

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for Rate Increase) Docket No. 000768-GU
by City Gas Company of Florida)

RECEIVED-FPSC
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RECORDS AND REPORTING

AFFIDAVIT OF NOTICE

STATE OF FLORIDA)
COUNTY OF LEON)

BEFORE ME, the undersigned authority, personally appeared Katrina C. Guerry who, first being duly sworn, deposes and says:

1. I am a legal secretary in the law firm of Hopping Green Sams & Smith, P.A.
2. On August 25, 2000, I caused a copy of the letter and Petition for Rate Increase attached as Exhibit I to be mailed to the persons listed on Exhibit III by U.S. Mail, certified, return receipt requested.
3. On September 28, 2000, I caused a copy of the letter and Rate Case Synopsis attached as Exhibit II to be mailed to the persons listed on Exhibit III by U.S. Mail, certified, return receipt requested.

Further affiant sayeth not.

Katrina C. Guerry
Katrina C. Guerry

Sworn to and subscribed before me by Katrina C. Guerry, who is personally known to me, this 18th day of October, 2000.

RECEIVED & FILED
man

FPSC-BUREAU OF RECORDS



Tracey Keppel-Wolfe
Notary Public

DOCUMENT NUMBER-DATE

13469 OCT 20 8

FPSC-RECORDS/REPORTING

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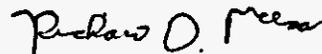
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SHANNON L. NOVEY
ERIC T. OLSEN

August 25, 2000

Ladies and Gentlemen:

Attached for your information in accordance with the requirements of Rule 25-22.0406(2), Florida Administrative Code, is a copy of a Petition for Rate Increase filed today with the Florida Public Service Commission by NUI City Gas Company of Florida.

Sincerely,



Richard D. Melson
Attorney for NUI City Gas
Company of Florida

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for a Rate Increase) Docket No. 000768-GU
By City Gas Company of Florida)
_____) Filed: August 25, 2000

PETITION FOR RATE INCREASE

City Gas Company of Florida, a division of NUI Corporation ("NUI City Gas" or "the Company") petitions for an increase in rates and charges for natural gas service pursuant to Sections 366.06 and 366.071, Florida Statutes.

Background

1. City Gas Company of Florida was incorporated under the laws of Florida in 1949. Its headquarters are located at 955 East 25th Street, Hialeah, Florida 33013-3498. The Company began its operations as a distributor of liquid petroleum gas ("LPG") through underground pipelines in Dade County, Florida. In 1960, the Company began to purchase natural gas for distribution, and thus became a "public utility" within the meaning of Section 366.02, Florida Statutes, subject to the regulatory jurisdiction of the Florida Public Service Commission.

2. The representatives of the Company to receive notices and other pleadings in this case are:

Richard D. Melson
Hopping Green Sams & Smith, P.A.
P.O. Box 6526
Tallahassee, FL 32314

Michael A. Palecki
NUI City Gas
PMB 224
3539 Apalachee Parkway
Tallahassee, FL 32311-5331

3. In 1988, the Company was acquired by NUI Corporation. NUI City Gas is now a division of NUI Corporation, a New Jersey Corporation whose principal offices are located at Route 202-206, Bedminster, New Jersey. NUI Corporation operates natural gas distribution systems in six states: Florida, New Jersey, New York, Pennsylvania, Maryland and North Carolina.

4. NUI City Gas currently serves over 100,000 customers in Dade, Broward, Brevard, St. Lucie, Indian River, and Martin Counties, Florida.

5. By this petition, NUI City Gas seeks the approval of interim rates, the determination of an appropriate cost of equity capital, the determination of a fair and reasonable overall rate of return, the approval of new and revised rate schedules, and a permanent increase in its rates and charges.

6. NUI City Gas last filed for a general rate increase with the Florida Public Service Commission on June 18, 1996, in Docket No. 960502-GU. In Order No. PSC-96-1404-FOF-GU, issued November 20, 1996, the Commission found that the Company's cost of equity capital was 11.30% and that a fair and reasonable overall rate of return for NUI City Gas was 7.87%.

7. The test period for the permanent rates requested in this proceeding is the projected 12-month period ending September 30, 2001. The test period for the requested interim rates is the historical 12-month period ended September 30, 1999.

Request for Proposed Agency Action

8. Section 366.06(4) Florida Statutes, authorizes natural gas utilities subject to the Commission's jurisdiction to elect to have their petitions for rate relief

processed under the Commission's procedures governing proposed agency action ("PAA"). NUI City Gas hereby elects to proceed under the Commission's PAA procedures.

9. Generally, when the Commission proceeds under its PAA procedures, parties do not file testimony unless and until the PAA Order is protested and the issues arising from the protest have been set for hearing. Given the complex subject of the Company's request for an increase in rates -- and in an effort to facilitate the Commission's review of this Petition -- NUI City Gas is submitting this Petition with the prefiled testimony of seven witnesses. By the inclusion of prefiled testimony at this point, the Company does not imply that it believes a protest and hearing will be involved in the disposition of the Petition. In addition, the Company does not waive -- in fact, specifically reserves -- its right to submit additional testimony following the issuance of the PAA Order addressing any and all issues that may be identified in any protest of the PAA Order, including a protest (if applicable) by the Company.

Reasons For Rate Increase

10. The Company's existing rates, as previously approved by the Commission, are insufficient to allow it to realize fair and reasonable compensation for the services provided. Despite the Company's best efforts to control costs, and to increase throughput, the rates established in Docket No. 960502-GU have failed to produce revenues sufficient to provide an adequate return on the Company's investment.

11. NUI City Gas achieved an overall rate of return of 5.76% during the historic base year ended September 30, 1999. Absent rate relief, the overall rate of return is expected to drop below 5.36% for the year ending September 30, 2000. This return denies the Company the financial strength and integrity necessary to undertake capital additions designed to improve the Company's quality of service and extend that service to more customers.

12. Expenses have increased for NUI City Gas. In Order No. PSC-99-2505-PAA-GU, issued December 21, 1999, the Company's depreciation expense was increased by \$469,735 annually. Also in 1999, the entire natural gas industry in Florida saw an increase in its regulatory assessment fee. The Company's O&M expenses have also increased. Despite these increases, O&M expenses for NUI City Gas are still within the benchmark established by the Commission in the last rate case. Revenues have not kept up with expenses, however.

13. Despite aggressive marketing efforts, and success in adding substantial numbers of new customers, natural gas throughput from residential and commercial ratepayers has not materialized at the rate projected in the last case. Throughput from these rate classes was substantially less in fiscal 1997, 1998, 1999, and the first two quarters of 2000, than the projected throughput levels on which current rates are based. This is because projected increases in throughput per customer made in the last rate case have simply not occurred. In fact, with the increased efficiency in modern natural gas appliances and the effect of conservation programs, throughput per customer has decreased for NUI City Gas over the past three years. Moreover, improvements have been made in the

Company's forecasting methodology, allowing for more accurate projections in this case.

14. NUI City Gas is increasing its investment in rate base from \$92 million in 1997 to \$114 million in the projected test year of 2001. A major distribution system expansion to Clewiston and Belle Glade Florida will occur in the test year itself. This project, like others completed by NUI City Gas since 1995, satisfies Commission-approved criteria of economic feasibility, as well as the Company's own stringent internal criteria. Economically feasible expansion benefits all ratepayers by spreading fixed costs across a wider base. Rate relief will allow NUI City to pursue expansion opportunities that ultimately benefit all ratepayers.

15. Steps are being taken to strengthen the capital structure of NUI City Gas by the planned creation in 2001 of a separate utility-only subsidiary of NUI, to be known as NUI Utilities, Inc. City Gas Company of Florida will become a division of this new entity. The calculation of the Company's capital structure in this filing reflects the projected capital structure of this new company, consisting of 56.62% debt and 43.38% equity.

16. A just and reasonable return on common equity capital for NUI City Gas at this time is a midpoint of 11.7%. Taking into account capitalization proportions and the embedded cost of debt, the Company's weighted average cost of capital is 7.88%. The 11.7% return on equity being requested is 40 basis points higher than the 11.3% currently allowed by the Commission for NUI City Gas. Nevertheless, the Company's analysis of its cost of capital has been conservative.

If interest rates or risk premiums change significantly after the date of filing of this Petition, the Company reserves the right to revise upward its requested return on equity.

17. NUI City Gas requests approval to permanently increase its rates so as to generate total base rate revenues of \$40,756,626, representing an increase of \$7,181,988. The requested permanent rate increase would permit NUI City Gas to earn a fair and reasonable rate of return of 7.88%, including a return on equity of 11.7%, plus or minus 100 basis points, on a projected average rate base of \$113,986,770.

18. Simultaneous with the filing of this petition, NUI City Gas is filing minimum filing requirements ("MFRs") and proposed rate schedules as required by Commission Rule 25-7.039, Florida Administrative Code. The Company is also filing the prefiled direct testimony and exhibits of Victor A. Fortkiewicz, Richard F. Wall, Richard Gruber, Leonard J. Willey, Robert J. Clancy, Jr., Roger A. Morin and Thomas E. Smith. As stated above, by the inclusion of prefiled testimony at this point, the Company does not waive -- in fact, specifically reserves -- its right to submit additional testimony following the issuance of the PAA Order.

Interim Rate Request

19. NUI City Gas requests that annual revenues be increased by \$1,886,605 on an interim basis, to \$31.2 million, in accordance with Section 366.071, Florida Statutes. The Revenue Deficiency for the interim increase is calculated on Schedule F-7 of the MFRs, based on an Adjusted Rate Base of

\$94,745,493, and a Requested Rate of Return of 6.99%, yielding a Net Operating Income ("NOI") Requirement of \$6,622,710.

20. The Company's requested interim award has been calculated in accordance with the Commission's policy governing interim awards. Specifically, the calculation of Rate Base, Requested Rate of Return and Adjusted NOI reflect all adjustments required to be consistent with those made by the Commission in City Gas' last rate case (Docket No. 960502-GU), except that adjustments have been updated to reflect the actual amounts for the historical period. The Requested Rate of Return is based on a cost of equity that is at the low end (100 basis points below the midpoint) of the Company's last authorized rate of return.

21. The Company will allocate the interim increase in accordance with Rule 25-7.040(2)(a), Florida Administrative Code. In filing this request for interim relief, the Company recognizes that any increased collections pursuant to interim relief would be subject to refund, and secured by a corporate undertaking.

WHEREFORE, NUI City Gas requests that the Commission:

- (1) Authorize NUI City Gas to recover the proposed interim rates attached hereto on MFR Schedule F-10, by allowing an interim increase of \$1,886,605, subject to refund.
- (2) Enter its Order on Proposed Agency Action finding that the fair and reasonable rate of return for NUI City Gas should be a weighted average cost of capital of 7.88% (including equity capital at a cost of 11.7%), to be applied to the Company's average rate base of \$113,986,770 for the year ending September 30, 2001, to produce

base rate revenues of \$40,756,626, or an increase of \$7,181,988,
and finding that the proposed rates attached hereto should become
effective on a permanent basis.

- (3) Grant to the Company such other and further relief as the
Commission may find reasonable and proper.

Respectfully submitted this 25th day of August, 2000.

HOPPING GREEN SAMS & SMITH, P.A.

By: Richard D. Melson
Richard D. Melson
P.O. Box 6526
Tallahassee, FL 32314
(850) 222-7500

Attorneys for City Gas Company of Florida

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W. STEVE SYKES
OF COUNSEL
ELIZABETH C. BOWMAN

September 28, 2000

Ladies and Gentlemen:

Attached for your information in accordance with the requirements of Rule 25-22.0406(4)(b), Florida Administrative Code, is a copy of a Rate Case Synopsis related to the Petition for Rate Increase filed with the Florida Public Service Commission by NUI City Gas Company of Florida.

Sincerely,



Richard D. Melson
Attorney for NUI City Gas
Company of Florida

Exhibit II

CITY GAS COMPANY OF FLORIDA

RATE CASE SYNOPSIS

DOCKET NO. 000768-GU

City Gas Company of Florida (the "Company") is a natural gas utility providing natural gas service and gas transportation service to over 100,000 customers in Miami-Dade, Broward, Brevard, St. Lucie, Indian River and Martin Counties. The Company is a division of NUI Corporation, headquartered in New Jersey, which operates natural gas distribution systems in six states: Florida, New Jersey, New York, Pennsylvania, Maryland and North Carolina.

On August 25, 2000, the Company filed a request for a rate increase with the Florida Public Service Commission ("Commission"). Under Florida law, the Commission regulates the rates, charges and service provided by natural gas utilities in the state. The case has been assigned Docket No. 000768-GU.

The Company is entitled by law to receive a reasonable return on its property used and useful in the public service. The Company's existing rates and charges are inadequate to provide fair and reasonable compensation for the services it provides to the public. The Company's existing return denies the Company the financial strength and integrity necessary to undertake capital additions designed to improve the Company's quality of service and to extend that service to more customers

The general reasons for the request for an increase in rates are:

- 1) The Company's natural gas throughput from residential and industrial customers has not grown at the rate projected in its last rate case.
- 2) The Company has incurred significant capital additions that need to be recognized in rate base so that an adequate return on this investment can be obtained.
- 3) The Company's operating expenses have increased due, among other things, to inflation and ordinary customer growth.

A comparison of the proposed final rates with the rates in effect prior to the Company's request is attached. Also attached is a copy of the Executive Summary filed as part of the Company's rate application.

Pursuant to Florida law, the Company has chosen to have its request for a rate increase processed under the Commission's procedures governing Proposed Agency Action. Under this procedure, the staff of the Commission will first review the Company's request for interim rate relief and will make a recommendation to the Commission on the amount of the interim increase, if any, to be granted while the Commission considers the application for permanent rate relief. The Commission will consider its staff's recommendation at one of its regularly scheduled bi-weekly

Agenda Conferences in Tallahassee, Florida within 60 days after the Company's petition was filed. The Commission is currently scheduled to consider the Company's request for interim rate relief on October 17, 2000. Any interim increase granted will be held by the Company subject to refund pending the Commission's final decision on permanent rates.

The staff of the Florida Public Service Commission will conduct a detailed review and investigation of the Company's request for permanent rate relief and will perform an audit of the Company's books. In addition, the Commission will conduct service hearings in Miami-Dade, St. Lucie and Brevard Counties to take comments from customers on the Company's quality of service and on other matters pertaining to the Company's rate request. Following completion of this investigation and the customer hearings, the Commission staff will make a recommendation to the Commission on what rate relief, if any, should be granted. The Commission will act on its staff's recommendation at another Agenda Conference in Tallahassee within five months after the Company's petition was filed. The Commission is currently scheduled to consider the permanent rate request on January 16, 2001.

The major issues to be considered by the Commission in this case will include the determination of the proper rate base, net operating income, earned rate of return, fair and reasonable rate of return, the proper rate structure, and the quality of service provided by the Company.

After the Commission votes on the Company's rate request, it will issue an Order on Proposed Agency Action containing its findings and conclusions. Substantially affected persons have 21 days after the written order is issued to decide whether to accept the Commission's decision or to request a formal hearing. If no party protests the order, the Commission's decision becomes final, the new rates go into effect, and the case is closed. If there is a protest, the case will proceed to a formal hearing process, which must be completed within eight months after the date the protest was filed.

If a protest is filed by a party other than the Company, the Company has the right to place its requested permanent rates in effect, subject to refund, until the case is concluded.

Service hearings have been scheduled in Miami-Dade, St. Lucie and Brevard Counties as follows:

Monday, October 23, 2000
6:00 p.m. - 8:00 p.m.
Miami-Dade County
Embassy Suites Hotel-Miami International Airport
3974 S. River Drive
Miami, FL 33142

Tuesday, October 24, 2000
12:00 p.m. - 2:00 p.m.
St. Lucie County
Holiday Inn-Port St. Lucie
10120 South Federal Highway
Port St. Lucie, FL 34952

Wednesday, October 25, 2000
12:00 p.m. - 2:00 p.m.
Brevard County
School Board of Brevard County
Board Room
2700 Judge Fran Jamieson Way
Viera, FL 32940-6699

The following is the current rate case schedule established by the Commission that contains all the critical events and dates. This schedule is subject to change by the Commission.

Staff Recommendation on Interim Rates	10/5/00
Order Establishing Procedure	10/16/00
Agenda Conference on Interim Rates	10/17/00
Service Hearing - Miami-Dade County	10/23/00
Service Hearing - St. Lucie County	10/24/00
Service Hearing - Brevard County	10/25/00
Audit Report Due	10/31/00
Standard Order on Interim Rates	11/9/00
Staff Recommendation on Final Rates	1/04/01
Agenda Conference on Final Rates	1/16/01
Proposed Agency Action Order on Final Rates	2/5/01

More detailed information on the Company's proposed rate increase is contained in the complete minimum filing requirements, located at the following Company offices:

City Gas Company of Florida
955 East 25th Street
Hialeah, Florida 33013-3498

City Gas Company of Florida
1304 S.W. Bayshore Boulevard
Port St. Lucie, Florida 34983-2297

City Gas Company of Florida
4180 South U.S. Highway No. 1
Rockledge, Florida 32955-5309

Inspection of the filing at any of these offices may be conducted during normal business hours (8:00 a.m. - 5:00 p.m., Monday - Friday).

Any customer comments regarding the Company's service or the proposed rate increase should be addressed to:

Director, Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Such comments should refer to Docket No. 000768-GU, which is the docket number that has been assigned to this proceeding.

For your information, we are also providing the address and telephone number of the Florida Public Service Commission's Consumer Affairs Division:

Division of Consumer Affairs
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

1-800-342-3552 (Toll Free Number)

Company personnel may be contacted to answer questions concerning the rate request at the address shown on your gas service bill, or by calling the following telephone number:

1-800-347-4427 Extension 5222

COMPARISON OF PRESENT AND PROPOSED RATES

	Present Rates	Proposed Rates
RESIDENTIAL:		
Customer charge	\$ 7.00	\$ 7.50
Energy charge per therm	\$.46349	\$.54709
GAS LIGHTING:		
Customer charge	\$ ----	\$ ----
Energy charge per therm	\$.46349	\$.54709
COMMERCIAL AND INDUSTRIAL FIRM:		
Customer charge	\$ 17.00	\$ 20.00
Energy charge per therm	\$.20259	\$.26549
LARGE COMMERCIAL FIRM:		
Customer charge	\$ 35.00	\$ 50.00
Energy charge per therm	\$.16336	\$.19839
INTERRUPTIBLE PREFERRED:		
Customer charge	\$ 50.00	\$ 100.00
Energy charge per therm	\$.12757	\$.16500
NATURAL GAS VEHICLES:		
Customer charge	\$ 12.00	\$ 15.00
Energy charge per therm	\$.14119	\$.17500
SMALL COMMERCIAL TRANSPORTATION:		
Customer charge	\$ 17.00	\$ 25.00
Transportation charge per therm	\$.20259	\$.26549
COMMERCIAL TRANSPORTATION:		
Customer charge	\$ 50.00	\$ 55.00
Transportation charge per therm	\$.16336	\$.19839

COMPARISON OF PRESENT AND PROPOSED RATES

	Present Rates	Proposed Rates
	<hr/>	<hr/>
INTERRUPTIBLE TRANSPORTATION:		
Customer charge	\$ 175.00	\$ 175.00
Transportation charge per therm	\$.12757	\$.16500
CONTRACT - INTERRUPTIBLE TRANSPORTATION:		
Customer charge	\$ 175.00	\$ 175.00
Transportation charge per therm	\$.12757	\$.16500
INTERRUPTIBLE LARGE VOLUME - TRANSPORTATION:		
Customer charge	\$ 400.00	\$ 400.00
Transportation charge per therm	\$.08252	\$.12000
CONTRACT INTERRUPTIBLE LARGE VOLUME - TRANSPORTATION:		
Customer charge	\$ 400.00	\$ 400.00
Transportation charge per therm	\$.08252	\$.12000
CONNECT AND DISCONNECT CHARGES:		
Residential	\$ 20.00	\$ 30.00
Non-residential	\$ 45.00	\$ 60.00
OTHER CHARGES:		
Change of Account Number:	\$ 15.00	\$ 20.00
Collection Charge:	\$ 15.00	\$ 15.00
Returned Check Charge:	\$ 15.00 or 5%	\$ 25.00 or 5%

CITY GAS COMPANY OF FLORIDA
A DIVISION OF NUI CORPORATION
DOCKET NO. 000768-GU
MINIMUM FILING REQUIREMENTS
INDEX

EXECUTIVE SUMMARY

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING THE MAGNITUDE OF CHANGE - PRESENT vs PRIOR RATE CASE.

TYPE OF DATA SHOWN:
 HISTORIC TEST YEAR LAST CASE: 9/30/95
 ATTRITION YEAR LAST CASE: N/A
 PROJECTED TEST YEAR LAST CASE: 9/30/97
 PROJECTED TEST YEAR CURRENT CASE: 9/30/01
 WITNESS: R. CLANCY

COMPANY: CITY GAS COMPANY OF FLORIDA
 A DIVISION OF NUI CORPORATION

DOCKET NO: 000788-GU

Line No.	Item	LAST RATE CASE							CURRENT RATE CASE: REQUESTED			
		REQUESTED (A)			AUTHORIZED				(9)	(10)**	(11)**	
		(1)*	(2)*	(3)*	(4)*	(5)*	(6)*	(7)*				(8)*
Historical	Attrition	Total	Projected Test Year	Historical	Attrition	Total	Projected Test Year 09/30/1997	Projected Test Year 09/30/2001	Dollar or Percent Difference	Percentage Change		
1	DOCKET NUMBER	n/a	n/a	n/a	960502-GU	n/a	n/a	n/a	960502-GU	000788-GU		
2	HISTORICAL DATA OR TEST YEAR	:	:	:	09/30/95	:	:	:	09/30/95	09/30/99		
3	PROJECTED TEST YEAR	:	:	:	09/30/97	:	:	:	09/30/97	09/30/01		
4	RATE INCREASE - PERMANENT	:	:	:	\$ 5,283,344	:	:	:	\$ 3,752,678	\$ 7,181,988	\$ 3,429,310	91.38%
5	RATE INCREASE - INTERIM	:	:	:	\$ 2,312,853	:	:	:	\$ 2,151,503	\$ 1,886,605	\$ (264,898)	-12.31%
6	JURISDICTIONAL RATE BASE BEFORE RATE RELIEF	:	:	:	\$ 94,432,747	:	:	:	\$ 91,911,029	\$ 113,986,770	\$ 22,075,741	24.02%
7	JURISDICTIONAL N.O.I. BEFORE RATE RELIEF	:	:	:	\$ 4,515,834	:	:	:	\$ 4,907,310	\$ 4,571,159	\$ (336,151)	-8.85%
8	RATE OF RETURN BEFORE RATE RELIEF	:	:	:	4.78%	:	:	:	5.34%	4.01%	-1.33%	-24.89%
9	SYSTEM CAPITALIZATION	:	:	:	\$ 94,432,747	:	:	:	\$ 91,911,029	\$ 113,986,770	-22,075,741	24.02%
10	OVERALL RATE OF RETURN	:	:	:	8.25%	:	:	:	7.87%	7.88%	0.01%	0.13%
11	COST OF LONG-TERM DEBT	:	:	:	7.55%	:	:	:	7.50%	6.54%	-0.96%	-12.80%
12	COST OF PREFERRED STOCK	:	:	:	n/a	:	:	:	n/a	n/a	n/a	n/a
13	COST OF SHORT-TERM DEBT	:	:	:	6.00%	:	:	:	6.00%	8.00%	2.00%	33.33%
14	COST OF CUSTOMER DEPOSITS	:	:	:	6.00%	:	:	:	6.00%	6.73%	0.73%	12.17%
15	COST OF COMMON EQUITY	:	:	:	11.90%	:	:	:	11.30%	11.70%	0.40%	3.54%
16	NUMBER OF CUSTOMERS - AVERAGE	:	:	:	101,280	:	:	:	101,108	101,250	142	0.14%
17	DATE NEW PERMANENT RATES EFFECTIVE	:	:	:	(B)	:	:	:	12/12/96	(B)		

(A) REQUESTED AMOUNTS REFLECT COMPANY'S SUPPLEMENTAL ADJUSTMENTS OF ORIGINAL REQUEST.
 (B) AS DETERMINED BY THE "FILE AND SUSPEND" PROVISIONS OF SECTION 386.06 (4), FLORIDA STATUTES.

* IF COMPANY'S LAST RATE CASE INCLUDED A HISTORIC AND ATTRITION YEAR, COMPLETE COLUMNS (1) - (3) AND COLUMNS (5) - (7) UNDER THE HEADING "LAST RATE CASE". IF THE COMPANY'S LAST RATE CASE WAS BASED ON A PROJECTED TEST YEAR, COMPLETE COLUMNS (4) AND (8) UNDER THE HEADING "LAST RATE CASE".

** IF THE COMPANY'S LAST RATE CASE INCLUDED A HISTORIC AND ATTRITION YEAR, THIS CALCULATION WILL BE THE DIFFERENCE BETWEEN COLUMN (9) AND COLUMN (7). IF THE COMPANY'S LAST RATE CASE WAS BASED ON A PROJECTED TEST YEAR, THIS CALCULATION WILL BE THE DIFFERENCE BETWEEN COLUMN (9) AND COLUMN (8).

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: CITY GAS COMPANY OF FLORIDA
 A DIVISION OF NUI CORPORATION
 DOCKET NO: 000768-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING AN ANALYSIS
 OF PERMANENT RATE INCREASE REQUESTED

TYPE OF DATA SHOWN:
 ATTRITION YEAR LAST CASE: N/A
 PROJECTED TEST YEAR LAST CASE: 09/30/99
 PROJECTED TEST YEAR CURRENT CASE: 09/30/01
 WITNESS: R. CLANCY

Line No.	Description	Increase in Gross Revenue Dollars	% of Total
1	RESTORE ADJUSTED NET OPERATING INCOME TO PREVIOUSLY ALLOWED OVERALL RATE OF RETURN OF 7.87%	\$ 4,684,591	65.23%
2	INCREASE IN REQUESTED OVERALL RATE OF RETURN TO 7.88%	15,383	0.21%
3	EFFECT OF PROJECTED TEST YEAR	<u>2,482,014</u>	<u>34.56%</u>
4	TOTAL PERMANENT RATE INCREASE REQUESTED	<u>\$ 7,181,988</u>	<u>100.00%</u>

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING AN ANALYSIS OF JURISDICTIONAL RATE BASE

TYPE OF DATA SHOWN:
 HISTORIC TEST YEAR LAST CASE: 9/30/95
 ATTRITION YEAR LAST CASE: N/A
 PROJECTED TEST YEAR LAST CASE: 9/30/97
 PROJECTED TEST YEAR CURRENT CASE: 9/30/01
 WITNESS: R. CLANCY

COMPANY: CITY GAS COMPANY OF FLORIDA
 A DIVISION OF NUI CORPORATION

DOCKET NO 000768-GU

LINE NO.	Description	RATE BASE DETERMINED BY COMMISSION IN LAST RATE CASE				RATE BASE REQUESTED BY COMPANY IN CURRENT CASE		(7)** Percent Difference
		(1)* Historical	(2)* Attrition	(3)* Total	(4)* Projected Test Year 09/30/1997	(5) Projected Test Year 09/30/2001	(6)** Dollar Difference	
UTILITY PLANT								
1	GAS PLANT IN SERVICE	n/a	n/a	n/a	136,272,405	169,205,682	32,933,277	24.17%
2	COMMON PLANT ALLOCATED	:	:	:	(2,026,272)	555,877	2,582,149	(127.43%)
3	ACQUISITION ADJUSTMENT	:	:	:	333,731	1,814,318	1,480,587	443.65%
4	PLANT HELD FOR FUTURE USE	:	:	:			-	0.00%
5	CONSTRUCTION WORK IN PROGRESS	:	:	:	2,176,865	6,709,934	4,533,069	208.24%
6	GROSS UTILITY PLANT	:	:	:	136,756,729	178,285,811	41,529,082	30.37%
DEDUCTIONS								
7	ACCUMULATED DEPRECIATION - UTILITY PLANT	:	:	:	50,203,295	67,713,522	17,510,227	34.88%
8	ACCUM. DEPRECIATION - COMMON PLANT ALLOCATED	:	:	:	(602,418)	(5,359)	597,059	(99.11%)
9	ACCUM. AMORTIZATION - ACQUISITION ADJUSTMENTS	:	:	:	436,795	427,312	(9,483)	(2.17%)
11	CUSTOMER ADVANCES FOR CONSTRUCTION	:	:	:	14,000	-	(14,000)	(100.00%)
12	TOTAL DEDUCTIONS	:	:	:	50,051,672	68,135,475	18,083,803	36.13%
13	UTILITY PLANT, NET	:	:	:	86,705,057	110,150,336	23,445,279	27.04%
14	ALLOWANCE FOR WORKING CAPITAL	:	:	:	5,205,972	3,836,434	(1,369,538)	(26.31%)
15	RATE BASE	:	:	:	91,911,029	113,986,770	22,075,741	24.02%

* IF THE COMPANY'S LAST RATE CASE INCLUDED A HISTORIC AND ATTRITION YEAR, COMPLETE COLUMNS (1) - (3). IF THE COMPANY'S LAST RATE CASE WAS BASED ON A PROJECTED TEST YEAR, COMPLETE COLUMN (4).

** IF THE COMPANY'S LAST RATE CASE INCLUDED A HISTORIC AND ATTRITION YEAR, THIS CALCULATION WILL BE THE DIFFERENCE BETWEEN COLUMN (5) AND COLUMN (3). IF THE COMPANY'S LAST RATE CASE WAS BASED ON A PROJECTED TEST YEAR, THIS CALCULATION WILL BE THE DIFFERENCE BETWEEN COLUMN (5) AND COLUMN (4).

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING AN ANALYSIS OF JURISDICTIONAL NET OPERATING INCOME

TYPE OF DATA SHOWN:
 HISTORIC TEST YEAR LAST CASE: 9/30/95
 ATTRITION YEAR LAST CASE: N/A
 PROJECTED TEST YEAR LAST CASE: 9/30/97
 PROJECTED TEST YEAR CURRENT CASE: 9/30/01
 WITNESS: R. CLANCY

COMPANY: CITY GAS COMPANY OF FLORIDA
 A DIVISION OF NUI CORPORATION

DOCKET NO: 000768-GU

LINE NO.	Description	NET OPERATING INCOME DETERMINED BY COMMISSION IN LAST RATE CASE				NET OPERATING INCOME REQUESTED BY COMPANY IN CURRENT CASE		(6)** Dollar Difference	(7)** Percent Difference
		(1)*	(2)*	(3)*	(4)*	(5)			
		Historical	Attrition	Total	Projected Test Year 09/30/1997	Projected Test Year 09/30/2001			
1	OPERATING REVENUES (A)	n/a	n/a	n/a	<u>29,961,230</u>	<u>33,574,637</u>	<u>3,613,407</u>	12.06%	
	OPERATING REVENUE DEDUCTIONS:	:	:	:					
2	OPERATING & MAINTENANCE EXPENSE	:	:	:	17,744,700	19,594,080	1,849,380	10.42%	
3	DEPRECIATION & AMORTIZATION EXPENSE	:	:	:	4,624,903	6,967,288	2,342,385	50.65%	
4	TAXES OTHER THAN INCOME	:	:	:	2,047,288	2,523,303	476,017	23.25%	
5	INCOME TAXES (FEDERAL & STATE)	:	:	:	<u>637,032</u>	<u>(81,193)</u>	<u>(718,225)</u>	(112.75%)	
6	TOTAL OPERATING EXPENSES	:	:	:	<u>25,053,921</u>	<u>29,003,478</u>	<u>3,949,557</u>	15.76%	
7	NET OPERATING INCOME (B)	:	:	:	<u>4,907,310</u>	<u>4,571,159</u>	<u>(336,151)</u>	-8.85%	

(A) EXCLUDES FUEL & CONSERVATION REVENUE
 (B) BEFORE RATE RELIEF

* IF THE COMPANY'S LAST RATE CASE INCLUDED A HISTORIC AND ATTRITION YEAR, COMPLETE COLUMNS (1) - (3). IF THE COMPANY'S LAST RATE CASE WAS BASED ON A PROJECTED TEST YEAR, COMPLETE COLUMN (4).

** IF THE COMPANY'S LAST RATE CASE INCLUDED A HISTORIC AND ATTRITION YEAR, THIS CALCULATION WILL BE THE DIFFERENCE BETWEEN COLUMN (5) AND COLUMN (3). IF THE COMPANY'S LAST RATE CASE WAS BASED ON A PROJECTED TEST YEAR, THIS CALCULATION WILL BE THE DIFFERENCE BETWEEN COLUMN (5) AND COLUMN (4).

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING
OVERALL RATE OF RETURN COMPARISON

TYPE OF DATA SHOWN:

HISTORIC TEST YEAR LAST CASE: 9/30/95

ATTRITION YEAR LAST CASE: N/A

PROJECTED TEST YEAR LAST CASE: 9/30/97

PROJECTED TEST YEAR CURRENT CASE: 9/30/01

WITNESS: R. CLANCY

COMPANY: CITY GAS COMPANY OF FLORIDA
A DIVISION OF NUI CORPORATION

DOCKET NO 000768-GU

Line No.	Item	Dollars	Ratio	Embedded Cost	Weighted Cost
<u>LAST RATE CASE (AUTHORIZED)*</u>					
1	COMMON EQUITY	32,203,518	35.04%	11.30%	3.96%
2	PREFERRED STOCK	-	0.00%	0.00%	0.00%
3	LONG-TERM DEBT	37,683,242	41.00%	7.50%	3.07%
4	SHORT-TERM DEBT	7,300,439	7.94%	6.00%	0.48%
5	CUSTOMER DEPOSITS	5,483,576	5.97%	6.00%	0.36%
6	TAX CREDITS	1,350,074	1.47%	0.00%	0.00%
7	DEFERRED TAXES	7,890,179	8.58%	0.00%	0.00%
8	TOTAL CAPITALIZATION	<u>91,911,029</u>	<u>100.00%</u>		<u>7.87%</u>
<u>CURRENT RATE CASE (REQUESTED)</u>					
9	COMMON EQUITY	42,084,430	36.92%	11.70%	4.32%
10	PREFERRED STOCK	-	0.00%	n/a	0.00%
11	LONG-TERM DEBT	49,158,730	43.13%	6.54%	2.82%
12	SHORT-TERM DEBT	5,774,665	5.07%	8.00%	0.41%
13	CUSTOMER DEPOSITS	5,596,459	4.91%	6.73%	0.33%
14	TAX CREDITS	883,654	0.78%	0.00%	0.00%
15	DEFERRED TAXES	<u>10,488,932</u>	<u>9.20%</u>	0.00%	<u>0.00%</u>
16	TOTAL CAPITALIZATION	<u>113,986,770</u>	<u>100.00%</u>		<u>7.88%</u>

* IF THE COMPANY'S LAST RATE CASE INCLUDED A HISTORIC AND ATTRITION YEAR, REPORT THE CAPITAL STRUCTURE FOR THE ATTRITION YEAR. IF THE COMPANY'S LAST RATE CASE WAS BASED ON A PROJECTED TEST YEAR, REPORT THE CAPITAL STRUCTURE FOR THE PROJECTED TEST YEAR.

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: CITY GAS COMPANY OF FLORIDA
 A DIVISION OF NUI CORPORATION
 DOCKET NO: 000788-GU

EXPLANATION: PROVIDE A SUMMARY OF FINANCIAL INDICATORS AS SPECIFIED BELOW FOR THE HISTORIC DATA BASE YEAR OF THE LAST RATE CASE, HISTORIC DATA BASE YEAR FOR THIS CASE, AND THE YEAR IMMEDIATELY FOLLOWING THE PRESENT HISTORIC DATA BASE YEAR.

TYPE OF DATA SHOWN:
 HISTORIC TEST YEAR LAST CASE: 9/30/95
 ATTRITION YEAR LAST CASE: N/A
 PROJECTED TEST YEAR LAST CASE: 9/30/97
 PROJECTED TEST YEAR CURRENT CASE: 9/30/01
 WITNESS: R. CLANCY

Line No.	Indicators	(1) Data From Historic Base Year or Test Year Related to Company's Last Rate Case	(2) Data From Historic Base Year Related to Company's Current Rate Case	(3) Year After Current Historic Base Year Without Any Rate Relief	(4) Projected Test Year Without Any Rate Relief	(5) Projected Test Year including requested Rate Increase
INTEREST COVERAGE RATIOS:						
		1997	1999	2000	2001	2001
1	INCLUDING AFUDC IN INCOME BEFORE INTEREST CHARGES	0.78	1.47	1.21	0.35	1.68
2	EXCLUDING AFUDC FROM INCOME BEFORE INTEREST CHARGES	0.78	1.47	1.21	0.35	1.68
OTHER FINANCIAL RATIOS:						
3	AFUDC AS A PERCENT OF INCOME AVAILABLE FOR COMMON	0.00%	0.00%	0.00%	0.00%	0.00%
4	PERCENT OF CONSTRUCTION FUNDS GENERATED INTERNALLY	44.57%	49.22%	58.4%	4.49%	20.05%
PREFERRED DIVIDEND COVERAGE:						
5	INCLUDING AFUDC	N/A	N/A	N/A	N/A	N/A
6	EXCLUDING AFUDC	N/A	N/A	N/A	N/A	N/A
RATIO OF EARNINGS TO FIXED CHARGES:						
7	INCLUDING AFUDC	0.78	1.47	1.21	0.35	1.68
8	EXCLUDING AFUDC	0.78	1.47	1.21	0.35	1.68
EARNINGS PER SHARE:						
9	INCLUDING AFUDC	N/A	N/A	N/A	N/A	N/A
10	EXCLUDING AFUDC	N/A	N/A	N/A	N/A	N/A
11	DIVIDENDS PER SHARE	N/A	N/A	N/A	N/A	N/A

	Name	Territory	Address	City	State	Zip	
	Dade County:						
X	The Honorable Mayor	Raul Valdes-Fauli	Coral Gables	405 Biltmore Way	Coral Gables	FL	33114 305-460-5220
X	The Honorable Mayor	Raul L. Martinez	City of Hialeah	501 Palm Avenue	Hialeah	FL	33010 305-883-5820
X	The Honorable Mayor	Yiozet De la Cruz	City of Hialeah Gardens	10001 NW 87th Avenue	Hialeah Gardens	FL	33016 305-558-4114
X	The Honorable Mayor	Jack Morrow	Town of Medley	7331 NW 74 Street	Medley	FL	33166 305-887-9541
X	The Honorable Mayor	Joe Carollo	City of Miami	3500 Pan American Drive	Miami	FL	33133 305-250-5300
X	The Honorable Mayor	John A. Cavalier, Jr.	City of Miami Springs	201 Westward Drive	Miami Springs	FL	33166 305-885-4581
X	The Honorable Mayor	Frank Wooland	City of North Miami	776 NE 125th Street	North Miami	FL	33161 305-893-6511
X	The Honorable Mayor	Jeffrey A. Mishcon	City of North Miami Beach	17011 NE 19th Avenue	North Miami Beach	FL	33162-3100 305-948-2986
X	The Honorable Mayor	Alvin L. Miller	City of Opa Locka	777 Sharazad Blvd	Opa Locka	FL	33054 305-688-4611
X	The Honorable Mayor	Julio Robaina	City of South Miami	6130 Sunset Drive	South Miami	FL	33143 305-663-6341
X	The Honorable Mayor	Evelyn Greer	Village of Pinecrest	11551 South Dixie Highway	Pinecrest	FL	33156 305-234-2121
X	The Honorable Mayor	Paul Blithorn	Village of Virginia Gardens	6498 NW 38th Terr	Virginia Gardens	FL	32166 305-871-6104
X	The Honorable Mayor	Rebecca Sosa	City of West Miami	901 SW 52 Avenue	West Miami	FL	33144 305-266-1122
	Broward County:						
X	The Honorable Mayor	Lori Moseley	City of Miramar	6700 Miramar Parkway	Miramar	FL	33023 954-967-1500

Exhibit III

Dade-Broward

		Name	Territory	Address	City	State	Zip	
		St. Lucie County:						
X	The Honorable Mayor	James F. Fielding	City of Port St. Lucie	121 SW Port St. Lucie Blvd	Port St. Lucie	FL	34984	561-871-5159
		Indian River County:						
X	The Honorable Mayor	Sandra L. Bowden	City of Vero Beach	P O Box 1389	Vero Beach	FL	32961	561-978-5151
		Brevard County:						
X	The Honorable Mayor	Rocky Randels	City of Cape Canaveral	P O Box 326	Cape Canaveral	FL	32920	407-868-1226
X	The Honorable Mayor	Judy Parrish	Cocoa	603 Brevard Avenue	Cocoa	FL	32922	321-639-7550
X	The Honorable Mayor	Janice Scott	City of Cocoa Beach	2 South Orlando Avenue (SR A1A)	Cocoa Beach	FL	32931	407-868-3333
X	The Honorable Mayor	Steve Hand	City of Indian Harbour Beach	2055 South Patrick Drive	Indian Harbour Beach	FL	32937	407-773-3181
X	The Honorable Mayor	John Buckley	City of Melbourne	900 E. Strawbridge Ave	Melbourne	FL	32901	321-727-2900
X	The Honorable Mayor	Ed Geier	City of Palm Bay	120 Malabar Road, SE	Palm Bay	FL	32907	321-952-3414
X	The Honorable Mayor	Larry Schultz	City of Rockledge	1600 Huntington Lane	Rockledge	FL	32955	321-690-3978
X	The Honorable Mayor	David R. Schechter	City of Satellite Beach	565 Cassia Blvd	Satellite Beach	FL	32937	321-773-4407
X	The Honorable Mayor	Larry Bartley	City of Titusville	P O Box 2806	Titusville	FL	32781	321-383-5775
X	The Honorable Mayor	Bill Lane	City of West Melbourne	2285 Minton Road	West Melbourne	FL	32904	407-727-7700

Others

	Name	Territory	Address	City	State	Zip	
Dade County:							
The Honorable Mayor	Alex Penelas	Metropolitan Dade County	111 NW First Street, Ste #2910	Miami	FL	33128	305-375-5280
Broward County:							
County Administrator	Roger Dejarlais	Broward County	115 S. Andrews Avenue, #409	Ft. Lauderdale	FL	33301	954-357-7585
St. Lucie County:							
Chairman of County Commission	John Bruhn	St. Lucie County	2300 Virginia Avenue	Fort Pierce	FL	34982	561-462-1100
Indian River County:							
County Administrator	James Chandler	Indian River County	1840 25th Street	Vero Beach	FL	32960	561-567-8000
Brevard County:							
County Manager	Tom Jenkins	Brevard County	2725 Judge Frank Jameison Way	Viera	FL	32940	321-633-2001
Martin County:							
County Administrator	Russ Blackburn	Martin County	2401 SE Monterey Road	Stuart	FL	34996	561-223-4800