BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of the Florida Division of Chesapeake Utilities Corporation for Approval Of Transportation Cost Recovery Factors.

011579-GU

PETITION FOR APPROVAL OF TRANSPORTATION COST RECOVERY FACTORS

The Florida Division of Chesapeake Utilities Corporation (the Company), by and through its undersigned counsel, hereby petitions for approval of certain transportation cost recovery factors, and in support hereof states as follows.

1. The name and address of the petitioner is:

   Chesapeake Utilities Corporation
   Florida Division
   P.O. Box 960
   Winter Haven, FL 33882

2. The name, address, and telephone and fax numbers of the person authorized to receive notices and communications with respect to this petition is:

   Wayne L. Schiefelbein
   P.O. Box 15856
   Tallahassee, FL 32317-5856
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   Attorney for the Florida Division
   of Chesapeake Utilities Corporation

3. The Company is a natural gas distribution utility subject to the regulatory jurisdiction of this Commission as prescribed in Chapter 366, Florida Statutes. Its substantial interests will be affected by the Commission's disposition of this petition in that the Company's ability to recover certain costs associated with its offering of unbundled gas transportation service will be thereby determined.

4. By Order No. PSC-00-0630-FOF-GU, issued on April 4, 2000, the Commission adopted Rule 25-7.0335, Florida Administrative Code, requiring each local distribution company to offer the transportation of natural gas to all non-residential customers, and, in order to meet that objective, to file a transportation service tariff with the Commission by July 1, 2000.

5. Prior to the implementation of the Commission rule on transportation service, the Company offered a transportation program for customers that consumed 200,000 therms or more per year. These customers, who comprise approximately 70% of the total system throughput, were able to transport, through the marketer of their choice, any amount up to 100% of their gas needs and utilize the traditional sales service to balance their total usage requirements.

6. In accordance with said rule, on May 15, 2000, the Company filed its proposed transportation service tariff as a part of its general rate increase filing. The Company therein proposed to modify its Transportation Service offered to customers using a minimum of 200,000 therms annually, beginning 30 days from the Commission vote. The proposed modifications consisted of: 1) lowering the

usage eligibility threshold to 100,000 therms per year; and, 2) requiring customers to transport their full usage requirements instead of being able to bifurcate their needs between transportation and sales service. The Company also proposed the introduction of its Aggregated Transportation Service to all non-residential customers, regardless of consumption levels, beginning March 1, 2001. Customers electing the proposed Aggregated Transportation Service would be required to enter into an approved aggregation pool and select from the Company-qualified list of Pool Managers.

7. In its general rate increase filing, the Company proposed and ultimately received Commission approval to recover its projected recurring costs to implement and administer the new transportation service offerings through base rates. The Company, however, did not believe that it was appropriate to project non-recurring costs, such as consultant fees and computer software modifications, during the general rate increase filing. The Company recognized that such incremental, non-recurring costs, would be unavoidable, given the limited internal resources and lack of experience with the unbundling process, but believed that it would be prudent to defer recovery of these costs to a future filing, since the level of non-recurring costs were unknown and difficult to project. The Company instead proposed to recover these costs when more definitive information was known, in a subsequent filing.

8. By Order No. PSC-00-2263-FOF-GU, issued on November 28, 2000, the Commission approved the Company's proposed modifications to its Transportation Service, effective December 7, 2000, and its proposed

Aggregated Transportation Service, effective March 1, 2001.

9. In approving the Company's new transportation service tariffs, the Commission recognized that it would be appropriate for the Company to incur and recover non-recurring costs related to transportation services, declaring that

> While a transportation cost recovery mechanism is appropriate for the recovery of non-recurring costs related to transportation service, such costs should be recovered from all nonresidential customers except for special contract customers, not just from the transportation-only customers. We approve of the concept of a recovery clause, but the specifics regarding how the costs should be recovered from the rate classes and the level of costs to be recovered should be addressed in a subsequent proceeding. (Order No. PSC –00-2263-FOF-GU at page 11)

10. The Commission has reaffirmed its recognition of the need for the Company to recover non-recurring costs associated with the transition from sales to transportation services. In Order No. PSC-01-0304-TRF-GU, issued February 5, 2001, the Commission approved transitional TCR factors designed to recoup appropriate under-recovered Purchased Gas Adjustment (PGA) costs from customers who received service under a sales rate schedule in 2000 (either at 100% or some lesser percentage) and elected to convert to transportation service in 2001. Additionally, the Commission, in Order No. PSC-01-0568-TRF-GU, issued March 12, 2001, approved the Company's request to modify the level of the transitional TCR factors to reflect the meteoric increase in the under-recovery caused by the

unprecedented rise in natural gas costs during the winter season of 2000-2001. The approved transitional TCR factors established to recoup the under-recovered PGA costs expire on January 1, 2002.

11. The Commission has also approved transportation cost recovery factors for Peoples Gas System (Order No. PSC-00-1814-TRF-GU, issued October 4, 2000) and for Florida Public Utilities (Order No. PSC-01-1963-TRF-GU, issued October 1, 2001), further reinforcing its recognition of the need for Companies subject to its jurisdiction to recover non-recurring costs incurred to comply with the Commission-approved rule.

12. In accordance with Commission approval of the Company's proposal, the modified transportation services were implemented in December 2000 for Transportation Service, with the new Aggregated Transportation Service becoming available in March 2001. In the eight months since the launching of the Aggregated Transportation Service program, approximately 30% of the Company's non-residential customers have elected to convert to the offered transportation programs. Based on customer and marketer indications, it is expected that an additional 10% of the Company's non-residential customers will opt for transportation service by year-end. The throughput attributable to transportation customers on the Company's system has increased dramatically as well. Prior to the implementation of the newly defined services, transportation throughput was approximately 70% of total system usage. As of October 2001, transportation volumes have increased to over 96% of total throughput and are expected to reach approximately 98% by year-end. As the above results demonstrate, customer acceptance of the newly defined programs has been very high and,

through the efforts of the Company, the service transitions have occurred smoothly.

13. Since December 2000, the Company has incurred substantial incremental non-recurring costs related to transportation services and projects that it will incur additional expenses to make further necessary changes to accommodate the transition of customers to the aforementioned transportation services. The Company is seeking recovery of $164,922 in such incremental expenses incurred from December 7, 2000 through October 31, 2001. These expenses have been recorded in a deferred debit account, pending Commission authorization for their recovery. In addition, projected incremental expenses of $175,000 are expected to be incurred from November 1, 2001 through December 31, 2002, resulting in a total of $339,922 to be recovered through the TCR mechanism. These expenses are detailed on the attached Schedule A. The Company proposes to recover those expenses over a two-year period, beginning on the date of the Commission vote approving the proposed expense level and recovery factors, with any over- or under-recovery trued-up at the end of the recovery period. The Company believes that the two-year recovery period is appropriate given the relatively low impact on its customers' rates and its belief that the market should not be burdened with the transitional costs over an unduly lengthy period of time. The Company does not propose herein to recover costs associated with the time value of money and believes that this is appropriate if the two-year recovery period is approved.

14. The Company proposes the following cost recovery factors (dollars per therm), for non-residential customers only, under the Transportation Cost Recovery Clause:

GS-1/TS-1 Rate Schedule	$0.02936
GS-2/TS-2 Rate Schedule	$0.01569
GS-3/TS-3 Rate Schedule	$0.01260
GS-4/TS-4 Rate Schedule	$0.01009
GS-5/TS-5 Rate Schedule	$0.00886
GS-6/TS-6 Rate Schedule	$0.00704
GS-7/TS-7 Rate Schedule	$0.00444
GS-8/TS-8 Rate Schedule	$0.00374
GS-9/TS-9 Rate Schedule	$0.00325

The Company's derivation of these factors is shown on the attached Schedule B and reflects the same methodology used in the Natural Gas Conservation Cost Recovery program to determine the specific factor for each rate schedule. The proposed recovery period for total expenses incurred and projected is two years. The Company used the annualized budget data for 2002 for the number of bills and therms and then spread the annualized costs to the different rate schedules based on weighted average base revenues. The Company believes that this approach is a reasonable projection of the relative revenue contributions expected from each rate class over the proposed two-year recovery period.

15. The proposed factors under the TCR mechanism would not be applied to residential customers, who are not eligible for transportation services at this time, or non-residential customers whose rates are set in response to market pressures, including the Contract Sales Service and Contract Transportation Service riders, Off-System Sales

Service, Flexible Gas Service and the Special Contract customers. The Company has included, and will continue to include, the cost of providing transportation service within its Cost of Service studies for these rate schedules, under which rates are set in response to market pressures.

16. The Company submits that the TCR factors proposed herein are fair, and reasonably designed to recover the incremental non-recurring costs associated with the offering and provision of transportation services to all of its non-residential customers in accordance with the Commission-approved rule.

17. The Company is submitting with the instant petition the proposed revised tariff sheets (Third Revised Sheet No. 76 and Fourth Revised Sheet No. 76.1) that incorporate the proposed factors, in proposed final and legislative formats.

18. The Company requests that the Commission's approval of the proposed charges be made effective as of the date of its vote. In the event that any person files a valid objection to a tariff Order approving the charges, the Company requests that it be authorized to collect its proposed charges on a temporary basis subject to refund, to preserve the Company's ability to retain such revenue to the extent that the charges are sustained by subsequent Commission action.

19. The Company reserves the right to petition the Commission for approval of recovery of other incremental expenses related to transportation service through a methodology or methodologies to be determined in a subsequent filing.

WHEREFORE, the Florida Division of Chesapeake Utilities Corporation requests that the Commission approve the foregoing petition and the accompanying proposed revised tariff sheets, and grant the Company the authority to implement the cost recovery factors therein addressed, and that such approval be made effective as of the date of the Commission's vote, so that in the event of a valid objection to the order approving the factors being filed, the Company would collect its proposed charges subject to refund pending the Commission's final disposition of the matter.

Respectfully submitted,

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Attorney for the Florida Division of Chesapeake Utilities Corporation

Chesapeake Utilities Corporation
Transportation Cost Recovery Clause
Actual Costs Incurred – December 2000 through October 2001

Description of Actual Costs Incurred	**Amount**
Consultant Fees and Expenses	$135,870
Computer Programming Services	$ 18,008
Legal Expenses	$ 5,579
Educational Expenses	$ 2,397
Marketer Training Expenses	$ 962
Miscellaneous Expenses	$ 2,106
Total Actual Costs Incurred	$164,922

Chesapeake Utilities Corporation
Transportation Cost Recovery Clause
Actual Costs Incurred – December 2000 through October 2001

Description of Expenses

Consultant Fees and Expenses - $135,870

The Company entered into an agreement for consulting services to perform the following tasks: 1) Perform study of existing computer software applications to determine the ability to implement the transportation services approved by the Commission; 2) Identify specific programming changes that needed to be made; and, 3) review, test and assist in the implementation of the program changes.

Additionally, consulting services were retained to: 1) design the necessary procedures and policies to implement the new transportation services; 2) design and prepare the necessary forms to administer the programs; 3) revise and develop transportation agreements and contracts for existing and new transportation customers; 4) design and implement training programs for marketers, pool managers, customers and employees; and 5) monitor program and make recommendations for modifications based on actual experience.

Additional services were also contracted to physically meet with the existing transportation customers to help educate them on the changes to the transportation services and make the required modifications to the existing customer contracts (every customer was required to transport 100% of their gas needs rather than only a portion of their needs). Meetings were also held with customers who were not transporting but who were now eligible for Transportation Service due to the lowering of the eligibility usage threshold to educate them, prepare contracts and convert these customers to Transportation Service or Aggregated Transportation Service.

Computer Programming Services - $18,008

The services provided by outside computer programming entities were: 1) coordinated with the consultants above to review the identified programming needs; 2) make the necessary changes to the existing computer software; 3) test and implement the changes to the computer software; and, 4) provide training to users of the new transportation functions of the software.

Chesapeake Utilities Corporation
Transportation Cost Recovery Clause
Actual Costs Incurred – December 2000 through October 2001

Legal Services - $5,579

Legal expenses were incurred to ensure that newly created or revised forms, documents and contracts were properly prepared and administered. Additional legal expenses were incurred in the preparation and filing of the two dockets related to the transitional TCR factors designed to recovery PGA costs.

Educational Expenses - $2,397

The expenses incurred include bill stuffers and other materials that were produced and distributed to help our non-residential customers understand what the transportation program is, how to access and utilize the program, the potential benefits and answers to frequently-asked questions.

Marketer Training Expenses - $962

The Company held a meeting for all interested marketers to train them on how the Aggregated Transportation Service would be implemented, how the marketers would be impacted by the program, the opportunities that existed through the program and included distribution of copies of the newly approved tariff, forms, customer information, etc.

Miscellaneous Expenses - $2,106

Includes incremental costs incurred by Company personnel during meetings with consultants, copying expenses, and other expenses related to the transportation program.

Chesapeake Utilities Corporation
Transportation Cost Recovery Clause
Projected Costs – November 2001 through December 2002

Description of Projected Costs	Amount
Consultant Fees and Expenses	$ 80,000
Computer & Telephone Changes	$ 80,000
Legal Expenses	$ 10,000
Educational Expenses	$ 2,500
Miscellaneous Expenses	$ 2,500
Total Projected Costs	$175,000

Chesapeake Utilities Corporation
Transportation Cost Recovery Clause
Projected Costs – November 2001 through December 2002

Description of Expenses

Consultant Fees and Expenses - $80,000

The Company projects the continuing need for outside consultant services to assist in the implementation and further expansion of the Transportation Services Program. The tasks assigned to consultants have been identified as a result of the Company's recent transportation service experience, and are vital to the ultimate success of the program. All of the services provided by consultants represent tasks for which the Company lacks the internal manpower or expertise to complete. Additionally, all of the work to be performed by consultants is of a non-recurring nature. The oversight and coordination of computer system enhancements, the additional development or modification of program procedures, the contact of customers, the training of employees and other assigned tasks are one-time, non-recurring activities. Rather than hiring additional internal staff, the retention of short-term consulting services is the most cost-effective means of completing the work required to fully implement the Chesapeake transportation service program. The primary services to be provided by consultants are as listed below:

1) Oversee the implementation of modifications to the Company's Customer Information System required to automate transportation billing, administer several aggregated service pools, interface CIS data with the Company's financial accounting systems and retain appropriate computerized customer data. Work on this effort began in 2001. Numerous CIS adjustments to support transportation service were identified. Several software modifications have been implemented. In addition, a number of off-line spreadsheet programs were developed to facilitate administration of transportation service until the CIS modifications could be more comprehensively identified and evaluated. The Company's internal IT staff and consultants are reviewing the remaining major adjustments to determine the feasibility of additional modifications. If additional CIS adjustments are not cost-effective or technically feasible, the Company will need to enhance and expand its off-line support programs until a permanent CIS solution is identified.

Chesapeake Utilities Corporation
Transportation Cost Recovery Clause
Projected Costs – November 2001 through December 2002

2) The Company's expanded transportation services programs have been in effect for several months. Early in 2002, the Company plans to schedule a second Marketers' meeting to discuss program implementation and administration, existing contract provisions, marketer suggestions for program modifications, tariff requirements and customer reaction to the current program. As a result of issues identified in this forum and the periodic customer visits, adjustments to the transportation program will be evaluated. The Company's consultant will evaluate each potential enhancement and develop the required program modifications.

3) As noted above, the Company plans to contact all industrial and large volume non-residential transportation customers during the first quarter of 2002, as part of an assessment of the transportation service program. Additionally, throughout the year a variety of customer questions and issues regarding transportation service arise from both existing transporters and customers interested in transporting. The Company has a consulting relationship with a former employee to provide these services to large volume customers.

4) As the Company's transportation program continues to evolve and expand, the Company's employees will require additional training to administer the program, work with newly developed or modified computer systems and handle increasingly complex customer inquiries.

<u>Computer & Telephone Changes - $80,000</u>

As indicated above, the Company has identified several enhancements and modifications to its existing computer systems required to support the administration of the transportation service program. The projected expenses will enable the Company to either reprogram its existing CIS to more readily accommodate transportation service, or expand the development of off-line systems and programs necessary to eliminate manual processing of transportation accounts. The programming language and magnitude of programming revisions will require outside expertise. In addition, the Company plans to revise its web site to incorporate expanded transportation service information. An Internet based information exchange with large volume transportation customers, Marketers and Pool Managers is anticipated. Enhancements to the Company's SCADA system to support the electronic metering for large volume transportation customer will also require outside assistance.

Chesapeake Utilities Corporation
Transportation Cost Recovery Clause
Projected Costs – November 2001 through December 2002

Improvements to the existing telephone system have been included to ensure that the increased volume and duration of calls regarding transportation service can be adequately handled. The telephone improvements will expand the number of incoming lines to cover the significant increase in calls resulting from Company promotions of transportation service and the inevitable questions following conversion to transportation. The system improvements will allow call segmentation to ensure routing of transportation calls to the appropriate staff. Recorded explanations of transportation procedures and benefits will be provided. Voice mail and call forwarding features will be installed on the transportation management department telephones to ensure appropriate coverage for transporting customers and Marketers.

Legal Expenses - $10,000

Projected legal expenses to be incurred relate to the instant docket and advance work for future filings to properly collect or refund any recovery true-up. Legal expenses will also be required to review all new documents and contracts to ensure that they are properly prepared and administered. Other services include potential consultations regarding transportation related issues (e.g. customer complaints).

Educational Expenses - $2,500

The Company plans to continue providing educational materials to customers with the intent of expanding awareness of the transportation options offered by the Company. The primary means of disseminating these materials will be through bill stuffers and direct mail.

Miscellaneous Expense - $2,500

Projected expenses for postage, supplies, minor equipment and other materials related to the administration of the transportation program.

Chesapeake Utilities Corporation
Transportation Cost Recovery Clause
Total Actual and Projected Costs

Description of Total Costs	**Amount**
Consultant Fees and Expenses	$215,870
Computer Programming Changes	$ 98,008
Legal Expenses	$ 15,579
Educational Expenses	$ 4,897
Marketer Training Expenses	$ 962
Miscellaneous Expenses	$ 4,606
Total Actual Costs Incurred	$339,922

SCHEDULE B
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Chesapeake Utilities Corporation
Transportation Cost Recovery Clause
Projected Customer Data and Therm Usage
January 2002 Through December 2003

LINE NO.	(1) RATE SCHEDULE	(2) ANNUAL BILLS	(3) ANNUAL THERMS	(4) CUSTOMER CHARGE	(5) ENERGY CHARGE	(6) TOTAL (4+5)	(7) RECOVERY OF TCR COSTS	(8) % INCREASE	(9) INCREASE DOLLARS PER THERM	(10) TAX FACTOR	(11) FACTOR
1	GS/TS-1 - NON-RESIDENTIAL	2,284	72,038	$23,200	$31,749	$54,949	$2,105	3.83%	$0.02922	1.00503	$0.02936
2	GS/TS-2 - NON-RESIDENTIAL	3,769	627,257	71,438	$184,138	$255,575	$9,790	3.83%	$0.01561	1.00503	$0.01569
3	GS/TS-3 - NON-RESIDENTIAL	3,323	1,764,414	131,208	$446,132	$577,340	$22,114	3.83%	$0.01253	1.00503	$0.01260
4	GS/TS-4 - NON-RESIDENTIAL	1,450	1,812,842	73,900	$401,218	$475,118	$18,199	3.83%	$0.01004	1.00503	$0.01009
5	GS/TS-5 - NON-RESIDENTIAL	492	1,401,996	58,950	$263,603	$322,553	$12,355	3.83%	$0.00881	1.00503	$0.00886
6	GS/TS-6 - NON-RESIDENTIAL	240	1,272,610	45,600	$187,188	$232,788	$8,917	3.83%	$0.00701	1.00503	$0.00704
7	GS/TS-7 - NON-RESIDENTIAL	478	7,926,659	139,800	$774,752	$914,552	$35,031	3.83%	$0.00442	1.00503	$0.00444
8	GS/TS-8 - NON-RESIDENTIAL	120	6,068,203	60,000	$529,329	$589,329	$22,574	3.83%	$0.00372	1.00503	$0.00374
9	GS/TS-9 - NON-RESIDENTIAL	96	12,008,913	67,200	$947,743	$1,014,943	$38,877	3.83%	$0.00324	1.00503	$0.00325
10	TOTAL *	12,252	32,954,932	$671,295	$3,765,853	$4,437,148	$169,961	3.83%			

* The Total for Column (7) "Recovery of TCR Costs" reflects the total actual plus projected expenses of $339,922 to be recovered over the proposed two (2) year period ($339,922/2 = $169,961)

(3) TRANSPORTATION COST RECOVERY CLAUSE (TCR):

Applicable:

To the Monthly Rate provision in each of the Company's General Sales Service and Transportation Service Rate Schedules. Customers receiving service under a Special Contract, the Contract Sales Service, the Contract Transportation Service, the Off-System Sales Service, and the Flexible Gas Service tariff rate schedules are specifically excluded from the application of the Transportation Cost Recovery Clause.

The Transportation Cost Recovery Clause specifically provides for the recovery of non-recurring expenses incurred, or expected to be incurred, for implementing Rule 25-7.0335. Recovery factors are charged only to non-residential customers who receive either transportation or sales service from the Company.

The Transportation Cost Recovery factors (rounded to the nearest $.00001 per therm) shall include an amount to recover the appropriate regulatory fees (based on a multiplication factor of 1.00503)

The Transportation Cost Recovery factors, applied to the Energy Charge for General Sales Service and Transportation Service, for the period January 2002 to December 2003 for each rate schedule (non-residential customers only) are as follows:

Rate Schedule	Service Classification	Charge
GS-1/TS-1 - Commercial	< 500 therms	$0.02936
GS-2/TS-2 - Commercial	>500 up to 3,000 therms	$0.01569
GS-3/TS-3 - Commercial	>3,000 up to 10,000 therms	$0.01260
GS-4/TS-4 - Commercial	>10,000 up to 25,000 therms	$0.01009
GS-5/TS-5 - Commercial	>25,000 up to 50,000 therms	$0.00886
GS-6/TS-6 – Comm/Ind	>50,000 up to 100,000 therms	$0.00704
GS-7/TS-7 – Comm/Ind	>100,000 up to 500,000 therms	$0.00444
GS-8/TS-8 – Industrial	>500,000 up to 1,000,000 therms	$0.00374
GS-9/TS-9 – Industrial	>1,000,000 therms	$0.00325

(4) GENERAL SALES SERVICE RATE ADJUSTMENT:
Applicable:

To the Rate per Month provision in each of the Company's General Sales Service Rate Schedules.

The non-gas energy charge for General Sales Service gas supplied after September 30, 1990 is subject to adjustment in accordance with the following provisions for prior shortfalls or surpluses in the Company's revenues resulting from sales under the CSS and CTS riders.

(3) TRANSPORTATION COST RECOVERY CLAUSE (TCR):

Applicable:

~~To each of the Company's rate schedules referenced below in this section.~~

~~In order to recover the transition costs associated with the under-recovered purchased gas costs for calendar year 2000, the following method will be used for all non-residential customers for the period of February, 2001 through December 2001, except those receiving service under the Flexible Gas Service rate schedule or a Special Contract.~~

~~For all non-residential customers, except for those customers transporting at less than 100% of total gas requirements in 2000, and the exceptions noted above, the charge per therm is as shown in the table below.~~

~~For all customers transporting at less than 100% of total gas requirements in 2000, each customers actual Sales gas usage for 2000 will be multiplied by the charge specified below to determine the amount to be recovered on an annual basis in 2001. This amount will be divided by twelve and will charged to the customer monthly through December 2001.~~

~~Customers who transported at 100% of their total gas requirements in 2000 and new customers added to the system in 2001 under a transportation service rate schedule will not be subject to this charge.~~

To the Monthly Rate provision in each of the Company's General Sales Service and Transportation Service Rate Schedules. Customers receiving service under a Special Contract, the Contract Sales Service, the Contract Transportation Service, the Off-System Sales Service, and the Flexible Gas Service tariff rate schedules are specifically excluded from the application of the Transportation Cost Recovery Clause.

The Transportation Cost Recovery Clause specifically provides for the recovery of non-recurring expenses incurred, or expected to be incurred, for implementing Rule 25-7.0335. Recovery factors are charged only to non-residential customers who receive either transportation or sales service from the Company.

The Transportation Cost Recovery factors (rounded to the nearest $.00001 per therm) shall include an amount to recover the appropriate regulatory fees (based on a multiplication factor of 1.00503)

The Transportation Cost Recovery factors, applied to the Energy Charge for General Sales Service and Transportation Service, for the period ~~February~~ January 200~~1~~2 to December 200~~1~~3 for each ~~service~~ rate schedule (non-residential customers only) ~~is~~ are as follows:

Rate Schedule	Service Classification	Charge
GS-1/TS-1 - Commercial	< 500 therms	$0.~~1168~~202936
GS-2/TS-2 - Commercial	>500 up to 3,000 therms	$0.~~1168~~201569
GS-3/TS-3 - Commercial	>3,000 up to 10,000 therms	$0.~~1168~~201260
GS-4/TS-4 - Commercial	>10,000 up to 25,000 therms	$0.~~1168~~201009
GS-5/TS-5 - Commercial	>25,000 up to 50,000 therms	$0.~~1168~~200886
GS-6/TS-6 – Comm/Ind	>50,000 up to 100,000 therms	$0.~~1168~~200704
GS-7/TS-7 – Comm/Ind	>100,000 up to 500,000 therms	$0.~~1168~~200444
GS-8/TS-8 – Industrial	>500,000 up to 1,000,000 therms	$0.~~1168~~200374
GS-9/TS-9 – Industrial	>1,000,000 therms	$0.~~1168~~200325

(4) GENERAL SALES SERVICE RATE ADJUSTMENT:
Applicable:

To the Rate per Month provision in each of the Company's General Sales Service Rate Schedules.

The non-gas energy charge for General Sales Service gas supplied after September 30, 1990 is subject to adjustment in accordance with the following provisions for prior shortfalls or surpluses in the Company's revenues resulting from sales under the CSS and CTS riders.