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August 6, 2002

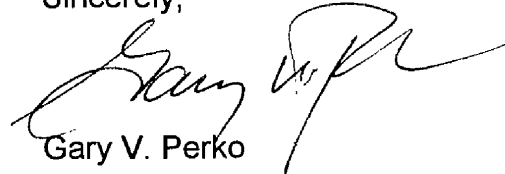
Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: NUI/City Gas Company; Docket No. 020004-GU

Dear Ms. Bayo:

Enclosed for filing please find the original and ten (10) copies of NUI/City Gas Company of Florida's Request for Confidential Classification of Staffs Audit Workpapers in the above referenced docket.

Sincerely,



Gary V. Perko

Attorneys for NUI/City Gas Company
of Florida

Encl.

RECEIVED & FILED

Max
FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER DATE

08265 AUG-7 8

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: City Gas Company)
Conservation Cost Recovery Clause)
_____)

Docket No. 020004-GU
Filed: August 6, 2002

**CITY GAS COMPANY OF FLORIDA'S
REQUEST FOR CONFIDENTIAL CLASSIFICATION
OF STAFF'S AUDIT WORKPAPERS**

City Gas Company of Florida, a division of NUI Corporation ("NUI/City Gas") pursuant to Section 366.093, Florida Statutes and Rule 25-22.006(3)(a)2 and (4), Florida Administrative Code, submits this Request for Confidential Classification of the documents described below which were provided to Commission auditors as workpapers during NUI/City Gas' 2001 Conservation Cost Recovery Clause audit for the period ending December 31, 2001 (Audit Control #02-057-4-2). In support of this request for Confidential Classification, NUI/City Gas states as follows:

1. In connection with Staff's audit in this docket, NUI/City provided documents to the Commission auditors containing information that is "proprietary business information" under Section 366.093(3), Florida Statutes. All items for which the company is requesting confidentiality were included with the audit workpapers filed with the Commission, have been held temporarily confidential, and should not be released to the public.

2. A list of the audit workpapers containing confidential information that are part of the audit report for which NUI/City Gas requests confidential treatment is attached hereto as Exhibit A.

3. NUI/City Gas requests that the above-described information be classified as "proprietary business information" within the meaning of Section 366.093(3), Florida Statutes. The information and documents at issue are intended to be, and are, treated by NUI/City Gas as

DECLASSIFIED

08265 AUG-78

FPSC-COMMISSION CLERK

proprietary and confidential. Exhibit A contains a detailed explanation of the information and documents for which confidential treatment is requested, and justification for the requested confidential treatment of the highlighted portions of the enclosed documents.

4. A version of above described documents on which the information for which confidentiality is requested has been highlighted and is being submitted to the Division of Records and Reporting under a separate cover. A redacted version of the documents on which the information asserted to be confidential had been blocked out is attached hereto as Exhibit B.

5. NUI/City Gas requests that the information for which it seeks confidential classification remain confidential for a period of at least 18 months as provided in Section 366.093 (4), Florida Statutes.

WHEREFORE, for the foregoing reasons, NUI/City Gas respectfully requests that its Request for Confidential Classification be granted.

RESPECTFULLY SUBMITTED this 6th day of August, 2002.

HOPPING GREEN & SAMS, P.A.

By: 

Gary V. Perko
P.O. Box 6526
Tallahassee, FL 32314
(850) 222-7500

Attorneys for NUI/City Gas

Certificate of Service

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by regular U.S. mail to all known parties of record in Docket No. 020004-GU this 6th day of August, 2002.

City Gas Company of Florida
Ms. Gloria L. Lopez
955 East 25th Street
Hialeah, FL 33013-3498

Lorena Espinoza *
Staff Attorney
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Florida Division of Chesapeake Utilities
Corporation
Mr. Thomas A. Geoffroy
P. O. Box 960
Winter Haven, FL 33882-0960

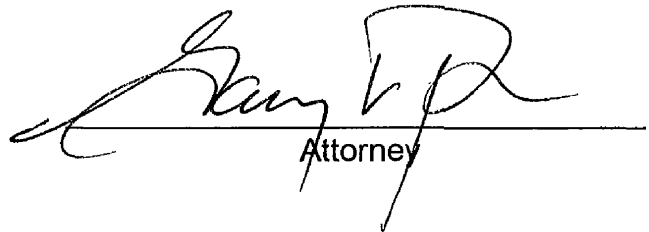
Peoples Gas System
Angela Llewellyn
P. O. Box 2562
Tampa, FL 33601-2562

Florida Public Utilities Company
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Attorney

EXHIBIT A

CITY GAS COMPANY OF FLORIDA

Docket No. 020004-GU

The justification for the Confidential Data provided by NUI/City Gas to staff and included as workpapers to the Staffs audit report in Docket No. 020004-GU is as follows:

Document/Description	No. of Pages	Line # or Column #	Justification
WP No. 41-1/1 – NUI Rate Schedules	4	1 – 8	A
WP No. 44 p. 2-3 & WP 1 p. 3-4 / Exception No.1	2	1 – 12	B
WP No. 44-2 – Payroll	5	1 – 2	B

Justification "A": The information contained herein is customer specific data (name, contracted rates, etc.) the disclosure of which would cause harm to the Company's business operation and would impair the competitive business interests of the Company.

Justification "B": The information contained herein is employee specific data (name, salary amount, etc.) the disclosure of which would cause harm to the Company's business operation.

EXHIBIT B

CITY GAS COMPANY OF FLORIDA

Docket No. 020004-GU

Attached are redacted copies of the information subject
to the Company's Revised Request for Confidential Classification
dated August 5, 2002.

WP No. 41-1/1 – NUI Rate Schedules



**NUI CITY GAS
RATE SCHEDULE
Therms**

B'U Factor 1.081
Propane BTU factor 2.500

CONFIDENTIAL

September 1, 2001

line #

Rate Code	Customer Class	Service Charge	Margin	ECCR Factor	CRA Factor	2/16/01 Base Rates	Cost of Gas			TOTAL Volumetric Rate per Therm
							PGA True-up	WACOG	Assessment 0.503%	
							Cost pre tax >	\$1.55000		
TRANSPORTATION SERVICES										
880-825	Commercial Transportation Ser	CTS	\$55.00	\$0.17847	\$0.01134	\$0.01134	\$0.20115			\$0.20115
883-830	Small Commercial - Firm	SCTS	\$25.00	\$0.23877	\$0.01488	\$0.01134	\$0.26499			\$0.26499
884-831	ED, Small Comm. - Interruptible	SCTS	\$25.00	\$0.23877			\$0.23877			\$0.23877
	ED SCTS, 4/31 - 10/31 *	SCTS	\$25.00	\$0.11939			\$0.11939			\$0.11939
883-830	Natural Gas Vehicle -SCTS	SCTS-NGV	\$15.00	\$0.17500			\$0.17500			\$0.17500
885-821	Interruptible	ITS	\$175.00	\$0.15787			\$0.15787			\$0.15787
882-842	Contract Interruptible	CI-TS	\$175.00	\$0.15787			\$0.15787			\$0.15787
886-822	Interruptible Large Volume	ILT	\$400.00	\$0.11198			\$0.11198			\$0.11198
896-823	Contract Interruptible, Large Volume	CI-LVT	\$400.00	\$0.11198			\$0.11198			\$0.11198
	Contract Interruptible:									
	First 400,000			\$0.15787			\$0.15787			\$0.15787
	400,000 - 500,000			\$0.15787			\$0.15787			\$0.15787
	500,000 - 600,000			\$0.15787			\$0.15787			\$0.15787
	Over 600,000			\$0.15787			\$0.15787			\$0.15787

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Appliance	Charge (\$/Mth)
Water Heater	\$7.49
Dryer	\$7.49
Range	\$8.79

1 Exempt from Utility and Franchise Taxes
2 Exempt from all State Taxes
* Effective 4/1-10/31 for usage over 35 therms.
Full sales rate applied Nov-Mar.

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NUI CITY GAS
 RATE SCHEDULE
 Therms

BTU Factor 1.080
 Propane BTU factor 2.500

CONFIDENTIAL

October 1, 2001

INE #

Rate Code	Customer Class	Service Charge	Margin	ECCR Factor	CRA Factor	2/16/01 Base Rates	Cost of Gas			PGA Total	TOTAL Volumetric Rate per Therm
							PGA True-up	WACOG	Assessment 0.503%		
							Cost pre tax >	\$0.50000			
TRANSPORTATION SERVICES											
880-825	Commercial Transportation Ser	CTS	\$55.00	\$0.17847	\$0.01134	\$0.20115					\$0.20115
883-830	Small Commercial - Firm	SCTS	\$25.00	\$0.23877	\$0.01488	\$0.26499					\$0.26499
884-831	ED, Small Comm. - Interruptible	SCTS	\$25.00	\$0.23877		\$0.23877					\$0.23877
	ED SCTS, 4/31 - 10/31 *	SCTS	\$25.00	\$0.11939		\$0.11939					\$0.11939
883-830	Natural Gas Vehicle -SCTS	SCTS-NGV	\$15.00	\$0.17500		\$0.17500					\$0.17500
885-821	Interruptible	ITS	\$175.00	\$0.15787		\$0.15787					\$0.15787
882-842	Contract Interruptible	CI-TS	\$175.00	\$0.15787		\$0.15787					\$0.15787
886-822	Interruptible Large Volume	ILT	\$400.00	\$0.11198		\$0.11198					\$0.11198
896-823	Contract Interruptible, Large Volume	CI-LVT	\$400.00	\$0.11198		\$0.11198					\$0.11198
	<u>Contract Interruptible:</u>										
	[REDACTED]										
	[REDACTED]										
	[REDACTED]										
	[REDACTED]										
	[REDACTED]										
	[REDACTED]										
	First 400,000			\$0.15787		\$0.15787					\$0.15787
	400,000 - 500,000			\$0.15787		\$0.15787					\$0.15787
	500,000 - 600,000			\$0.15787		\$0.15787					\$0.15787
	Over 600,000			\$0.15787		\$0.15787					\$0.15787

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Appliance	Charge (\$/Mth)
Water Heater	\$7.49
Dryer	\$7.49
Range	\$8.79

1 Exempt from Utility and Franchise Taxes
 2 Exempt from all State Taxes
 * Effective 4/1-10/31 for usage over 35 therms.
 Full sales rate applied Nov-Mar.

2

P13



NUI CITY GAS
RATE SCHEDULE
Therms

BTU Factor 1.077
Propane BTU factor 2.500

CONFIDENTIAL

November 1, 2001

2e

Rate / Rev Code	Customer Class	Service Charge	Distribution Charge			11/1/01 Billing Rate	Cost of Gas			TOTAL Volumetric Rate per Therm
			Margin (Tariff Rate)	ECCR Factor	CRA Factor		PGA True-up	WACOG	Assessment 0.503%	
					11/1/2001		Cost pre tax >	\$0.50000		
TRANSPORTATION SERVICES										
880-825	Commercial Transportation Ser	CTS	\$55.00	\$0.17847	\$0.01134	\$0.01206	\$0.20187			\$0.20187
883-830	Small Commercial - Firm	SCTS	\$25.00	\$0.23877	\$0.01488	\$0.01206	\$0.26571			\$0.26571
884-831	SCTS- Interruptible w/ED*	ED*	\$25.00	0.23877			\$0.23877			\$0.23877
							fyl Apr-Oct >	\$0.11939		
862-847	Natural Gas Vehicle -SCTS	SCTS-NGV	\$15.00	\$0.17500			\$0.17500			\$0.17500
885-821	Interruptible	ITS	\$175.00	\$0.15787			\$0.15787			\$0.15787
882-842	Contract Interruptible	CI-TS	\$175.00	\$0.15787			\$0.15787			\$0.15787
886-822	Interruptible Large Volume	ILT	\$400.00	\$0.11198			\$0.11198			\$0.11198
896-823	Contract Interruptible, Large Volume	CI-LVT	\$400.00	\$0.11198			\$0.11198			\$0.11198
	<u>Contract Interruptible:</u>									
	First 400,000			\$0.15787			\$0.15787			\$0.15787
	400,000 - 500,000			\$0.15787			\$0.15787			\$0.15787
	500,000 - 600,000			\$0.15787			\$0.15787			\$0.15787
	Over 600,000			\$0.15787			\$0.15787			\$0.15787

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Appliance	Charge (\$/Mth)
Water Heater	\$7.49
Dryer	\$7.49
Range	\$8.79

1 Exempt from Utility and Franchise Taxes
2 Exempt from all State Taxes
* Discount Effective 4/1-10/31, Full Rates Applied Nov-Mar. must qualify for Load Profile Enhancement Discount (ED)

3

WP No. 1 p. 3 & 4 – Exception No. 1

II. EXCEPTIONS

Exception No.1

Subject: Payroll

Statement of Fact: The payroll for the months of January, May, and December of 2001 were selected for testing. The hours of the employees recorded in the "Payroll Report" were compared to individual "Monthly Time Voucher". The following discrepancies were found:

LINE
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- ① 1. [REDACTED] "Conservation Payroll Report" for May 2001 shows 207 hours but the "Monthly Time Voucher" recorded 149.34 hours for conservation programs. A total of 58 hours (207 - 149.34) were incorrectly recorded.
- ② 2. [REDACTED] "Monthly Time Voucher for May 2001" allocated 148 hours to conservation, but the "Payroll Report" had 168 hours. So 20 hours must be removed (168-148) from conservation payroll.
- ③ 3. [REDACTED] distributed her time between conservation program (Number 9) and sales. The amount of time varies from month to month, so the percentage cannot be determined. [REDACTED] recorded 5 hours of vacation on "May 2001 Monthly Time Voucher", which should be excluded from the "Conservation Payroll Report".
- ④ 4. [REDACTED] spends about 53% (92/172) on conservation and 47% (80/172) on appliance sales and leasing. Her December 2001 "Monthly Time Voucher" recorded 24 hours as time worked on "Conservation Programs". She was on sick leave for the remaining 56 hours. The "Conservation Payroll Report", on the other hand, recorded 80 hours, so 30 ((80 - 24)*53%) hours should be removed from conservation payroll.
- ⑤ 5. [REDACTED] distributes her time between conservation and administration, which varies from month to month.

She only worked 20 hours instead of the 40 hours recorded in the first week of May 2001. As the result, 20 hours must be removed from the conservation payroll.
- ⑥ 7. [REDACTED] "Monthly Time Voucher" for December 2001 recorded a total of 100 hours, while the "Conservation Payroll Report" had 50 hours, so 50 hours more should be added to the conservation payroll.

The total hours to be added are 30 hours (50-20).

See the calculation on the following page.

Recommendation: The total amount to be removed from payroll is \$2,496.47. The revised total net true-up should be increased by \$2,543.00 or \$745,762.00. The revised

interest provision should be increased by \$46.00 or \$29,548.00 (see revised schedules in pages 5&6).

<u>Line #</u>	Employee	Month	Hours	Hourly Rate	Total
8	[REDACTED]	05/31/01	(58)	[REDACTED]	(1,292.24)
9	[REDACTED]	05/31/01	(20)	[REDACTED]	(445.60)
10	[REDACTED]	05/31/01	(5)	[REDACTED]	(70.90)
11	[REDACTED]	12/31/01	(30)	[REDACTED]	(460.50)
12	[REDACTED]	12/31/01	30	[REDACTED]	420.00
	Total				<u>(1849.24)</u>
	% Allocated to Benefits				<u>35.00%</u>
	Benefits				<u>(647.23)</u>
	Total amount to be removed from Payroll & Benefit				<u><u>(2,496.47)</u></u>

Due to time constraints, staff was unable to test the entire 2001 year end payroll. Since similar discrepancies also occurred in prior audit RGO #01-068-4-1, Docket No. 010004-GU, the company should closely examine the recording of the payroll to prevent future mistakes.

2

WP No. 44-2 – Payroll

Confidential

(PBC)
Column #

Pay Run ID	ID	Name	Unit	De ptl D	GL Acct No.	Check Dt	Sum (2) Amount	Sum Hrs.
			CGFCO	346	602096	2001-01-25		71.00
E50	46008		CGFCO	346	602096	2001-01-11		40.00
E49	43558		CGFCO	346	602096	2001-01-25		40.00
E50	43558		CGFCO	346	602096	2001-01-11		34.00
O27	45443		CGFCO	346	602096	2001-01-11		3.00
E49	46195		CGFCO	346	602096	2001-01-25		3.00
E50	46195		CGFCO	346	602096	2001-01-11		22.00
E49	45214		CGFCO	346	602096	2001-01-25		22.00
E50	45214		CGFCO	346	602096	2001-01-11		8.00
E49	45278		CGFCO	346	602096	2001-01-25		8.00
E50	45278		CGFCO	346	602096	2001-01-11		30.00
E49	45286		CGFCO	346	602096	2001-01-25		30.00
E50	45286		CGFCO	346	602096	2001-01-11		20.00
E49	45286		CGFCO	346	602107	2001-01-11		20.00
E50	45286		CGFCO	346	602107	2001-01-25		16.00
N27	44535		CGFCO	346	602118	2001-01-11		40.00
N28	44536		CGFCO	346	602118	2001-01-25		6.00
N27	46031		CGFCO	346	602118	2001-01-11		20.00
N28	46031		CGFCO	346	602118	2001-01-25		4.00
E49	46195		CGFCO	346	602118	2001-01-11		4.00
E50	46195		CGFCO	346	602118	2001-01-25		8.00
E49	45214		CGFCO	346	602118	2001-01-11		8.00
E50	45214		CGFCO	346	602118	2001-01-25		5.00
E49	43847		CGFCO	346	602118	2001-01-11		5.00
E50	43847		CGFCO	346	602118	2001-01-25		32.00
E49	45278		CGFCO	346	602118	2001-01-11		32.00
E50	45278		CGFCO	346	602118	2001-01-25		4.00
N27	44536		CGFCO	346	602132	2001-01-11		8.00
N28	44536		CGFCO	346	602132	2001-01-25		6.00
N27	46031		CGFCO	346	602132	2001-01-11		20.00
N28	46031		CGFCO	346	602132	2001-01-25		20.00
E49	46195		CGFCO	346	602132	2001-01-11		20.00
E50	46195		CGFCO	346	602132	2001-01-25		40.00
E49	45311		CGFCO	346	602132	2001-01-11		40.00
E50	45311		CGFCO	346	602132	2001-01-25		4.00
N27	44536		CGFCO	346	602133	2001-01-11		8.00
N28	44536		CGFCO	346	602133	2001-01-25		6.00
N27	46031		CGFCO	346	602133	2001-01-11		20.00
N28	46031		CGFCO	346	602133	2001-01-25		10.00
E49	43558		CGFCO	346	602134	2001-01-11		10.00
E50	43558		CGFCO	346	602134	2001-01-25		50.00
E49	45180		CGFCO	346	602134	2001-01-11		50.00
E50	45180		CGFCO	346	602134	2001-01-25		50.00
E49	45432		CGFCO	346	602134	2001-01-11		6.00
E50	45432		CGFCO	346	602134	2001-01-25		18.00
N27	46031		CGFCO	346	602134	2001-01-11		40.00
N28	46031		CGFCO	346	602134	2001-01-25		40.00
E49	46195		CGFCO	346	602134	2001-01-11		
E50	46195		CGFCO	346	602134	2001-01-25		

21

1

Column #

①

Column #

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N27	45440	CGFCO	346	602134	2001-01-11	21.00	CE
N28	45440	CGFCO	346	602134	2001-01-25	28.50	CE
E49	45214	CGFCO	346	602134	2001-01-11	26.00	CF
E50	45214	CGFCO	346	602134	2001-01-25	26.00	CF
E49	43847	CGFCO	346	602134	2001-01-11	65.00	CF
E50	43847	CGFCO	346	602134	2001-01-25	65.00	CF
E49	45286	CGFCO	346	602134	2001-01-11	20.00	CF
E50	45286	CGFCO	346	602134	2001-01-25	20.00	CF
E49	45180	CGFCO	346	602135	2001-01-11	20.00	CF
E50	45180	CGFCO	346	602135	2001-01-25	20.00	CF
E49	45432	CGFCO	346	602135	2001-01-11	20.00	CF
E50	45432	CGFCO	346	602135	2001-01-25	20.00	CF
E49	46195	CGFCO	346	602135	2001-01-11	2.00	CF
E50	46195	CGFCO	346	602135	2001-01-25	2.00	CF
E57	46008	CGFCO	346	602096	2001-05-03	71.00	CF
E58	46008	CGFCO	346	602096	2001-05-17	71.00	CF
E59	46008	CGFCO	346	602096	2001-05-31	71.00	CF
E57	43558	CGFCO	346	602096	2001-05-03	30.00	CF
E58	43558	CGFCO	346	602096	2001-05-17	15.00	CF
E59	43558	CGFCO	346	602096	2001-05-31	15.00	CF
E57	46195	CGFCO	346	602096	2001-05-03	3.00	CF
E58	46195	CGFCO	346	602096	2001-05-17	3.00	CF
E59	46195	CGFCO	346	602096	2001-05-31	3.00	CF
E57	45214	CGFCO	346	602096	2001-05-03	22.00	CF
E58	45214	CGFCO	346	602096	2001-05-17	22.00	CF
E59	45214	CGFCO	346	602096	2001-05-31	22.00	CF
E57	45278	CGFCO	346	602096	2001-05-03	40.00	CF
E58	45278	CGFCO	346	602096	2001-05-17	20.00	CF
E59	45278	CGFCO	346	602096	2001-05-31	20.00	CF
E57	45286	CGFCO	346	602096	2001-05-03	30.00	CF
E58	45286	CGFCO	346	602096	2001-05-17	30.00	CF
E59	45286	CGFCO	346	602096	2001-05-31	24.00	CF
E57	45286	CGFCO	346	602107	2001-05-03	20.00	CF
E58	45286	CGFCO	346	602107	2001-05-17	20.00	CF
E59	45286	CGFCO	346	602107	2001-05-31	20.00	CF
N35	44536	CGFCO	346	602118	2001-05-03	40.00	CF
N36	44536	CGFCO	346	602118	2001-05-17	38.00	CF
N37	44536	CGFCO	346	602118	2001-05-31	37.00	CF
N35	46031	CGFCO	346	602118	2001-05-03	16.00	CF
N36	46031	CGFCO	346	602118	2001-05-17	16.00	CF
N37	46031	CGFCO	346	602118	2001-05-31	16.00	CF
E57	46195	CGFCO	346	602118	2001-05-03	4.00	CF
E58	46195	CGFCO	346	602118	2001-05-17	4.00	CF
E59	46195	CGFCO	346	602118	2001-05-31	4.00	CF
E57	45214	CGFCO	346	602118	2001-05-03	8.00	CF
E58	45214	CGFCO	346	602118	2001-05-17	8.00	CF
E59	45214	CGFCO	346	602118	2001-05-31	8.00	CF
E57	43847	CGFCO	346	602118	2001-05-03	5.00	CF
E58	43847	CGFCO	346	602118	2001-05-17	5.00	CF
E59	43847	CGFCO	346	602118	2001-05-31	5.00	CF
E57	45278	CGFCO	346	602118	2001-05-03	30.00	CF

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E58	45278	CGFCO	346	602118	2001-05-17	30.00	C
E59	45278	CGFCO	346	602118	2001-05-31	30.00	C
N35	44536	CGFCO	346	602132	2001-05-03	8.00	C
N36	44536	CGFCO	346	602132	2001-05-17	8.00	C
N37	44536	CGFCO	346	602132	2001-05-31	9.00	C
N35	46031	CGFCO	346	602132	2001-05-03	16.00	C
N36	46031	CGFCO	346	602132	2001-05-17	16.00	C
N37	46031	CGFCO	346	602132	2001-05-31	12.00	C
E57	46195	CGFCO	346	602132	2001-05-03	20.00	C
E58	46195	CGFCO	346	602132	2001-05-17	20.00	C
E59	46195	CGFCO	346	602132	2001-05-31	20.00	C
E57	45311	CGFCO	346	602132	2001-05-03	40.00	C
E58	45311	CGFCO	346	602132	2001-05-17	40.00	C
E59	45311	CGFCO	346	602132	2001-05-31	40.00	C
N35	44536	CGFCO	346	602133	2001-05-03	8.00	C
N36	44536	CGFCO	346	602133	2001-05-17	8.00	C
N37	44536	CGFCO	346	602133	2001-05-31	9.00	C
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N36	46031	CGFCO	346	602133	2001-05-17	16.00	C
N37	46031	CGFCO	346	602133	2001-05-31	16.00	C
E57	43558	CGFCO	346	602134	2001-05-03	3.00	C
E58	43558	CGFCO	346	602134	2001-05-17	3.00	C
E59	43558	CGFCO	346	602134	2001-05-31	8.00	C
E57	45180	CGFCO	346	602134	2001-05-03	50.00	C
E58	45180	CGFCO	346	602134	2001-05-17	10.00	C
E57	45432	CGFCO	346	602134	2001-05-03	50.00	C
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N36	46031	CGFCO	346	602134	2001-05-17	16.00	C
N37	46031	CGFCO	346	602134	2001-05-31	16.00	C
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E58	46195	CGFCO	346	602134	2001-05-17	40.00	C
E59	46195	CGFCO	346	602134	2001-05-31	40.00	C
N35	45440	CGFCO	346	602134	2001-05-03	35.00	C
N36	45440	CGFCO	346	602134	2001-05-17	40.00	C
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E58	45214	CGFCO	346	602134	2001-05-17	26.00	C
E59	45214	CGFCO	346	602134	2001-05-31	26.00	C
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E58	43847	CGFCO	346	602134	2001-05-17	65.00	C
E59	43847	CGFCO	346	602134	2001-05-31	65.00	C
E57	45286	CGFCO	346	602134	2001-05-03	15.00	C
E58	45286	CGFCO	346	602134	2001-05-17	15.00	C
E59	43558	CGFCO	346	602135	2001-05-31	8.00	C
E57	45180	CGFCO	346	602135	2001-05-03	20.00	C
E58	45180	CGFCO	346	602135	2001-05-17	20.00	C
E57	45432	CGFCO	346	602135	2001-05-03	20.00	C
E58	45432	CGFCO	346	602135	2001-05-17	20.00	C
E59	45432	CGFCO	346	602135	2001-05-31	14.00	C

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E57	46195	CGFCO	346	602135	2001-05-03	2.00	CI
E58	46195	CGFCO	346	602135	2001-05-17	2.00	CI
E59	46195	CGFCO	346	602135	2001-05-31	2.00	CI
E57	45286	CGFCO	346	602135	2001-05-03	5.00	CI
E58	45286	CGFCO	346	602135	2001-05-17	5.00	CI
N35	46031	CGFCO	346	602138	2001-05-03	16.00	C
N36	46031	CGFCO	346	602138	2001-05-17	16.00	C
N37	46031	CGFCO	346	602138	2001-05-31	16.00	C
E57	43558	CGFCO	346	602188	2001-05-03	15.00	C
E58	43558	CGFCO	346	602188	2001-05-17	30.00	C
E59	43558	CGFCO	346	602188	2001-05-31	17.00	C
E74	46008	CGFCO	346	602096	2001-12-27	60.00	C
E73	43558	CGFCO	346	602096	2001-12-13	16.00	C
E74	43558	CGFCO	346	602096	2001-12-27	16.00	C
E74	45214	CGFCO	346	602096	2001-12-27	20.00	C
E74	45278	CGFCO	346	602096	2001-12-27	20.00	C
E73	45286	CGFCO	346	602096	2001-12-13	13.00	C
E74	45286	CGFCO	346	602096	2001-12-27	20.00	C
E73	45286	CGFCO	346	602107	2001-12-13	6.00	C
E74	45286	CGFCO	346	602107	2001-12-27	5.00	C
N51	44536	CGFCO	346	602118	2001-12-13	40.00	C
N52	44536	CGFCO	346	602118	2001-12-27	32.00	C
N51	46031	CGFCO	346	602118	2001-12-13	16.00	C
N52	46031	CGFCO	346	602118	2001-12-27	16.00	C
E74	45214	CGFCO	346	602118	2001-12-27	8.00	C
E74	45278	CGFCO	346	602118	2001-12-27	30.00	C
E73	45286	CGFCO	346	602118	2001-12-13	7.00	C
E74	45286	CGFCO	346	602118	2001-12-27	7.00	C
N51	44536	CGFCO	346	602132	2001-12-13	10.00	C
N52	44536	CGFCO	346	602132	2001-12-27	8.00	C
N51	46031	CGFCO	346	602132	2001-12-13	16.00	C
N52	46031	CGFCO	346	602132	2001-12-27	16.00	C
E73	45311	CGFCO	346	602132	2001-12-13	40.00	C
E74	45311	CGFCO	346	602132	2001-12-27	40.00	C
E73	45286	CGFCO	346	602132	2001-12-13	2.00	C
N51	44536	CGFCO	346	602133	2001-12-13	10.00	C
N52	44536	CGFCO	346	602133	2001-12-27	8.00	C
N51	46031	CGFCO	346	602133	2001-12-13	16.00	C
N52	46031	CGFCO	346	602133	2001-12-27	16.00	C
E73	45286	CGFCO	346	602133	2001-12-13	6.00	C
E74	45286	CGFCO	346	602133	2001-12-27	9.00	C
E73	45180	CGFCO	346	602134	2001-12-13	56.00	C
E74	45180	CGFCO	346	602134	2001-12-27	70.00	C
E73	45432	CGFCO	346	602134	2001-12-13	33.00	C
E74	45432	CGFCO	346	602134	2001-12-27	69.00	C
N51	46031	CGFCO	346	602134	2001-12-13	8.00	C
N52	46031	CGFCO	346	602134	2001-12-27	8.00	C
E74	46195	CGFCO	346	602134	2001-12-27	43.00	C
N51	45440	CGFCO	346	602134	2001-12-13	32.00	C
N52	45440	CGFCO	346	602134	2001-12-27	39.00	C
E74	45214	CGFCO	346	602134	2001-12-27	24.00	C

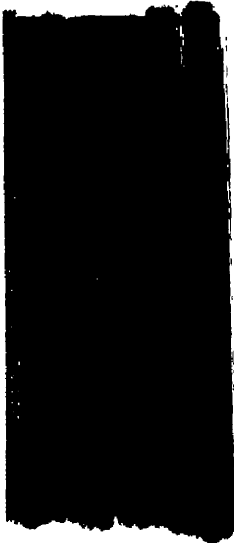
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E73	46764
E74	46764
E74	43847
E73	45286
E74	45286
E73	43558
E74	43558
E73	45180
E73	45432
E74	45432
E74	46195
E73	43558
E74	43558
N51	46031
N52	46031
E73	43558
E74	43558



CGFCO	346	602134
CGFCO	346	602134
CGFCO	346	602134
CGFCO	346	602134
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CGFCO	346	602135
CGFCO	346	602135
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CGFCO	346	602138
CGFCO	346	602138
CGFCO	346	602138
CGFCO	346	602138
CGFCO	346	602188
CGFCO	346	602188

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30.00	Cl
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14.00	Cl
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2.00	Cl
3.00	C
8.00	C
8.00	C
24.00	C
24.00	C
12.00	C
12.00	C

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WP No. 1 p. 3 & 4 – Exception No. 1

II. EXCEPTIONS

Exception No.1

Subject: Payroll

Statement of Fact: The payroll for the months of January, May, and December of 2001 were selected for testing. The hours of the employees recorded in the "Payroll Report" were compared to individual "Monthly Time Voucher". The following discrepancies were found:

LINE
#

- ① 1. ██████████ "Conservation Payroll Report" for May 2001 shows 207 hours but the "Monthly Time Voucher" recorded 149.34 hours for conservation programs. A total of 58 hours (207 - 149.34) were incorrectly recorded.
- ② 2. ██████████ "Monthly Time Voucher for May 2001" allocated 148 hours to conservation, but the "Payroll Report" had 168 hours. So 20 hours must be removed (168-148) from conservation payroll.
- ③ 3. ██████████ distributed her time between conservation program (Number 9) and sales. The amount of time varies from month to month, so the percentage cannot be determined. ██████████ recorded 5 hours of vacation on "May 2001 Monthly Time Voucher", which should be excluded from the "Conservation Payroll Report".
- ④ 4. ██████████ spends about 53% (92/172) on conservation and 47% (80/172) on appliance sales and leasing. Her December 2001 "Monthly Time Voucher" recorded 24 hours as time worked on "Conservation Programs". She was on sick leave for the remaining 56 hours. The "Conservation Payroll Report", on the other hand, recorded 80 hours, so 30 ((80 - 24)*53%) hours should be removed from conservation payroll.
- ⑤ 5. ██████████ distributes her time between conservation and administration, which varies from month to month.

She only worked 20 hours instead of the 40 hours recorded in the first week of May 2001. As the result, 20 hours must be removed from the conservation payroll.
- ⑥ 7. ██████████ "Monthly Time Voucher" for December 2001 recorded a total of 100 hours, while the "Conservation Payroll Report" had 50 hours, so 50 hours more should be added to the conservation payroll.

The total hours to be added are 30 hours (50-20).

See the calculation on the following page.

Recommendation: The total amount to be removed from payroll is \$2,496.47. The revised total net true-up should be increased increased by \$2,543.00 or \$745,762.00. The revised

interest provision should be increased by \$46.00 or \$29,548.00 (see revised schedules in pages 5&6).

<u>Line #</u>	Employee	Month	Hours	Hourly Rate	Total
⑧	[REDACTED]	05/31/01	(58)	[REDACTED]	(1,292.24)
⑨	[REDACTED]	05/31/01	(20)	[REDACTED]	(445.60)
⑩	[REDACTED]	05/31/01	(5)	[REDACTED]	(70.90)
⑪	[REDACTED]	12/31/01	(30)	[REDACTED]	(460.50)
⑫	[REDACTED]	12/31/01	30	[REDACTED]	420.00
	Total				(1849.24)
	% Allocated to Benefits				35.00%
	Benefits				(647.23)
	Total amount to be removed from Payroll & Benefit				<u>(2,496.47)</u>

Due to time constraints, staff was unable to test the entire 2001 year end payroll. Since similar discrepancies also occurred in prior audit RGO #01-068-4-1, Docket No. 010004-GU, the company should closely examine the recording of the payroll to prevent future mistakes.

②