Case Assignment and Scheduling Record	
Section 1 - Division of Records and Reporting (RAR) Completes	
Docket No. 001447-GU Date Docketed: 09/25/2000 Title: Request for rate increase by St. Joe Natura	al Gas Company,
Company: St. Joe Natural Gas Company, Inc.	
Official Filing Date: Last Day to Suspend: Expiration:	
Referred to: ADM AFA APP CAF CMP CMU EAG (ECR) GCL LEG PAI RAR RGO S ("()" indicates OPR) X X X	
Section 2 - OPR Completes and returns to RAR in 10 workdays. <u>Time Schedule</u>	
Program/Module A4(a) WARNING: THIS SCHEDULE IS AN INTERNAL PLANNING DOCUMENT. IT IS TENTATIVE AND SUBJECT TO REVISION.	
Staff Assignments Current CASR revision level	Duo Datos
OPR Staff 0	<u>Due Dates</u> Previous Current
Staff Counsel 3. 4. 4.	
<u>OCRs</u> () 6	
8.	· · · · · · · · · · · · · · · · · · ·
<u>9</u> 10	
() 11. 12	
13 14	
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19. 20.	
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23.	
() <u>25.</u> 26.	
27 28.	
29 30	
Recommended assignments for hearing 31. and/or deciding this case: 32.	
Sull Correlation Daval 33.	
Hearing Examiner Staff 35.	
Date filed with RAR: 36 37	
Initials: OPR 38. Staff Counsel 40.	
Section 2. Chairman Completes	

Section 3 - Chairman Completes

Assignments are as follows:

- Hearing Officer(s)

	Comm	Hrg. Exam.	Staff				
ALL	DS	JC	JB	ΒZ	XX	EXdill.	

Where panels are assigned the senior Commissioner is Panel Chairman; the identical panel decides the case. Where one Commissioner, a Hearing Examiner or a Staff Member is assigned the full Commission decides the case.

- Prehearing Officer

Commissioners					ADM	DOCUMENT NO.
DS	JC	JB	ΒZ	ΧХ		
Appro	ved:				12-11/1	
Date: / /						17299-01

* COMPLETED EVENTS

	<u> </u>	ase Assignment and Scheduling Record	
<u>Section 1 - Div</u>	ision of Records and Report (R	AR) Completes	
Docket No. <u>001</u>	447-GU Date Docketed: 09/2	5/2000 Title: Request for rate increase by St. Joe Natural	l Gas Company,
Company: St. J	oe Natural Gas Company, Inc.	Inc.	
Official Filing Last Day to Sus		n:	
Referred to: ("()" indicates	OPR) ADM AF.	A APP CAF CMP CMU EAG (ECR) GCL LEG PAI RAR RGO SE	
Section 2 - OPR	Completes and returns to RAR in	10 workdays. <u>Time Schedule</u>	
Program/Module	A4(a)	WARNING: THIS SCHEDULE IS AN INTERNAL PLANNING DOCUMENT. IT IS TENTATIVE AND SUBJECT TO REVISION.	
	Staff Assignments	FOR UPDATES CONTACT THE RECORDS SECTION: (850) 413-6770 Current CASR revision level	Due Datas
OPR Staff	L Romig, M Brinkley, D Draper, D Ging, L Iyamu, P Lee,		<u>Due Dates</u>
	P Lester, S Merta, C Romig,		Previous Current
	M Springer, P Stallcup, L Swain	1. MFRs and Testimony Due 2. Revised CASR Due	NONE 11/15/2000 NONE 11/27/2000
Staff Counsel	D Hart	3	
OCRs (CMP)	W Makin	5 6	
		8.	
12001		9	
(RGO)	R Hicks	12.	
		14.	
(SER)	E Mills	15	
		17. 18.	
		19. 20.	
()		21	
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()		25	
		27 28	
		29.	
Recommended ass	ignments for hearing	30 31	
and/or deciding		32	
Full Commissi Hearing Exami	on <u>X</u> Commission Panel ner Staff	34	
Date filed with	RAR: 09/27/2000	36 37	
Initials: OPR	C 0 1	38 39	
Staf	f Counsel	40	

Section 3 - Chairman Completes

Assignments are as follows:

- Hearing Officer(s)

	Comm	Hrg. Exam.	Staff				
ALL	DS	JC	JB	ΒZ	ХХ	Exam.	
Х							

Where panels are assigned the senior Commissioner is Panel Chairman; the identical panel decides the case. Where one Commissioner, a Hearing Examiner or a Staff Member is assigned the full Commission decides the case.

PSC/RAR-15 (Rev. 2/00)

* COMPLETED EVENTS

- Prehearing Officer

	Commissioners								
DS	DS JC JB BZ XX								
	Х								

Approved: Date: 09/27/2000

Case Scheduling/Rescheduling Advice

Last Revised 11/03/2000 at 09:39

Printed on 11/03/2000 at 17:10

Page 1 of 1

Deputy Executive Director/Tech Appeals Director X Safety & Electric Reliability Director X Records & Reporting Director X PAI Director To: **Commissioner** Jacobs Commissioner Jaber X Legal Director Commissioner Baez Economic Regulation Director X Regulatory Oversight Director New Commissioner-SC X X Court Reporter X Competitive Services Director **Executive Director** X Staff Contact - Sam Merta Public Information Officer X Consumer Affairs Director

From: Office of Chairman Terry Deason

Docket Number: 001447-GU

Docket Title: Request for rate increase by St. Joe Natural Gas Company, Inc.

1. Schedule Information

Event	Former Date	New Date	Location	Time
Service Hearing		01/08/2001	St. Joe	6:00 PM - 8:00 PM

2. Hearing/Prehearing Assignment Information

	Former Assign	ments		Current Assignments				
<u>Hearing</u> Officers	Commissioners H		Staff	Commissioners Hearing Staff Exam.				
	ALL DS JC JB BZ SC			ALL DS JC JB BZ SC				
<u>Prehearing</u> Officer	Commissioners			Commissioners				
	DS JC JB BZ SC ADM			DSJCJBBZSCADMXVVV				
Reason for Revision: A. New Assignment 1. Unavailability 2. Good Cause 3. Recused 4. Disqualified 5. See Remarks								
Remarks: The tim	ne zone is the same as Tallahass	ee.						

		Case Assignment and Scheduling Record	
Section 1 - Div	ision of Records and Report	RAR) Completes	
Docket No. 0014	447-GU Date Docketed: 09/	<u>25/2000</u> Title: Request for rate increase by St. Joe Natura	1 Gas Company,
Company: St. Jo	pe Natural Gas Company, Inc.	Inc.	
Official Filing Last Day to Susp	Date: pend: Expirati	on:	
Referred to: ("()" indicates	OPR) ADM A	AFA APP CAF CMP CMU EAG (ECR) GCL LEG PAI RAR RGO S	ER WAW X
Section 2 - OPR	Completes and returns to RAR in	10 workdays. <u>Time Schedule</u>	
Program/Module	Al(a)	WARNING: THIS SCHEDULE IS AN INTERNAL PLANNING DOCUMENT.	
	<u>Staff Assignments</u>	IT IS TENTATIVE AND SUBJECT TO REVISION. FOR UPDATES CONTACT THE RECORDS SECTION: (850) 413-6770 Current CASR revision level	Due Dates
OPR Staff	<u>L Romig, M Brinkley, D Draper,</u> D Ging, L Iyamu, P Lee,	- 1	Previous Current
	P Lester, S Merta, C Romig, M Springer, P Stallcup, L Swair	1. MFRs and Testimony Due	11/15/2000 12/15/2000
		2. Revised CASR Due	11/27/2000 12/29/2000
Staff Counsel	D Hart	- 4.	
OCRs (CMP)	W Makin	6	
		8	
	Dilicito	9	
(RGO)	R Hicks	- 12.	
		- 14.	
(SER)	E Mills	16.	
		18.	
		- 20.	
()		22.	
		23.	
		25	
		27.	
		29	
Recommended ass	ignments for hearing	31.	
and/or deciding		32	
Full Commission Hearing Examin	on <u>X</u> Commission Panel ner Staff	34	
Date filed with	RAR: <u>11/15/2000</u>	36	
Initials: OPR		38	
Staf	f Counsel	40.	

Section 3 - Chairman Completes

Assignments are as follows:

- Hearing Officer(s)

	Hrg. Exam.	Staff					
ALL	DS	JC	JB	ΒZ	ХХ	Exam.	
Х							

Where panels are assigned the senior Commissioner is Panel Chairman; the identical panel decides the case. Where one Commissioner, a Hearing Examiner or a Staff Member is assigned the full Commission decides the case.

* COMPLETED EVENTS

- Prehearing Officer

		Comm	ission	ners		ADM	
	DS	JC	JB	BZ	XX		
		Х					
ŀ	Approv	/ed:		2	01	sn	
[Date:	11/2	21/200	00			C

	<u> </u>	Case Assignment and Scheduling	Record	
<u>Section 1 - Div</u>	ision of Records and Reporting (R	AR) Completes		
Docket No. <u>001</u>	447-GU Date Docketed: 09/2	25/2000 Title: Request for r	rate increase by St. Joe Natura	1 Gas Company,
Company: St. J	oe Natural Gas Company, Inc.	Inc.		
Official Filing Last Day to Sus	Date: <u>12/15/2000</u> pend: <u>02/13/2001</u> Expiratio	n:		
Referred to: ("()" indicates	OPR) ADM AF	A APP CAF CMP CMU EAG (E X	CR) GCL LEG PAI RAR RGO SI XXXX	ER WAW X
Section 2 - OPR	<u>Completes</u> and returns to RAR in		<u>Time Schedule</u>	·····
Program/Module	Al(a)	WARNING: THIS SCHEDULE IS A	N INTERNAL PLANNING DOCUMENT.	
	<u>Staff Assignments</u>	IT IS TENTATIVE AND SUBJECT	TO REVISION. ORDS SECTION: (850) 413-6770	
OPR Staff	S Merta, M Brinkley, D Draper,	Current CASR revision leve	1	Due Dates
	P Lee, P Lester, C Romig, L Romig, M Springer, P Stallcup,	2		Previous Current
	D Wheeler	1. <u>Staff Recommendation</u> - 2. Notice of Customer Ser	Suspend/Int Rates	NONE 01/25/2001 NONE 01/30/2001
Staff Counsel	D Hart	3. Agenda - Interim 4. FAW Notice of Service		NONE 01/30/2001 NONE 02/06/2001 NONE 02/06/2001
OCRs (CMP)		5. <u>Standard Order - Inter</u> 6. Audit Report Due	im	NONE 02/26/2001
	W Makin	7. Service Hearing (Port	St. Joe - DS, JC, JB)	NONE 02/26/2001 NONE 03/05/2001
	2	8. Transcripts Due 9. Staff Recommendation -	Final Rates	NONE 03/12/2001 NONE 05/03/2001
(RGO)	R Hicks	10. Agenda - Final Rates 11. PAA Order		NONE 05/15/2001 NONE 06/04/2001
	·······	12. Consummating Order if 13. Close Docket or Revise	NO Protest CASR	NONE 06/25/2001 NONE 07/02/2001
		14. 15.		
(SER)	E Mills, B Trotter	17.		
		19.		
()		20.		
		22.		
		24.		
()		26.	· · · · · · · · · · · · · · · · · · ·	
		27 28		······
Recommended ass and/or deciding	ignments for hearing this case:	31. 32.		
Full Commission	on Commission Panel _X	34.		
	ner Staff	36.		
	RAR: <u>12/19/2000</u>	38.		
Initials: OPR Staf	f Counsel	39 40		
Section 3 - Cha	irman Completes	Assignments are as follows:		CSRA
	- Hearing Officer(s)		- Prehearing Officer	
	Commissioners Hrg.	Staff		ADM
ALL	DS JC JB BZ PL		DS JC JB BZ PL	
	X X X			
Where panels are	e assigned the senior Commissioner	r is Panel Chairman		
the identical pa	anel decides the case. ssioner, a Hearing Examiner or a S		Approved: 10 lon	
assigned the fu	11 Commission decides the case.		Date: <u>12/19/2000</u>	
PSC/RAR-15 (Rev	2/00)	* COMPLETED EVENTS		С

Case Scheduling/Rescheduling Advice

Last Revised 12/07/2000 at 15:08

Printed on 12/08/2000 at 09:46

Page 1 of 1

X Safety & Electric Reliability Director X Records & Reporting Director X PAI Director To: Commissioner Jacobs X Deputy Executive Director/Tech X Commissioner Jaber x Appeals Director Legal Director Commissioner Baez X X Economic Regulation Director New Commissioner-SC X Regulatory Oversight Director Competitive Services Director **Executive Director** X X Court Reporter Public Information Officer X Consumer Affairs Director X Staff Contact - Sam Merta

From: Office of Chairman Terry Deason

Docket Number: 001447-GU

Docket Title: Request for rate increase by St. Joe Natural Gas Company, Inc.

1. Schedule Information

A.

Event	Former Date	New Date	Location	Time
Service Hearing	01/08/2001	03/05/2001	St. Joe	6:00 PM - 8:00 PM

2. Hearing/Prehearing Assignment Information

Former Assignments			Current Assignments
<u>Hearing</u> Officers	Commissioners	Hearing Staff Exam.	Commissioners Hearing Staff Exam.
	ALL DS JC JB BZ SC		ALL DS JC JB BZ SC
<u>Prehearing</u> Officer	Commissioners		Commissioners
	DS JC JB BZ SC ADM		DS JC JB B4 SC ADM
Reaso	n for Revision: A. New Assign	ment 1. Unavailability	2. Good Cause 3. Recused 4. Disqualified 5. See Remarks
Remarks: The tin	ne zone is the same as Tallahass	ee.	

STATE OF FLORIDA

Commissioners: J. TERRY DEASON, CHAIRMAN E. LEON JACOBS, JR. LILA A. JABER BRAULIO L. BAEZ



Division of Records & Reporting Blanca S. Bayó Director (850) 413-6770

Public Service Commission

December 8, 2000

Ms. Carol Faison Gulf County School Board 150 Middle School Road Port St. Joe, FL 32456

Re: Docket No. 001447-GU - Request for Rate Increase by St. Joe Natural Gas Company

Dear Ms. Faison:

This will confirm our reservation of the Gulf County School Board room for the purpose of holding a Public Service Commission hearing on Monday, March 5, 2001, in the abovereferenced matter. The hearing will begin at 6:00 p.m. and should end by 8:00 p.m. We expect approximately 80 people to attend.

As previously discussed, there is no charge for use of the room. A copy of our insurance certificate is enclosed, along with Gulf County's Facility Use Request form.

I appreciate the opportunity to use this facility for our hearing. Please call my assistant, Sandy Moses, at (850) 413-6728 if you have any questions regarding this matter.

Sincerely,

Blanca S. Bayó

/skm Enclosures (2)



CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD • TALLAHASSEE, FL 32399-0850 An Affirmative Action/Equal Opportunity Employer PSC Website: http://www.floridapsc.com Internet E-mail: contact@psc.state.fl.us

FACILITY USE REQUEST

Requesting Organization Florida Public Service Commission						
Name of Authorized Representative Sandy Moses						
Street Address2540 Shumard Oak Blvd.						
City, State, ZipTallahassee, FL_32311-0850						
Telephone [Home] 850-413-6728 [Work]						
Facility Requested School Board Room Date(s) March 5, 2001						
Description of UsePublic hearing in the case of St. Joe Natural Gas Company						
request for rate increase.						
12/8/00						
Authorized Representative Date Frincipal/Designee Signature Date						
PRINCIPAL'S SIGNATURE INDICATES ONLY THE AVAILABILITY OF THE FACILITY. REQUESTOR MUST MAKE MAINTENANCE/CUSTODIAL ARRANGEMENTS AS OUTLINED BELOW.						
HEATING/COGLING AND CUSTODIAL SERVICES						
The requesting organization must contact the Maintenance/Custodial Coordinator at the Port St. Joe Maintenance/Bus Facility on Long Avenue, telephone 229-8369 or 639-2422. Labor cost for maintenance and custodial service are payable directly to the individual. The Coordinator's signature must be obtained before submitting your request to the School Board Office.						
Coordinator's or Designee's Signature Date						
SUBMIT THIS COMPLETED FORM AT THE SUPERINTENDENT OF SCHOOLS OFFICE LOCATED IN THE GULF COUNTY COURTHOUSE. APPLICABLE FACILITY USAGE FEES, INSURANCE, AND SCHOOL BOARD FORMS WILL BE DISCUSSED.						

If you have questions contact, Temple Watson at 229-8256 or 639-2871.						
i you have questions contact, rempie watson at 227-3236 of 637-2671.						

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RAR Official Filing:

Matilda Sanders

From: Sent: To: Cc: Subject: Janice Banka Monday, January 29, 2001 1:44 PM RAR - Orders-Notices Jovon Snipes; Patsy White; Della Fordham; Janet Harrison Docket No. 001447-GU

55-PCO

RECEIVED

-------SO

7.00

29 PH 1:46

File Name: 001447o2.ddh This file has been copied over to GCOrders. This order will be hand-delivered since it is signed by a Commissioner. This order is formatted in wp 9.

Thanks, have a great afternoon! "J"

RAR Official Filing: 2/1/01****** 1:37 PM*******Linda Williams*************

Linda Williams

From:	Carolyn Craig
Sent:	Thursday, February 01, 2001 1:37 PM
То:	RAR - Orders-Notices
Cc:	Della Fordham; Patsy White; Jovon Snipes; Janet Harrison
Subject:	Notice of Hearing

A Notice of Customer Service Hearing has been transferred and is ready to be issued.

Docket No. 001447-GU File Name: 001447no.ddh

Alef 8 m No requisition

RAR Official Filing:

0465-PCC

REP

6

200

2 Mor

Matilda Sanders

From: Sent: To: Cc: Subject: Janice Banka Monday, February 26, 2001 12:09 PM **RAR** - Orders-Notices June Ariola; Della Fordham Docket No. 001447-GU

File Name: 001447o3.ddh This order has been copied over to GCOrders. This order will be hand-delivered since it has attachments not on line.

Thanks "J"

ATTACHMENT(S) NOT ON-LINE

S 2m

June 1	<u> </u>		
St. Joe Natura	I Gas Company, et NO. 001447-GU	RECEIVED-F	PSÇ
		OI MAR 14 AM	9:16
Name Matie M	anning	RECORDS A	ND
Address 301 ave	Nue E	HEPORTIN	G
Port St Joe	Alg 32.456		

If you want to let the Public Service Commission know how you feel about this case, please fill out this comment form and return it by mail. It will be placed in a correspondence file.

2

100

COMMENTS CONSUMER Numbe acount 631 11 2 200 C ach 25 835-0 ACount 30 NUMBE APP CAF COM CTR ECR TH DOCUMENT NO In LEG OPC PAI RGO SEC SER OTH

RAR Official Filing:

Matilda Sanders

12

From: Sent: To: Cc: Subject: Janice Banka Friday, June 08, 2001 2:12 PM RAR - Orders-Notices June Ariola; Patsy White; Della Fordham; Janet Harrison Order in Docket No. 001447-GU

65.00

File Name: 001447o5.wpd

This order has attachments that are not on-line and will be hand-delivered to Records to be issued. There are 35 pages of attachments that are not on-line. This file has been copied over to GCOrders.

Thanks "J"

-CCA Official Filing:

Matilda Sanders

, Q.

From: Sent: To: Subject: Janice Banka Tuesday, July 03, 2001 12:29 PM June Ariola; Patsy White; Janet Harrison; CCA - Records; Della Fordham Order / Notice Submitted

Date and Time: Docket Number: Filename / Path: 7/3/01 12:27:00 PM 001447-GU 001447co.ddh

Consummating Order.

Number of pages in order -2.

Thanks "J"

M

and the same

February 4, 2001

RECEIVED-FPSC

01 FEB 20 AM 9: 33

RECORDS AND REPORTING

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

Docket No. 001447-GU

Dear Director Bayo

As of the 1st of February we in Port St. Joe were informed by the enclosed cards of the increase in rates according to the above named docket.

Having been a property owner for several years, I find it hard to believe that the commercial customers only have to pay a fractional increase more when the residential customers are expected to pay double.

I understand gas price increase and have no problem with paying my "fair" share but it is unthinkable that the regulators of gas would put the burden upon the residential owners when anyone knows that businesses are allowed a deduction on their taxes for operations and homeowners are not.

Why would you penalize the residents of Gulf County who have one of the highest unemployment rates in the state of Florida by increasing the fuel prices when the largest employer in this county went out of business creating the need to go even further for work?

Sincerely,

David C. Hopper APP CAF CMP Nancy L. Hopper COM 1956 Parker Avenue CTR ECR Inder Port St. Joe, FL 32456 MOORLIAM LEG OPC 01 FEB 20 MM 8: 55 PAI SEC SER OTH

ST. JOE NATURAL GAS COMPANY, INC.

NOTICE TO OUR NATURAL GAS CUSTOMERS

On December 15, 2000, St. Joe Natural Gas Company, Inc. (the "Company") filed a request with the Florida Public Service Commission ("FPSC") in Docket No. 001447-GU for approval to increase annual revenues by \$551,923, and requested that interim rates be put into effect pending final action on the permanent increase request.

The general reasons for the request for an increase in rates are: (1) the Company's permanent loss of load due to the bankruptcy of Florida Coast Paper Company, L.L.C.; (2) the need to take advantage of legitimate growth opportunities; and (3) the cumulative effects of inflation and ordinary customer growth.

The following is a comparison of the proposed final rates with the rates in effect prior to the Company's request:

CURRENT RATES

PROPOSED RATES

(RS) Residential Service Customer Charge Non-Fuel Charge

\$6.00 \$0.24146

	(RS) Resid	dential Service
	Customer	Charge
1	Non-Fuel	Charge

\$12.00 \$0.51227

PROPOSED RATES (conintued) CURRENT-RATES (conintued) (FTS) Firm Transportation Service Customer Charge \$1000.00 \$0.11842 Non-Fuel Charge (CIS) Contract Interruptible Service (CIS) Contract Interruptible Service \$1000.00 Customer Charge \$1000.00 Customer Charge \$0.02982 \$0.04070 Non-Fuel Charge Non-Fuel Charge (CTS) Contract Transportation Service (CTS) Contract Transportation Service \$1000.00 Customer Charge \$1000.00 Customer Charge \$0.02982 Non-Fuel Charge \$0.04070 Non-Fuel Charge (ITS) Interruptible Transportation Service (ITS) Interruptible Transportation Service \$360.00 Customer Charge \$360.00 Customer Charge \$0.04210 Non-Fuel Charge Non-Fuel Charge \$0.04210

A service hearing is currently scheduled to be held on March 5, 2001 beginning at 6:00 p.m. at the Gulf County School Board, Board Room, 150 Middle School Road, Port St. Joe, Florida. The purpose of the service hearing is to allow customers to express their views

ORIGINAL

Leo Cesna HC3 Box 184 Port St. Joe, Fl 32456

February 5, 2001

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

Dear Ms. Bayo:

In response to the proposed St. Joe Natural Gas Co. Inc., rate increase, Docket No. 001447-GU, I provide the following analysis and customer opinion:

The attached analysis of the proposed rate changes clearly shows extraordinary rate increases for residential and small business customers while some big businesses receive an additional 27% discount or no change to their current rates at all. While I generally agree that quantity customers should receive a discount for their larger purchases, as they due currently, this proposal saddles the little guy with the entire share of the revenue increase burden. If St. Joe Natural Gas Company can justify their \$551,923 annual revenue increase requirement; I strongly feel it should be levied more equitably among their customers.

If the increase is approved as proposed, I will have to consider converting to an all-electric household. I believe others will do the same, which will offset St. Joe's revenue increase and potentially drive another round of increases in the future.

Sincerely,

APP CAF CMP COM

CTR

SER

OTH

ECRIL

LEO CESNA, Customer, St. Joe Natural Gas Co. Inc.

	, Residential Service	Curr	ent Rates		Proposed Rates	Dit	fference	<u>% Change</u>
The	Customer Charge Non-Fuel Charge	\$ \$	6.00 0.24146	\$ \$	12.00 0.51227	\$ \$	6.00 0.27081	100% 112%
Little	(CS/SCS) Small Commercial Servi Customer Charge Non-Fuel Charge	ice \$ \$	12.00 0.29876	\$	12.00 0.51227	\$ \$	- 0.21351	0% 71%
Guys	(LCS/CS) Large Commercial Servi Customer Charge Non-Fuel Charge	ce \$ \$	35.00 0.10064	\$ \$	40.00 0.30000	\$ \$	5.00 0.19936	14% 198%
				÷	0.00000	Ŷ.	0.10000	
The	(LCS) Large Commercial Service Customer Charge Non-Fuel Charge		N/A N/A	\$ \$	1,000.00 0.11842		N/A N/A	N/A N/A
	(IS) Interruptible Service Customer Charge Non-Fuel Charge	\$ \$	360.00 0.04210	\$ \$	360.00 0.04210	\$ \$	Ĵ	0% 0%
Big	(LIS) Large Interruptible Service Customer Charge Non-Fuel Charge	\$ \$	1,000.00 0.04070	\$ \$	1,000.00 0.02982	\$ \$	- (0.01088)	0% -27%
	(FTS) Firm Transportation Service Customer Charge Non-Fuel Charge		N/A N/A	\$ \$	1,000.00 0.11842		N/A N/A	N/A N/A
	(CIS) Contract Interruptible Service Customer Charge Non-Fuel Charge	¢ \$ \$	1,000.00 0.04070	\$ \$	1,000.00 0.02982	\$ \$	- (0.01088)	0% -27%
Guys	(CTS) Contract Transportation Ser Customer Charge Non-Fuel Charge	vice \$ \$	1,000.00 0.04070	\$ \$	1,000.00 0.02982	\$ \$	- (0.01088)	0% -27%
	(ITS) Interruptible Transportation S Customer Charge Non-Fuel Charge	Service \$ \$	360.00 0.04210	\$ \$	360.00 0.04210	\$	-	0% 0%

						Increase from
				E	proposed	1998 to proposed
Personal Residential Rate History Example	1998	1999	2000		2001	<u>change in 2001</u>
Customer Charge	\$ 5.00	\$ 6.00	\$ 6.00	\$	12.00	140%
Non-Fuel Charge (20 Therms)	\$ 3.97880	\$ 4.85900	\$ 5.29440	\$	10.25	157%
*Avg Fuel Charge (20 Therms)	\$ 9.00	\$ 9.00	\$ 9.00	\$	9.00	0%
Total	\$ 17.98	\$ 19.86	\$ 20.29	\$	31.25	74%

* Actual fuel charges were averaged over the entire period to prevent skewing the effect of the proposal.

BOARD OF COUNTY COMMISSIONERS GULF COUNTY, FLORIDA

1000 CECIL G. COSTIN, SR. BLVD., ROOM 302, PORT ST. JOE, FLORIDA 32456 . PHONE (850) 229-6106 . FAX (850) 229-9252

DATE AND TIME OF MEETINGS . SECOND AND FOURTH TUESDAYS AT & DO P.M. F.T.

February 5, 2001

Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399 HECOLIUS AND REPORTING

RE: Docket No. 001447-GU - St. Joe Natural Gas

Dear Commission:

The Board of County Commission is requesting your assistance on a matter that has reached a critical state here in Gulf County. Our natural gas prices have increased more than 200 - 300% within the last month. We are a rural community that has a large portion of elderly citizens' that are on a fixed income, however this will equally affect our working class whom on the average receives a 3% annual salary increase. In the past, natural gas has been the most economical method to heat and cook with, however, it is our understanding that there will be another increase and this will be economically devastating to a large portion of our citizens.

We respectfully request that you take into consideration our comments on this matter and our objections to a rate increase of this magnitude. As always, if you need additional information or assistance on any other matter, please do not hesitate to contact me.

Sincerely yours,

GULF COUNTY BOARD OF COUNTY COMMISSIONERS 1 iten , Nathan Peters, Jr. Chairman APP CAF CMP COM NPJ/dw coCOMBUNIER AFFAIR DRIGINAL CTR ECR LEG OPC PAI RGO 77:8 NV 6- 834 10 SEC OTH CARMEN L. MCLEMORE BILLY E. TRAYLOR CARL W. FOX NATHAN PETERS, JR. IERRY W BARNES District 1 District 2 District 3 District 4 District 5



685 Grant Court Satellite Beach, FL February 7, 2001

MAILROOM

01 FEB -9 AM 8: 46

Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

Dear Commissioners:

I respectfully request that you deny the rate increase requested by Florida Power and Light Company. There are many, many reasons why the increase requested should be denied. Retired persons in this state cannot afford higher electrical bills; many are trying to survive on small pensions, and there isn't more to be squeezed from the dollar. So far this year we have been hit with increased medical costs as well as astronomical electric bills. Where do you think we're going to get more income?

Reducing our use of electricity is going to result in more illnesses as well as an increase in crime because of darkened areas around our homes and businesses. Businesses will increase the cost of their products and services which will also increase our cost of living. Some businesses may be forced to reduce the number of employees, and we end up with more unemployed on welfare and other assistance programs, ultimately costing every taxpayer more.

The domino effect of another increase in our electric bills will be felt far and wide. It is your responsibility to protect the consumers, and I have confidence you will do this.

ORIGINAL

Sincerely,

Sadie M. Baker

APP CAF CMP COM CTR ECR LEG 0 9 200 EB PAL RGO ORIDA PUBLIC SERVICE SEC COMMISSION SER I CONSUMER AFFAIRS OTH

ORIGINAL

RECEIVED-FPSC

01 FEB 19 AM 9: 57

RECORDS AND

REPORTING

February 4, 2001

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

Docket No. 001447-GU

Dear Director Bayo

As of the 1st of February we in Port St. Joe were informed by the enclosed cards of the increase in rates according to the above named docket.

Having been a property owner for several years, I find it hard to believe that the commercial customers only have to pay a fractional increase more when the residential customers are expected to pay double.

This puts a very bad burden on people who have lived here all of their lives and are now on a fixed income and have to make a choice of doing without medicines or sometimes food to pay their gas bill.

It is unthinkable that the regulators of gas would put the burden upon the residential owners when anyone knows that businesses are allowed a deduction on their taxes for operations and homeowners are not.

Why would you penalize the residents of Gulf County who have one of the highest unemployment rates in the state of Florida by increasing the fuel prices when the largest employer in this county went out of business.

Sincerely, APP Edwa Barber Edna Barber CMP COM Jean Home CTR ECR Jueto Jean Horne LEG 2048 Parker Avenue OPC Port St. Joe, FL 32456 PAI RGO. SEC SER

OTH

WAILROOM ELONION MELIC SERVICE COMMISSION

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RECEIVED-FPSC

February 25, 2001

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

Dear Ms. Bayo

APP

We recently received a notice about a rate increase in our gas from the St. Joe Natural Gas Company, Inc. Normally this is an expected happening, everything goes up and up. But this is ludicrous... a 100% increase???

Please do not allow this to happen when you attend the Agenda Conference in May. Nominal increases are okay, but these requested increases are double and more than double in the non-fuel charge.

The administrators of how money is spent need to explore other avenues of increasing their revenue... and education is the answer. It is a sad reflection of how poorly they are educated in the notice cards that we received from them. The word CONTINUED is misspelled 4 times. We, the paying public, should not be penalized this way for incompetency in the St. Joe Natural Gas Company, Inc.

Sincerely,

Gerald E. Tuttle 217 Whiting Street Port St. Joe, Florida 32456-4845 phone 850-229-9088



Public Service Commission

State of Florida

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

DATE: March 13, 2001
TO: Blanca Bayó, Director, Records and Reporting
FROM: Jane Faurot, Chief, Bureau of Reporting
RE: DOCKET NO. 001447-GU, PORT ST. JOE SERVICE HEARING HELD 3-12-01

RE: REQUEST FOR RATE INCREASE BY ST. JOE NATURAL GAS COMPANY, INC.

DOCUMENT NO. 03170, March 13, 2001

The transcript for the above proceedings has been completed and is forwarded for placement in the docket file, including attachments.

Please note that Staff distribution of this transcript was made to:

LEGAL, ECR, SER

Acknowledged BY:

JF/pc

PSC/RAR 28 (Rev1/00)

The following customers have requested copies of the PAA Order once it is issued for Docket No. 001447-GU (Request for Rate Increase by St. Joe Natural Gas Company, Inc.):

Tom Semmes P.O. Box 990 Wewahitchka, FL 32465 (850) 639-5345

Anne White 302 DuPont Drive Port St. Joe, FL 32456 (850) 229-6914

Cora Williams 228 Avenue C Port St. Joe, FL 32456 (850) 229-8522

Sharon Speights 261 Avenue A Port St. Joe, FL 32456 (850) 227-1367

Monette Jefferson 108 N. Garrison Ave. Port St. Joe, FL 32456 (850) 227-1367

Garry Perrin 401 20th St. Port St. Joe, FL 32456 (850) 227-2125

Robert G. Wahl 608 Madison St. Port St. Joe, FL 32456 (850) 229-8092

Robert L. McKiernan 135 Bellamy Circle Port St. Joe, FL 32456-1601 (850) 227-1321



Jone 3/09/01

Louis C. Carter 6659 Alabama Ave. Port St. Joe, FL 32456 (850) 647-5884

Jerry W. Parsons 706 Woodward Ave. Port St. Joe, FL 32456 (850) 229-6039

Joseph A. Berardi 6312 Alabama Ave. St. Joe Beach, FL 32456-7435 (850) 647-8714

Robert W. Baker HCR-3 220 Nan Nook Road Port St. Joe, FL 32456 (850) 648-8201

Hong Wang

From:	Hong Wang
Sent:	Friday, March 09, 2001 9:25 AM
To:	Lee Romig
Subject:	RE: Docket 001447

Thanks! ----Original Message----From: Lee Romig Sent: Friday, March 09, 2001 8:53 AM To: Hong Wang Subject: RE: Docket 001447

They are sisters and live together, so there is only the one phone number.

----Original Message-----From: Hong Wang Sent: Thursday, March 08, 2001 11:45 AM To: Lee Romig Subject: Docket 001447

Lee, per our phone conversation, these are the two people who have different addresses but the same phone number, 850-227-1367: Sharon Speights and Monette Jefferson. Would you please see whether you can get their correct phone numbers for me?

Thanks!

ORIGINAL

Wewahitchka Chamber of Commerce 01 APR -2 AM 9 P.O. Box 628 Wewahitchka, FL 32465 MAIL ROMMAN (850) 639-5345

March 26, 2001

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

Subject: St. Joe Natural Gas Company, Inc. (Docket # 001447-GU)

Some 4104101 Don't need to but m mailing dist per long

Dear Sir:

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OPC

This letter is to voice our objection to the proposed rate increase that St. Joe Natural Gas Company has requested from the Florida Public Service Commission (PSC). St. Joe Natural Gas Company is entitled to a rate increase due to inflation. However, the proposed rate increases as listed in the Special Report Number 19 dated March 2001, puts an unfair financial burden on the residential (RS) and small commercial service (SCS) customers compared to the other customers of the company, and they are excessive.

St. Joe Natural Gas Company provides free connection of their service and internal plumbing to the facility, which is an installation cost that must be absorbed by the gas company. When I was a customer of a natural gas company in Virginia, the customer was required to pay for the connection to the gas service and the necessary plumbing for connection to the various gas devices in the home. Other utilities that are under the control of the Public Service Commission do not provide the free internal connection for their service. An example is the electric and telephone companies. They provide a connection to a point of presence. It is the customers responsibility to pay for the installation internal to the facility. This installation is a cost that the customer should be responsible for, not the gas company. By charging for the entire connection, the gas company would realize an increase in revenue for work performed, as they now provide the service free as a way to attract customers.

The rate increase proposed for the residential customer (RS) represents an increase of 112.15% in the non-fuel charge (per therm) from \$.24146 to \$.51227. The non-fuel charge (per therm) increase for commercial service (CS) is only .415% from \$.29876 to \$.30000. The non-fuel charge (per therm) for large commercial service (LCS) is only 17.66% increase from \$.10064 to \$.11842. The non-fuel charge for all customers should be more closely aligned and consistent.

Subject: St. Joe Natural Gas Company, Inc. (Docket # 001447-GU) Page 2

The customer charge is to pay for the maintenance of the meters, the gas pipe line, and other distribution equipment. I do not believe that St. Joe Natural Gas Company can show the PSC where they incurred increased maintenance expenses for their installed customer base to justify the increase in the customer charge. The increase in the customer charge is only to provide an increased cash flow into the company. The expansion of the gas line to other areas of service should be borne by the gas company, as it is written off of taxes as a cost of doing business.

If the non-fuel charge was consistent for all customers of the St. Joe Natural Gas Company, the overall financial impact on the residential (RS) and small commercial service (SCS) would not be as severe, and would be more tolerable to the customer base.

The St. Joe Natural Gas Company has proposed a rate structure on the large commercial service (LCS) that ensures the company a constant cash flow throughout the year regardless of the amount of natural gas used. The increase in the charge of the customer charge from \$35 to \$1,000 represents an increase in excess of 2,750% per month. An example of the constant cash flow is below.

Gulf Correctional Institution is a large commercial service which uses natural gas for cooking, hot water, and heating using 10,000 therms (as an example) during the winter months, their current bill for the customer charge and non-fuel charge using the present rates and new proposed rates would be as follows:

Current Rates

Proposed Rates

10,000 therms @ \$.10064	= \$1,006.40	10,000 therms (a) .11842 =	\$1,184.20
Customer Charge	35.00	Customer Charge	<u>1,000.0</u> 0
Monthly Charge	\$1,041.40	Monthly Charge	\$ 2,184.20

If Gulf Correctional Institution reduces the consumption of natural gas 50 percent during the nonheating months, their non-fuel natural gas cost would decrease by 48% using the current rates, but only decrease 27% using the proposed rates. The customer charge proposed by St. Joe Natural Gas Company ensures a constant cash flow into the company all year long, which is unfair to all customers. An example of the charges using a 50% decrease in therms used is below:

5,000 therms @ \$.10064 = $$ 503.20$ Customer Charge 35.00 Monthly Charge $$ 538.20$	5,000 therms @.11842 = \$592.10Customer ChargeMonthly Charge\$1,592.10
\$1,041.40-\$538.20 = \$503.20	\$2,184.20-\$1,592.10 = \$592.10
\$503.20/\$1,041.40 = .4831	\$592.10/\$2,184.20 = .2710
.4831 X 100 = 48.31% decrease	.2710 X 100 = 27.10% decrease

Subject: St. Joe Natural Gas Company, Inc. (Docket # 001447-GU) Page 3

If St. Joe Natural Gas Company were to charge all customers the same non-fuel charge rate, and keep the customer charge at the present rate, then the large customers would pay for their fair share for gas usage, the same as the small customers. However, when they reduce their fuel consumption by 50% then their overall bill would also be reduced by approximately 50%. An example of this reduction using a non-fuel charge of \$.30 and an usage of 10,000 therms is shown below:

10,000 therms @ \$.3	0 = \$3,000.00	5,000 therms @ $$.30 = $1,500.00$
Customer Charge	35.00	Customer Charge <u>35.00</u>
Monthly Charge	\$3,035.00	Monthly Charge \$1,535.00

St. Joe Natural Gas Company cites three reasons for the requested rate increase.

1. The gas company experienced a significant, permanent loss of revenue due to the bankruptcy of its large customer, Florida Coast Paper Company, L.L.C.

The Public Service Commission does not guarantee St. Joe Natural Gas Company an overall fixed profit regardless of the quantity of natural gas sold. The Public Service Commission sets the rates so that if the gas company sells more gas they make more profit. If they sell less gas, they make less profit. The closure of Florida Coast Paper Company had a devastating effect on the economy, people, and businesses in and around Gulf County. St. Joe Natural Gas Company was not the only business severely effected by the closure of the paper mill in Port St. Joe. Gulf County has consistently had one of the highest unemployment rates in the state due to the closure of the Florida Coast Paper Company. The permanent loss of revenue resulting from the closure of the paper mill does not justify a rate increase. They lost a customer, sold less gas, and made less profit.

2. St. Joe Natural Gas Company seeks to take advantage of opportunities for growth primarily in Mexico Beach and Wewahitchka.

If the gas company were to charge each new customers for their connection to the gas service, rather than provide the service free as an enticement to sell the service, they would not incur a loss on the installation labor. The advantage of growth opportunities will take care of itself. As the gas company grows, so will their profit. A rate increase so the St. Joe Natural Gas Company can take advantage of growth opportunities in their service area does not justify any rate increase.

3. The cumulative effects of inflation and ordinary customer growth of the more than 30 years since St. Joe's rates were first established by the PSC have eroded earnings well below the level presently authorized by the PSC.

Subject: St. Joe Natural Gas Company, Inc. (Docket # 001447-GU) Page 4

St. Joe Natural Gas Company was financially negligent in the operation of their company by not requesting rate increases over the years, as inflation increased. St. Joe Natural Gas Company was satisfied to be complacent and limit the distribution of natural gas to the local Port St. Joe area. They were making what they saw as a good profit from the gas consumption by the Florida Coast Paper Company. St. Joe Natural Gas Company did not have to worry about the expense of expansion or obtaining new customers, as long as the paper mill was in operation. St. Joe Natural Gas Company did not begin to expand their distribution to Wewahitchka to increase their customer base until the closure of the Florida Coast Paper Company, when they saw their profit diminish. To ask the PSC to grant an excessive rate increase to make up for the many years of poor management is improper, and imposes a financial burden on the gas customers in Gulf County.

I urge the Public Service Commission to grant St. Joe Natural Gas Company a rate increase, but not a 112% increase that the residential customers would have to pay if the proposed rates are approved, and far less than the \$355,984 interim revenue increase the PSC approved on February 6, 2001. All customers should be paying the same rate for the non-fuel charge, not the vast difference between all of the customers with the proposed rates. The customers of St. Joe Natural Gas Company should not be required to pay excessive rates to ensure higher after tax profits due to poor management practices of the gas company.

Sincerely, Thomas L. Semmes

President

8 April, 20001

ORIGINAL RECEIVED-FPSC 01 APR 10 AM11:03 RECORDS AND REPORTING

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

RE: Docket No. 001447-GU

We oppose the St. Joe Natural Gas Company, Inc. request for a permanent rate increase due to the following: We do not believe the 3 reasons given by the Company are adequate sufficient cause for such request and such reasoning as cited defies reasonable logic for such a request. We strongly feel the request is in the interest of greed instead of need because the local customer is denied a competitive choice (St. Joe Natural Gas is the sole local supplier) and the 100% increase in Customer Charge and the 100% plus increase in non -fuel charge is superfluous, ridiculous and unreasonable. It is an affront to the customers and to the Public Service Commission as well. Since Customer Charge and Non-Fuel Charge is not and can not be fully and reasonably explained to the average customer it can be viewed by the customer as robbery with license or license to steal with impunity and agreement.

We waited so long in responding in an effort to gain all the information and facts available. We feel the Sunday, March 25 Panama City News Herald article conveys an articulate, thorough and comprehensive accurate review far better than we could manage to respond to. We will refrain from excerpting from this article in length and in depth as superfluous and let it speak for itself.

We note that St. Joe Natural Gas Company is setting its own interim charges as reflected on our just received billing. The non-fuel charge listed is .43468.

It is therefore our consentient opinion that permanent rate request be denied until more complete and accurate information to you is available from St. Joe Natural Gas Company, Inc. Thank you for at least offering the customer a chance to speak his/her thoughts.

Levins L. Faretmer & Evelyn A. Hardner

LEWIS L. GARDNER and EVELYN A. GARDNER 107 14TH ST, POB 13326 MEXICO BEACH, FL 32410

APP

CAF CMP CCMP ECR ECR DPC PAI RGO SEC SER OTH attch: (1) news article dtd March 25, 20001

GAS: Industry representatives and regulators scoff at suggestions of price manipulation and collusion

From page 4F

fuel will continue to rise.

SOARING PRICES

It may be some time, perhaps never, before prices again will be as low as they were over a 15-year period covering the late 1980s and all of the 1990s, energy

economists say. During that stretch the wholesale price of gas hovered around \$2 per 1,000 cubic feet. After accounting for inflation.

natural gas prices actually declined by almost a third between 1985 and 1999, according to the American Gas Association.

Then in the first ix months of last vear, the price doubled, then Bayless loubled again. By hristmas and into he new year it had spiked to nearly \$11 for 1,000 cubic feet. t's been even higher in ower-starved California, rompting charges of price anipulation by suppliers and ipeline operators.

As the surge in gas prices ove up home heating bills by percent or more in many as, businesses and industrial ants saw energy costs cut into

profits, Some ical plants using natural gas as a feedstock have seen foreign competitors grab business because of the high U.S. energy costs.

Redland Brick Inc. of Williamsport, Md., has seen the cost of firing up its kilns at four plants soar. An expected energy bill of \$4 million is twice what it was in 1999, says James Vinke, the company's president.

In recent weeks, wholesale gas prices have begun to fall back to about half what they



Administration predicted in its latest energy forecast that

prices will not ease much this year or next. And energy experts say prices could just as easily spike again if supplies lag and demand jumps during a hot summer or unusually cold weather next winter.

"It is becoming clear with each passing month that we grossly underestimated the demand pressure facing natural gas," said Matthew

Simmons, a Houston-based investment banker and energy analyst who frequently has warned of an impending

natural gas crisis. Simmons helped craft a 1999 National Petroleum Council report that predicted that, over the next 15 years, natural gas demand will increase by 40 percent to 31.5 trillion cubic feet annually. With power plant construction moving at a fast pace, that demand level now could come in five or six years, says Simmons.

Natural gas is by far the cleanest burning of fossil fuels. Because it emits far less air pollution or greenhouse gases than coal or oil, environmentalists embrace it as a transition from hydrocarbons to solar technology or hydrogen fuel cells, still

decades away from widespread

use. Natural gas also is plentiful. An estimated 2,449 trillion cubic feet of reserves in the United States and Canada is enough to meet today's demand for 100 years. And there is no worry about cutoffs from unfriendly nations halfway across the globe.

CHARGES OF MANIPULATION

Nevertheless, the price explosion of the last year has prompted more than a few

Natural gas fa

Accounts for 24 percent of all energy used in the United States with 62 million commercial, industrial and residential customers About 58 million homes, 61 percent of the total, use natural gas for heating

Current average wholesale price, \$5.50 per 1.000 cubic feet. The wholesale price accounts for 60 percent of total retail price; rest is for transportation, distribution and other services that normally do not change significantly U.S. total reserves are 1,779 trillion cubic feet.

Demand is 22 trillion cubic feet annually and expected to grow to 29 trillion

cubic feet a year by 2010 and 31.5 trillion cubic feet by 2015. Uses include electricity generation, residential and commercial heating, feed-

stock for chemical and fertilizer industries, and transportation Environmentally the cleanest of fossil fuels. When burned, it is 50 percent cleaner than oil and 85 percent cleaner than coal in terms of air pollution, emitting less nitrogen oxide, sulfur dioxide, soot, hydrocarbons and heat-trapping "greenhouse" gases.

energy experts to wonder, only half-jokingly, whether a cartel had captured the natural gas market.

Industry representatives and federal regulators scoff at suggestions of price manipulation and collusion, although the red-hot, and severely constrained California market has fueled suspicions of abuses and gamesmanship. California regulators, for example, argue that pipeline companies have hoarded gas to boost prices, claims the companies have heatedly denied.

Nationally there are thousands of producers, marketers and middlemen. While controls on wholesale

prices disappeared in 1989, the federal government still regulates interstate transport and most states regulate retail prices

"I don't think you can manipulate this market. There just are too many players," says Paul Wilkinson, a vice president of the American Gas Association, which represents power utilities dealing with both higher wholesale costs and the ire of their retail customers. Still, the run-up in oil and

gas prices produced astounding profits last year.

According to the Energy Department, the 37 leading independent oil and gas companies saw profits in 2000 Soar nearly 400 percent to \$3.2 billion, most of it from natural gas, Earnings from U.S. oil and gas production among major multinationals jumped 155 percent to \$22.2 billion, about half of that amount from gas.

Barrett Resources Corp., a Denver-based gas producer, earned \$68.1 million last year more than three times its 1999 income. In recent days its financial strength and its status as a leading leaseholder for Rocky Mountain gas fields have made it the target of a hostile \$2.2 billion takeover Thipt by Shell Oil Co.

Gas marketing companies, a group dominated by a handful of giants such as Enron Corp., Duke Energy Corp. and Dynegy Inc., also have reaped hefty rewards as the commodity often is traded several times as it flows from producer to consumer.

"It's basically economics supply and demand," says Paul Holtberg, an analyst at the Gas Technology Institute, a research organization funded by the gas industry.

That view is shared by many economists not associated with the gas industry, but there also are skeptics who contend the market is rife with manipulation.

"There's been a breakdown in competitive markets; they're not working," insisted Charles Wheatley Jr., a longtime energy lawyer. "As a result the (market) players can put prices to consumers that are way above any respectable cost. Wheatley represents a group

of municipally owned utilitie that has petitioned the Feder Energy Regulatory

Commission to cap natural g prices at \$2.74 per 1,000 cubi feet.

"No one has justified how high prices went this winter. said Jack Hilliard, general manager of a municipally owned utility in Florence, Al which in January faced a natural gas bill of \$5.4 million four times what it paid in the ame month a year earlier.

DECLINING PRODUCTION

If there's manipulation, it's not by Rob Bayless, 45, who with his 25 employees operat a small gas drilling company Denver that his father started in 1958.

'Gas prices in the \$8 and \$ range ... are way too high," he said. "You don't want people mad at you.

But he also recalls the not-so-good days that were fat too many in the late 1990s, when the wholesale price of natural gas fell well below \$2 per 1,000 cubic feet.

That's when Bayless bough some federal gas leases in Ne Mexico, Colorado and Utah. He didn't have any money to drill, but he bought them anyway

With higher gas prices, no

we can develop them," he say The past year has seen a frenetic pace of gas drilling. The number of drilling rigs jumped by 46 percent to about 900, the biggest such surge over a single year in a quarter century. But the amount of g flowing into the market has n increased by much.

'We're drilling at higher rates just to get the same amount of gas out of the ground," says Skip Horvath, president of the Natural Gas Supply Association, a produc trade group.

Existing basins, which have relied for years on improved exploration and drilling technology to be productive, are being depleted and produce less gas. Gas coming from the Gulf of Mexico has been declining and the industry's push into deeper waters is not expected to ma up for the reductions, says Richard Sharples, president Anadarko Energy Services. leading producer.

While energy companies flush with cash, Sharples say aging rigs, a shortage of workers and restrictions on access to federal lands will continue to hamper domestic

gas production. The industry has launched an intense lobbying effort in Washington to open new federal areas for development both on land and in offshore waters, most of which have been off-limits for years

because of environmental concerns. The Bush administration made clear it wants to give t industry wider access.

Said Energy Secretary Spencer Abraham, "The notion that we can rely so heavily on natural gas, maintain restrictions on exploration and still enjoy lo prices is a dangerous assumption.'



ST. JOE NATURAL GAS COMPANY, INC. 301 LONG AVENUE • BOX 549 • PORT ST. JOE, FLORIDA 32457 RATE DAYS READ DATE					First Class U.S. Postage PAID Permit #40
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METER READINGS		BTU FACTOR 1, 2173		PRN:COO2-029	- Sec.
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001447-64

HECENED-FPSC

OF APR TO AM II: 05

REPORTING

LATE PENALTY IF PAYMENT RECEIVED AFTER 5:00 P.M.

PLEASE EXPLAIN WHY THE NON-FUEL CHARGE ON THIS BILL IS NOT THE SAME AS ON THE APPROVED INTERIM RATES LIST.

ud

ST. JOE NATURAL GAS COMPANY, INC. NOTICE OF INTERIM RATE INCREASE

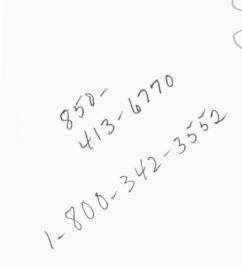
On February 6, 2001, the Florida Public Service Commission ("FPSC") approved interim natural gas rates for St. Joe Natural Gas Company. The interim rates will be collected subject to refund pending the FPSC's decision regarding final rates. If a refund is ordered, it will include interest based on FPSC determined factors.

The approved interim rates, which are set forth below, are effective for meter readings on or after March 8, 2001. The interim rates are reflected on the bill which accompanies this notice.

Any customer comments regarding the utility's service or the interim rate increase should be addressed to Blanca S. Bayo, Director, Division of Records and Reporting, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850. Such comments should reference Docket No. 001447-GU. Customers who wish to provide oral comments regarding the Company and its service may do so by calling the Commission's Division of Consumer Affairs at 1-800-342-3552.

FPSC APPROVED INTERIM RATES

\$6.00
\$0.41253



(CS) Commercial Service	
Customer Charge	\$12.00
Non-Fuel Charge	\$0.54686

(LCS) Large Commercial	Service
Customer Charge	\$35.00
Non-Fuel Charge	\$0.16420

(CTS) Contract Transportation ServiceCustomer Charge\$1,000.00Non-Fuel Charge\$0.05692