for the period April 1995 -  
15 March 1996 is added to the estimated end of period net  
16 true-up for April 1996 - March 1997. The April 1996 -  
17 March 1997 estimated true-up is based on eight months'  
18 actual data plus four months' projected data.

19 Q. What is the impact of the total true-up for the twelve  
20 months ended March 31, 1997 on the projected PGA  
21 factor for the April 1997 - March 1998 period?

22 A. The projected true-up as of March 31, 1997 is an  
23 underrecovery of \$84,906 (Schedule E-4). Dividing the  
24 overrecovery by the April 1997 - March 1998 projected  
25 therm sales of 2,499,000 results in a surcharge of

1           3.398 cents per therm to be included in the proposed  
2           PGA factor.

3    Q.    What is the maximum levelized purchased gas factor  
4           (cap) that you are proposing for the April 1997 -  
5           March 1998 period?

6    A.    The maximum levelized purchased gas factor (cap) that  
7           we are proposing for the period is 43.569 cents per  
8           therm.

9    Q.    Does this conclude your testimony?

10   A.    Yes, it does.



SOUTH FLORIDA NATURAL GAS CO.

APRIL 1997 - MARCH 1998

PURCHASED GAS PROJECTION FILING

EXHIBIT LD-1

DOCUMENT NUMBER 00529  
JAN 15 1998  
FPSC-RECORDS/REPORTING

COMPANY: SOUTH FLORIDA NATURAL GAS CO.

PURCHASED GAS ADJUSTMENT  
COST RECOVERY CLAUSE CALCULATION  
APRIL 97 Through MARCH 98

ORIGINAL ESTIMATE FOR THE PROJECTED PERIOD:

SCHEDULE E-1  
EXHIBIT NO. \_\_\_\_\_  
DOCKET NO. 970003-GU  
SOUTH FLORIDA NATURAL GAS CO  
LD-1  
PAGE 1 OF 6

COST OF GAS PURCHASED	PROJECTION												TOTAL
	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	
1 COMMODITY (Pipeline)	1,322	881	831	787	818	758	1,020	1,410	2,014	2,014	2,020	1,858	15,728
2 NO NOTICE SERVICE	475	256	248	235	235	207	214	889	901	1,495	868	961	7,044
3 SWING SERVICE	0	0	0	0	0	0	0	0	0	0	0	0	0
4 COMMODITY (Other)	56,732	32,508	32,237	34,033	31,489	27,868	37,812	80,512	127,728	134,771	111,108	92,963	779,560
5 DEMAND	8,758	8,978	5,668	4,945	5,250	4,929	4,743	28,650	29,805	29,805	28,740	29,605	185,470
6 MANAGEMENT FEE	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
LESS END-USE CONTRACT													
7 COMMODITY (Pipeline)	0	0	0	0	0	0	0	0	0	0	0	0	0
8 DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0
9	0	0	0	0	0	0	0	0	0	0	0	0	0
10	0	0	0	0	0	0	0	0	0	0	0	0	0
11 TOTAL CO (1+2+3+4+5+6)-(7+8+9+10)	68,285	41,622	39,962	41,000	38,792	34,759	44,588	92,481	161,308	168,884	141,738	126,385	999,802
12 NET UNBILLED	0	0	0	0	0	0	0	0	0	0	0	0	0
13 COMPANY USE	0	0	0	0	0	0	0	0	0	0	0	0	0
14 TOTAL THERM SALES	75,381	48,698	47,058	48,078	45,858	41,835	51,884	99,536	168,383	175,959	148,811	133,459	1,084,708
THERMS PURCHASED													
15 COMMODITY (Pipeline) BILLING DETERMINANTS ONLY	210,120	140,120	132,120	125,120	130,120	120,120	162,120	224,120	320,120	320,120	321,120	295,120	2,500,440
16 NO NOTICE SERVICE BILLING DETERMINANTS ONLY	89,000	37,200	36,000	34,100	34,100	30,000	31,000	129,000	139,500	217,000	128,000	139,500	1,022,800
17 SWING SERVICE COMMODITY													
18 COMMODITY (Other) COMMODITY	210,120	140,120	132,120	125,120	130,120	120,120	162,120	224,120	320,120	320,120	321,120	295,120	2,500,440
19 DEMAND BILLING DETERMINANTS ONLY	537,800	149,730	144,900	149,730	149,730	144,900	285,200	681,500	683,550	683,550	617,400	683,550	4,891,340
20 OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0
LESS END-USE CONTRACT													
21 COMMODITY (Pipeline)	0	0	0	0	0	0	0	0	0	0	0	0	0
22 DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0
23	0	0	0	0	0	0	0	0	0	0	0	0	0
24 TOTAL PURCHASES (+17+18+20)-(21+23)	210,120	140,120	132,120	125,120	130,120	120,120	162,120	224,120	320,120	320,120	321,120	295,120	2,500,440
25 NET UNBILLED	0	0	0	0	0	0	0	0	0	0	0	0	0
26 COMPANY USE	120	120	120	120	120	120	120	120	120	120	120	120	1,440
27 TOTAL THERM SALES	210,000	140,000	132,000	125,000	130,000	120,000	162,000	224,000	320,000	320,000	321,000	295,000	2,499,000
CENTS PER THERM													
28 COMMODITY (Pipeline) (1/15)	0.629	0.629	0.629	0.629	0.629	0.629	0.629	0.629	0.629	0.629	0.629	0.629	0.629
29 NO NOTICE SERVICE (2/16)	0.689	0.689	0.689	0.689	0.689	0.689	0.389	0.689	0.689	0.689	0.689	0.689	0.689
30 SWING SERVICE (3/17)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
31 COMMODITY (Other) (4/18)	27.000	23.200	24.400	27.200	24.200	23.200	23.200	27.000	39.900	42.100	34.800	31.500	31.177
32 DEMAND (5/19)	4.324	4.324	4.324	4.324	4.324	4.324	4.324	4.324	4.324	4.324	4.324	4.324	3.792
33 OTHER (6/20)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
LESS END-USE CONTRACT													
34 COMMODITY Pipeline (7/21)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
35 DEMAND (8/22)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
36 (9/23)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
37 TOTAL COST (11/24)	32.498	29.704	30.282	32.768	29.813	28.937	27.503	41.255	50.390	52.757	44.138	42.825	39.985
38 NET UNBILLED (12/25)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
39 COMPANY USE (13/26)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
40 TOTAL THERM SALES (11/27)	32.517	29.730	30.290	32.800	29.840	28.966	27.524	41.277	50.409	52.778	44.154	42.842	40.008
41 TRUE-UP (E-2)	3.398	3.398	3.398	3.398	3.398	3.398	3.398	3.398	3.398	3.398	3.398	3.398	3.398
42 TOTAL COST OF GAS (40+41)	35.915	33.128	33.688	36.198	33.238	32.364	30.922	44.675	53.807	56.174	47.552	46.240	43.406
43 REVENUE TAX ADJUST	1.003764	1.003764	1.003764	1.003764	1.003764	1.003764	1.003764	1.003764	1.003764	1.003764	1.003764	1.003764	1.003764
44 PGA FACTOR ADJUSTED FOR (42x43)	36.050	33.252	33.814	36.334	33.253	32.488	31.038	44.843	54.009	56.388	47.731	46.415	43.569
45 PGA FACTOR ROUNDED TO NEAREST .001	36.050	33.252	33.814	36.334	33.263	32.488	31.038	44.843	54.009	56.388	47.731	46.415	43.569



COMPANY: SOUTH FLORIDA NATURAL GAS CO.

CALCULATION OF TRUE-UP AMOUNT

FOR THE CURRENT PERIOD:

APRIL 98

Through

MARCH 97

	ACTUAL							REVISED PROJECTION					TOTAL PERIOD
	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	
<b>TRUE-UP CALCULATION</b>													
1 PURCHASED GAS COST	51,495	34,485	33,769	38,378	31,676	43,980	31,470	60,788	126,802	135,771	113,492	89,238	789,343
2 TRANSPORTATION COST	10,979	7,759	7,243	7,019	6,607	6,705	8,148	11,979	22,592	33,065	29,810	32,280	183,984
3 TOTAL	62,474	42,244	41,012	45,397	38,283	50,685	39,618	72,767	149,394	168,836	143,301	121,518	973,327
4 FUEL REVENUES (NET OF REVENUE TAX)	57,180	40,628	38,335	37,194	48,541	35,292	54,379	70,743	103,851	103,885	105,508	90,899	782,235
5 TRUE-UP COLLECTED OR (REFUNDED)	9,374	9,374	9,374	9,374	9,374	9,374	9,374	9,374	9,374	9,374	9,374	9,374	112,482
6 FUEL REVENUE APPLICABLE TO PERIOD (LINE 4 (+ or -) LINE 5)	66,554	50,002	45,709	48,568	55,915	44,686	63,753	80,117	113,025	113,259	114,882	100,277	894,727
7 TRUE-UP PROVISION - THIS PERIOD (LINE 6 - LINE 3)	4,080	7,758	4,697	3,171	17,632	(8,019)	24,137	7,350	(38,369)	(56,577)	(28,219)	(21,240)	(78,600)
8 INTEREST PROVISION-THIS PERIOD (21)	456	438	431	410	412	397	397	428	339	81	(173)	(343)	3,271
9 BEGINNING OF PERIOD TRUE-UP AND INTEREST	102,992	98,154	96,976	92,729	88,936	95,806	80,810	95,770	94,173	48,789	(16,101)	(53,866)	822,745
10 TRUE-UP COLLECTED OR (REFUNDED) (REVERSE OF LINE 5)	(9,374)	(9,374)	(9,374)	(9,374)	(9,374)	(9,374)	(9,374)	(9,374)	(9,374)	(9,374)	(9,374)	(9,374)	(112,482)
10a FLEX RATE REFUND (if applicable)	0	0	0	0	0	0	0	0	0	0	0	0	0
11 TOTAL ESTIMATED/ACTUAL TRUE-UP (7+8+9+10+10a)	98,154	96,976	92,729	88,936	95,806	80,810	95,770	94,173	48,789	(16,101)	(53,866)	(84,829)	(84,829)
<b>INTEREST PROVISION</b>													
12 BEGINNING TRUE-UP AND INTEREST PROVISION (9)	102,992	98,154	96,976	92,729	88,936	95,806	80,810	95,770	94,173	48,789	(16,101)	(53,866)	822,745
13 ENDING TRUE-UP BEFORE INTEREST (12+7-5)	97,698	98,538	92,299	88,526	95,194	80,213	95,373	93,746	48,430	(16,182)	(53,896)	(84,486)	631,653
14 TOTAL (12+13)	200,690	194,691	189,275	179,256	182,130	175,819	175,983	189,515	142,603	32,587	(69,796)	(138,354)	1,454,398
15 AVERAGE (50% OF 14)	100,345	97,346	94,637	89,628	91,065	87,909	87,991	94,758	71,302	16,293	(34,898)	(69,177)	727,199
16 INTEREST RATE - FIRST DAY OF MONTH	5.500%	5.400%	5.400%	5.520%	5.450%	5.400%	5.440%	5.380%	5.450%	5.950%	5.950%	5.950%	5.950%
17 INTEREST RATE - FIRST DAY OF SUBSEQUENT MONTH	5.400%	5.400%	5.520%	5.450%	5.400%	5.440%	5.380%	5.450%	5.950%	5.950%	5.950%	5.950%	5.950%
18 TOTAL (16+17)	10.900%	10.800%	10.920%	10.970%	10.850%	10.840%	10.820%	10.830%	11.400%	11.900%	11.900%	11.900%	11.900%
19 AVERAGE (50% OF 18)	5.450%	5.400%	5.460%	5.485%	5.425%	5.420%	5.410%	5.415%	5.700%	5.950%	5.950%	5.950%	5.950%
20 MONTHLY AVERAGE (18/12 Months)	0.454%	0.450%	0.455%	0.457%	0.452%	0.452%	0.451%	0.451%	0.475%	0.496%	0.498%	0.498%	0.498%
21 INTEREST PROVISION (15+20)	456	438	431	410	412	397	397	428	339	81	(173)	(343)	3,271

COMPANY: SOUTH FLORIDA NATURAL GAS CO.

TRANSPORTATION PURCHASES  
SYSTEM SUPPLY AND END USE

SCHEDULE E-3  
EXHIBIT NO \_\_\_\_\_  
DOCKET NO. 970003-GU  
SOUTH FLORIDA NATURAL GAS  
LD-1  
PAGE 4 OF 6

ESTIMATED FOR THE PROJECTED PERIOD OF:

APRIL 97 Through MARCH 98

MONTH	PURCHASED FROM	PURCHASED FOR	SCH TYPE	SYSTEM SUPPLY	END USE	TOTAL PURCHASE	COMMODITY COST		DEMAND COST	OTHER CHARGE ACAGRI/FUEL	CENTS PER THERM
							THIRD PARTY	PIPELINE			
APRIL	PENINSULA ENERGY	SYSTEM SUPPLY	FTS-1	210,120	0	210,120	56,732	1,322	8,756		31.796
MAY	PENINSULA ENERGY	SYSTEM SUPPLY	FTS-1	140,120	0	140,120	32,508	881	6,976		28.808
JUNE	PENINSULA ENERGY	SYSTEM SUPPLY	FTS-1	132,120	0	132,120	32,237	831	5,666		29.318
JULY	PENINSULA ENERGY	SYSTEM SUPPLY	FTS-1	125,120	0	125,120	34,033	787	4,945		31.781
AUGUST	PENINSULA ENERGY	SYSTEM SUPPLY	FTS-1	130,120	0	130,120	31,489	818	5,250		28.864
SEPT	PENINSULA ENERGY	SYSTEM SUPPLY	FTS-1	120,120	0	120,120	27,868	756	4,929		27.932
OCT	PENINSULA ENERGY	SYSTEM SUPPLY	FTS-1	162,120	0	162,120	37,612	1,020	4,743		26.755
NOV	PENINSULA ENERGY	SYSTEM SUPPLY	FTS-1	224,120	0	224,120	60,512	1,410	28,650		40.412
DEC	PENINSULA ENERGY	SYSTEM SUPPLY	FTS-1	320,120	0	320,120	127,728	2,014	29,605		49.777
JAN	PENINSULA ENERGY	SYSTEM SUPPLY	FTS-1	320,120	0	320,120	134,771	2,014	29,605		51.977
FEB	PENINSULA ENERGY	SYSTEM SUPPLY	FTS-1	321,120	0	321,120	111,108	2,020	26,740		43.556
MAR	PENINSULA ENERGY	SYSTEM SUPPLY	FTS-1	295,120	0	295,120	92,963	1,856	29,605		42.161
<b>TOTAL</b>				<b>2,500,440</b>	<b>0</b>	<b>2,500,440</b>	<b>779,560</b>	<b>15,728</b>	<b>185,470</b>	<b>0</b>	<b>39.223</b>
										(1)	

(1) COST INCLUDED IN PIPELINE COMMODITY

COMPANY: SOUTH FLORIDA NAT GAS

CALCULATION OF TRUE-UP AMOUNT  
PROJECTED PERIOD

SCHEDULE E-4  
EXHIBIT NO \_\_\_\_\_  
DOCKET NO. 970003-GU  
SOUTH FLORIDA NATURAL GAS  
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ESTIMATED FOR THE PROJECTED PERIOD: APRIL 97 Through MARCH 98

	PRIOR PERIOD: APRIL '95 - MARCH '96			CURRENT PERIOD: APRIL '96 - MARCH '97	
	(1) EIGHT MONTHS ACTUAL PLUS FOUR MONTHS REVISED ESTIMATE	(2) ACTUAL	(3) (2)-(1) DIFFERENCE	(4) EIGHT MONTHS ACTUAL PLUS FOUR MONTHS REVISED ESTIMATE	(5) (3)+(4) TOTAL TRUE-UP
1 TOTAL THERM SALES \$ GAS REVENUES	634,297	684,045	49,748	894,727	944,475
2 TRUE-UP PROVISION FOR THIS PERIOD OVER (UNDER) COLLECTION	28,865	19,614	(9,251)	(78,600)	(87,851)
3 INTEREST PROVISION FOR THIS PERIOD	12,566	12,240	(326)	3,271	2,945
4 END OF PERIOD TOTAL NET TRUE-UP	41,431	31,854	(9,577)	(75,329)	(84,906) (1)

NOTE: EIGHT MONTHS ACTUAL FOUR MONTHS REVISED ESTIMATE DATA OBTAINED FROM SCHEDULE (E-2)

(+) = OVERRECOVERY  
(-) = UNDERRECOVERY

COLUMN (1) DATA OBTAINED FROM SCHEDULE (E-2)  
COLUMN (2) DATA OBTAINED FROM SCHEDULE (A-2)  
LINE 4 COLUMN (3) SAME AS LINE 7 SCHEDULE (A-7)  
LINE 4 COLUMN (1) SAME AS LINE 8 SCHEDULE (A-7)  
LINE 2 COLUMN (4) SAME AS LINE 7 SCHEDULE (E-2)  
LINE 3 COLUMN (4) SAME AS LINE 8 SCHEDULE (E-2)

(84,906) equals (\$0.03398) PER THERM  
2,499,000 TRUE-UP SURCHARGE

(1) DIFFERENCE FROM SCHEDULE E-2 IS \$77 DIFFERENCE FROM A PRIOR PERIOD

