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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
DIRECT TESTIMONY OF
THOMAS KAUFMANN
ON BEHALF OF
NUI CITY GAS COMPANY OF FLORIDA
FLAT RATE BILLING DOCKET
October 21, 2002

021065-6W

Q. Please state your name and business address.

A. My name is Thomas Kaufmann. My business address is NUI Corporation, 550 Route 202-206, Bedminster, New Jersey 07921.

Q. By whom are you employed and in what capacity?

A. I am currently employed as a Manager of Rates and Tariffs for NUI Corporation (“NUI”) and have responsibilities with the Florida operating division of NUI Utilities, Inc. d/b/a as City Gas Company of Florida (“City Gas”).

Q. What is the scope of your duties at City Gas?

A. I am responsible for designing and developing tariff rates and schedules for regulatory filings with the Florida Public Service Commission (“Commission”) and for internal management purposes. I also oversee daily rate department functions, including tariff administration, monthly gas pricing and preparation of management reports.

1 **Q. Please describe your professional qualifications and business experience.**

2 **A.** In June 1977, I graduated from Rutgers University, Newark N.J. with a
3 Bachelor of Arts degree in Business Administration, majoring in accounting
4 and economics. In July 1979, I graduated from Fairleigh Dickinson
5 University, Madison N.J. with a Masters of Business Administration.
6 majoring in finance.

7

8 My professional responsibilities have encompassed financial analysis,
9 accounting, planning, and pricing in manufacturing and energy services
10 companies in both regulated and unregulated industries. In 1977, I was
11 employed by Allied Chemical Corp. as a staff accountant. In 1980, I was
12 employed by Celanese Corp. as a financial analyst. In 1981, I was employed
13 by Suburban Propane as a Strategic Planning Analyst, promoted to Manager
14 of Rates and Pricing in 1986 and to Director of Acquisitions and Business
15 Analysis in 1990. In 1993, I was employed by Concurrent Computer as a
16 Manager, Pricing Administration. In 1996, I joined NUI as a Rate Analyst,
17 was promoted to Manager of Regulatory Support in August 1997 and
18 Manager of Regulatory Affairs in February 1998, and named Manager of
19 Rates and Tariffs in July 1998.

20

21 **Q. What is the purpose of your testimony?**

22 **A.** The purpose of my testimony is to support the tariff modifications necessary
23 to implement a Flat Rate Billing ("FRB") pilot program for residential
24 customers in the Company's Miami Division service territory, which consists
25 of Miami-Dade and Broward Counties. My testimony will describe the

1 methodology the Company proposes to use to determine the initial flat
2 monthly rate, using a sample calculation as if the rate had been put into effect
3 on January 1, 2000. It will then describe the methodology proposed to adjust
4 and true-up the FRB rate on an annual basis, using sample calculations as if
5 the rate had been adjusted effective January 1, 2001 and January 1, 2002. In
6 addition, I will present the proposed FRB rate for 2003, a sample of our
7 proposed bill format and will describe the proposed changes to the
8 Company's tariff that are required in order to implement the FRB program.

9

10 **Q. Why are you presenting exhibits showing the calculations for the years**
11 **2000 through 2002 in addition to the FRB rate you propose to implement**
12 **effective May 1, 2003?**

13 **A.** These years encompass a period of high gas costs and the Company felt it
14 would be of interest to those reviewing the proposal to see the impact they
15 would have had on the FRB rate, had that program been in effect during those
16 years. In addition, they serve to show the calculation of the annual true-up.

17

18 **Q. Please describe these and any other exhibits you prepared for this**
19 **proceeding.**

20 **A.** My testimony includes the following exhibits that were prepared by me or
21 under my direction:

22 (1) Exhibit ____ (TK-1) is a sample calculation of an initial FRB rate for the
23 year 2000, as if the rate had been set in October 1999 using the actual
24 rates and projected customer data which were available at that time.

- 1 (2) Exhibit ____ (TK-2), consisting of six schedules, shows a sample
2 calculation of the FRB rate for the year 2001, including the necessary
3 true-up adjustments based on historical data for the eight month period
4 from January 1, 2000 to August 31, 2000.
- 5 (3) Exhibit ____ (TK-3), consisting of six schedules, shows a sample
6 calculation of the FRB rate for the year 2002, including the necessary
7 true-up adjustments based on historical data for the twelve month period
8 ended August 31, 2001.
- 9 (4) Exhibit ____ (TK-4), consisting of one page, presents the FRB rate change
10 assuming that at the end of a three year period, all Miami Division
11 residential customers who currently use 7 therms per month or less added
12 a water heater.
- 13 (5) Exhibit ____ (TK-5), consisting of one page, shows the proposed FRB rate
14 for 2003 based on the recently filed the Purchased Gas Adjustment
15 (“PGA”) factor, the Energy Conservation Cost Recovery (“ECCR”)
16 factor, and the Competitive Rate Adjustment (“CRA”) factor and volume
17 projections for the Miami Division for 2003.
- 18 (6) Exhibit ____ (TK-6), consisting of two pages, shows both the current bill
19 format for residential customers and the proposed bill format for an FRB
20 bill.
- 21 (7) Exhibit ____ (TK-7), consisting of three pages, sets forth in legislative
22 format the tariff changes that City Gas proposes to make in order to
23 implement the FRB rate for residential customers in its Miami Division.
24

25 **Q. What has been your role in the development of the FRB proposal?**

1 **A.** I participated in the working group to develop the initial FRB pricing
2 methodology, the true-up methodology, and the procedures for calculation of
3 the FRB rate for subsequent years. In addition, I have participated in
4 discussions pertaining to customer communications and billing and other
5 aspects of the FRB implementation process.

6

7 **Q.** **How did the Company approach the calculation of the initial FRB rate?**

8 **A.** One of the Company's primary objectives in setting the FRB rate, both for
9 the first year and for subsequent years, is to be revenue neutral. In other
10 words, the total amount billed to FRB customers in any year under the
11 program should be the same as if those customers, in the aggregate, had
12 consumed the same total amount of gas and paid for it under the Company's
13 then current customer charge and the energy charge and billing adjustments
14 hereafter referred to as quantity charges or quantity rates.

15

16 **Q.** **How do you propose to calculate the FRB rate for the initial year of the**
17 **program in order to meet this objective?**

18 **A.** The proposed methodology is illustrated on Exhibit ___ (TK-1). That exhibit
19 presents a sample calculation of a first year FRB rate as if it were being filed
20 in September 1999 for a rate to be effective for the calendar year 2000. The
21 first step in the calculation is to project the average monthly gas consumption
22 (in therms) for FRB customers. This is accomplished by dividing the
23 projected annual gas consumption for the class by the projected annual
24 number of bills. This calculation is demonstrated beginning on line 8 of
25 Exhibit ___ (TK-1). The customer counts and volumes used in this

1 calculation are taken from the Company's annual PGA filing, which is
2 normally submitted in September of each year.

3
4 The monthly FRB rate consists of two components. The first component is
5 equal to the current tariff customer charge for residential customers, in this
6 case \$7.50. The second component is calculated by multiplying the average
7 monthly gas consumption per FRB customer (in therms) by the various
8 quantity charges, namely the Energy Charge, the PGA factor, the ECCR
9 factor, and the CRA factor. As shown on Exhibit ___ (TK-1), based on a
10 projected average monthly consumption of 14.3 therms, the resulting rate is a
11 flat charge of \$22.22 per month.

12

13 **Q. What portion of that charge represents revenues that otherwise would**
14 **have been billed through base rates?**

15 **A.** As shown on Exhibit ___ (TK-1), the pro forma 2000 monthly FRB rate of
16 \$22.22 contains the present residential monthly customer charge of \$7.50 and
17 an average Energy Charge of \$7.06, for a total of \$14.56 that would
18 otherwise have been recovered as "base rates".

19

20 **Q. What portion of that charge represents revenues that would otherwise**
21 **have been billed under the Purchased Gas Adjustment clause?**

22 **A.** As derived from Exhibit ___ (TK-1), the PGA portion of the flat monthly rate
23 is \$6.49.

24

1 **Q. What portion of that charge represents revenues that would otherwise**
2 **have been billed under the Energy Conservation Cost Recovery and**
3 **Competitive Rate Adjustment factors?**

4 **A.** Also as shown on Exhibit ___ (TK-1), the ECCR portion of the flat monthly
5 rate is \$1.03 and the CRA portion is \$0.14.

6

7 **Q. For what period of time will the flat rate initially be fixed?**

8 **A.** The Company proposes to implement the FRB tariff effective for bills
9 rendered on and after May 1, 2003. As Mr. Wall describes, this delayed
10 implementation date gives the Company time to conduct a customer
11 education program after the program is approved by the Commission and
12 before the first FRBs are rendered. The Company proposes that the initial
13 rate remain in effect for the last eight months of 2003. Thereafter, the
14 Company proposes to adjust the FRB rate annually and to apply the rate to
15 bills rendered during the calendar year. For purposes of administrative ease,
16 the Company proposes to make its annual FRB filing in October of each year,
17 shortly after its annual PGA, ECCR and CRA filings.

18

19 **Q. Why does the Company propose to adjust the rate annually?**

20 **A.** Because both projected average monthly consumption and the level of the
21 various cost recovery factors will change from year to year, annual
22 adjustments are necessary to keep the FRB program revenue neutral and to
23 avoid changing the rate relationship between the FRB class and other classes
24 of customers.

25

1 **Q. Please provide an overview of the adjustment process.**

2 **A.** The rate for the second and subsequent years consists of two pieces. The first
3 piece is calculated in the same manner as the pro forma 2000 rate was
4 calculated. This is done by multiplying the new projected average monthly
5 consumption per FRB customer by the quantity rates for the upcoming year,
6 and adding these total charges to the then current normal residential monthly
7 customer charge.

8
9 The second piece is an FRB true-up component. The true-up is designed to
10 account for any difference between the actual FRB billings and what those
11 customers would have paid, in the aggregate, if they had consumed the same
12 total amount of gas and paid for it under the Company's then current
13 customer charge and quantity rates. It also accounts for any difference
14 between the projected PGA charge used to calculate the prior year's flat rate
15 and the actual PGA charges that were billed to non-FRB customers. To keep
16 all parties whole, interest is charged or credited on any under or over
17 recoveries.

18
19 **Q. Have you prepared a sample calculation to illustrate the mechanics of**
20 **the annual rate adjustments?**

21 **A.** Yes. Exhibit ___ (TK-2) contains a sample calculation of the rate, including
22 the FRB true-up, for the second year of the program. It uses the historical
23 data for 1999-2000 and the actual data that would have been used in
24 calculating the rate for calendar year 2001. Exhibit ___ (TK-3) contains a
25 similar sample calculation for the third year of the program, showing the

1 actual data that would have been used in calculating the rate for 2002. The
2 calculation methodology shown on Exhibit ___ (TK-3) would be applicable
3 to all subsequent years.

4
5 **Q. Why does the rate calculation methodology for year two differ from the**
6 **methodology for year three and future years?**

7 **A.** It differs only because the Company proposes to calculate the annual FRB
8 true-up based on historical data for the twelve months ending August 31 of
9 each year. During the second year of the program, however, there will be less
10 than a full year's historical data applicable to the true-up calculation, because
11 the program is assumed to have begun on January 1, and between January 1
12 and August 31, there are only 8 months. This shortened year has no effect on
13 the FRB customers, as all amounts are ultimately trued up to actual costs and
14 volumes.

15
16 **Q. Could you explain the adjustment and true-up methodology illustrated**
17 **on Exhibits ___ (TK-2) and ___ (TK-3)?**

18 **A.** Yes. Each exhibit consists of six schedules.

19
20 Schedule 1: The column labeled "Unadjusted FRB Rate" calculates the basic
21 FRB rate using the current tariff customer charge plus the projected average
22 terms per customer multiplied by the quantity rates expected to be in effect
23 during the year for which the rate is being set. It should be noted that the
24 projected PGA rate is the "average" twelve month rate that the Company
25 projects in its PGA filing will be in effect during the following year, not the

1 maximum or “capped” rate. This will keep the FRB rate lower than if we
2 were to use the “cap” which is based on winter months when gas costs are
3 typically higher. This basic FRB rate is then adjusted by the FRB true-up,
4 which is calculated on Schedules 2 through 6. The FRB true-up accounts for
5 the difference between the total amount that FRB customers paid under the
6 flat rate and what they would have paid during the true-up period for the
7 same aggregate usage under the normal residential tariff rates. The true-up
8 period ends in August so that the most recent twelve months of actual costs
9 and recoveries can be reflected in the following year’s FRB rate. In Exhibit
10 ____ (TK-2), the true-up period is for eight months since the initial FRB rate is
11 assumed to have been set in January. Thereafter, the true-up would cover a
12 full twelve months as illustrated in Exhibit ____ (TK-3).

13

14 **Q. Please explain what is shown on schedules two through six of Exhibits**
15 **____ (TK-1) and ____ (TK-2).**

16 A. Schedule 2 sets forth the derivation of the actual monthly FRB consumption
17 in terms for the historical period. The total consumption for the FRB
18 customers is calculated by taking the total quantities received at the Miami
19 Division City Gates and subtracting the consumption attributable to all non-
20 FRB sales and transportation customers.

21

22 Schedule 3 calculates the monthly amounts that would have been billed to
23 FRB customers if they had been charged for quantity usage by rate
24 component. This establishes a “benchmark” to which actual FRB billings can
25 be compared in order to establish the amount of the required true-up. The

1 benchmark amount also serves to maintain the existing rate relationship
2 between FRB and non-FRB customers because the PGA, ECCR and CRA
3 charges are calculated as though the FRB customers were billed for quantity
4 usage at the Commission approved quantity rates.

5
6 Schedule 4 calculates the monthly amounts actually billed to the FRB
7 customers by multiplying each FRB rate component by the number of bills
8 rendered.

9
10 Schedule 5 first calculates monthly over or under recoveries by comparing
11 the amounts actually billed under the FRB rate (Schedule 4) to the amounts
12 that would have been billed for quantity usage under the then current tariff
13 rates (Schedule 3). Schedule 5 then calculates the interest provision for the
14 net over or under recovery, using the same calculation methodology and
15 interest rates that are used in the annual PGA filings.

16
17 Schedule 6 summarizes the true-up adjustment amounts by component,
18 including the interest calculated on Schedule 5, and calculates a true-up rate
19 for each component. The true-up rates on this schedule are then carried back
20 to Schedule 1 and entered into the calculation of the following year's FRB
21 rate.

22
23 **Q. In the annual PGA docket, the Commission calculates true-ups on a**
24 **calendar year basis. Why does the Company propose to calculate its**
25 **FRB true-ups for the twelve months ended August 31 of each year?**

1 **A.** There are several reasons. First, using historical data that is available at the
2 time the following year's rate is being set is simpler and avoids the need to
3 estimate a partial year's data and then true-up that estimate at a future date.
4 Second, by eliminating this estimate and additional true-up, the FRB
5 customers will get a price signal that is based on more recent data.

6

7 **Q.** **If the Company files its FRB rate and true-up calculation in September,**
8 **based on its requested PGA, ECCR and CRA factors for the following**
9 **year, what happens if the Commission adjusts those factors?**

10 **A.** The filed FRB rate will simply be adjusted prior to implementation to reflect
11 any changes in the PGA, ECCR and or CRA rates approved by the
12 Commission prior to January 1.

13

14 **Q.** **If the FRB rate is adjusted every year, what assurance do customers**
15 **have that they will not face a significant rate increase in a future year of**
16 **the program?**

17 **A.** There are only two factors that could cause a significant increase, or decrease,
18 in the FRB rate. The first would be a significant change in average usage per
19 customer. The second would be a significant difference between projected
20 and actual gas costs. Our analysis shows that neither of these factors is likely
21 to result in major rate adjustments from year to year. Furthermore, as
22 discussed by Mr. Nikolich, we have identified a threshold level of
23 consumption of 600 therms per year, which, if exceeded, will disqualify a
24 customer from the FRB program. This threshold will help to ensure that the

1 FRB rate for average customers does not become too high as a result of
2 including customers with unusual volumes of consumption.

3

4 **Q. What is the basis for the conclusion that potential changes in average**
5 **consumption will not cause major rate adjustments from year to year?**

6 **A.** For purposes of analysis, we assumed that at the end of a three-year period,
7 11,000 existing Miami Division residential customers who currently use 7
8 therms per month or less added a water heater that increased their usage by
9 16.6 therms per month. Even this optimistic increase in average usage would
10 result in a rate increase in year one of \$1.13 per month, up to a total of \$3.29
11 per month at the end of the three year period as shown on Exhibit___ (TK-4).

12

13 **Q. Given that the PGA component will only be adjusted on an annual basis**
14 **why did you conclude that changes in gas costs will not cause major rate**
15 **adjustments from year to year?**

16 **A.** This conclusion is based on Exhibits ___ (TK-1), ____ (TK-2) and ___
17 (TK-3) which contain rate calculations that use the actual rates and billing
18 determinants for the period from September 1999 through September 2002.
19 It was during this period that the Company experienced record level market
20 prices that exceeded ten dollars per dekatherm. Even during this period of
21 high gas costs, Schedule 1 of Exhibit ___ (TK-3) shows that the PGA portion
22 of the FRB true-up resulted in a monthly rate adjustment of only \$1.91. This
23 demonstrates that even significant gas cost increases should not have a major
24 impact on the FRB rate level.

25

1 **Q. Given this analysis, does the Company propose to make any interim**
2 **adjustments to the FRB rate in the event that you experience abnormally**
3 **high gas prices such as those that occurred early in 2001?**

4 **A.** Generally no. The Company would only request such a change under very
5 unusual circumstances such as when prices were expected to remain at much
6 different levels than forecasted for a prolonged period of time.

7

8 **Q. Mr. Wall testified that City Gas is currently facing some loss of**
9 **residential customers. If a customer leaves the gas system during a year**
10 **when purchased gas costs are high, is it appropriate to spread those high**
11 **gas costs over the lower number of customers who remain on the system**
12 **in the following year?**

13 **A.** Yes. While some cost shifting is involved, it is no different than the situation
14 that occurs today with the PGA when a customer leaves the system or
15 switches to transportation service. On the other hand, some customers will
16 leave the system or switch to transportation service after a period of lower gas
17 costs, thus providing a benefit for the customers who remain.

18

19 **Q. Does the Company expect that implementation of the FRB proposal will**
20 **cause it to exceed its authorized rate of return?**

21 **A.** No. As addressed in Mr. Wall's testimony, currently the Company is earning
22 below its authorized rate of return. The Company expects that the
23 implementation of FRB will have some positive impact on its opportunity to
24 earn its authorized rate of return as a result of reduced meter reading and
25 customer care expenses and potential increases in sales due to customers

1 making more efficient energy choices. This is no different, however, than
2 what occurs today when the Company reduces expenses or increases sales
3 under its current rate structure.

4

5 **Q. What rate is the Company proposing for the 2003 FRB?**

6 **A.** Exhibit ___ (TK-5) presents the calculation of the FRB for the year 2003
7 consistent with the methodology described above. That is, a projected
8 average monthly gas consumption (in therms) for FRB customers is
9 calculated by dividing the projected annual gas consumption for the class by
10 the projected annual number of bills for the period.

11

12 The monthly FRB rate consists of two components. The first component is
13 equal to the current tariff customer charge for residential customers, in this
14 case \$7.50. The second component is calculated by multiplying the average
15 monthly gas consumption per FRB customer (in therms) by the various
16 quantity charges, namely the Energy Charge, the PGA factor, the ECCR
17 factor, and the CRA factor. As shown on Exhibit ___ (TK-5), based on a
18 projected average monthly consumption of 14.3 therms, the resulting rate is a
19 flat charge of \$26.55 month.

20

21 **Q. What will the customer's bill look like under the FRB proposal, and how**
22 **does that compare to what the customer sees today?**

23 **A.** Exhibit ___ (TK-6) presents the current bill and a sample of what an FRB bill
24 would look like. The sample FRB bill removes the lower portion of the bill
25 “How We Calculate Your Current Gas Charges” since those charges would

1 be bundled into the FRB rate. In addition, the boxes related to meter read
2 dates would not be shown, since meters will be read only once a year.

3

4 **Q. How will customers be able to determine if they are making the right**
5 **decisions to take maximum advantage of the FRB program if they are no**
6 **longer receiving monthly information on their level of consumption?**

7 **A.** In general, any customer will be able to maximize his or her benefits from the
8 FRB program by installing additional gas appliances. Providing customers
9 with this type of information will be an important part of the Company's
10 customer education and communications program. The Company will also
11 need to educate customers that the inefficient use of natural gas, such as
12 round-the-clock pool heating, could make them ineligible for the FRB
13 program, as such usage could cause their annualized consumption to exceed
14 600 therms.

15

16 **Q. Have you prepared tariff revisions necessary to implement the FRB**
17 **Program?**

18 **A.** Yes, the revised tariff sheets are attached to this testimony as Exhibit __ (TK-
19 7). Page three of that exhibit is a new tariff sheet that defines the class of
20 customers who are eligible for the FRB rate. Page two shows amendments to
21 the existing residential service schedule to limit its availability to customers
22 who are not eligible for FRB.

23

24 **Q. Does this conclude your testimony?**

25 **A.** Yes.

Sample Flat Rate Billing (FRB) Calculation - 1st Year FRB Rate

January 1, 2000 through December 31, 2000

	<u>Current Tariff Rates</u>	<u>Projected Average Therms per Customer *</u>	<u>FRB Rate</u>
1 Monthly Service Charge	\$7.50		\$7.50
per Therm Charges:			
2 Energy Charge	0.49367	14.3	\$7.06
3 Projected PGA, from Sch E1 for 12mo.	0.45375	14.3	\$6.49
4 Projected ECCR, from C-1	0.07188	14.3	\$1.03
5 Projected CRA, from Sch. A	0.01002	14.3	\$0.14
6 Interest			\$0.00
7 Total Bill			\$22.22

<u>* Miami Division, FRB Residential, Projected:</u>	<u>2000</u>
8 Annual Consumption, Therms	9,889,838
9 Annual Number Bills	691,739
10 Average Therms per Customer, (L8/L9)	14.3

Sample Flat Rate Billing (FRB) Calculation - 2nd Year FRB Rate

January 1, 2001 through December 31, 2001

	Current Tariff Rates	Projected Average Therms per Customer *	Unadjusted FRB Rate	True-up Adjustment (Schedule 6)	Adjusted FRB Rate
1 Monthly Service Charge	\$7.50		\$7.50		\$7.50
per Therm Charges:					
2 Energy Charge	0.49367	14.0	\$6.91	\$0.34	\$7.25
3 Projected PGA, from Sch E1 for 12mo.	0.74024	14.0	\$10.36	\$0.23	\$10.59
4 Projected ECCR, from C-1	0.06005	14.0	\$0.84	\$0.05	\$0.89
5 Projected CRA, from Sch. A	0.01134	14.0	\$0.16	\$0.01	\$0.17
6 Interest				\$0.02	\$0.02
 7 Total Bill			\$25.77	\$0.65	\$26.42

* Miami Division, FRB Residential, Projected:		<u>2001</u>
8 Annual Consumption, Therms		9,592,426
9 Annual Number Bills		<u>684,285</u>
10 Average Therms per Customer, (L8/L9)		14.0

Flat Rate Billing (FRB) Residential Consumption

September 1, 1999 through August 31, 2000
 (Therms)

	Miami Division <u>City Gates</u> a	less Non-FRB <u>Sales</u> b	less Non-FRB <u>Transportation</u> c	FRB Residential <u>Consumption</u> d=a-b-c
Sep-99				
Oct-99				
Nov-99				
Dec-99				
Jan-00	6,392,428	2,782,537	2,715,481	894,410
Feb-00	5,934,100	2,293,967	2,634,060	1,068,072
Mar-00	6,600,072	2,583,710	3,061,712	991,549
Apr-00	6,582,261	2,158,880	3,582,648	892,406
May-00	5,827,591	2,402,240	2,599,062	878,470
Jun-00	5,503,170	1,896,800	2,886,362	780,215
Jul-00	5,257,285	1,835,381	2,775,541	723,821
Aug-00	<u>5,776,441</u>	<u>1,894,323</u>	<u>3,239,920</u>	<u>718,584</u>
Total	47,873,348	17,847,838	23,494,786	6,947,527

(1) FRB residential volume is derived by subtracting non-qualifying residential accounts and all other billed and unbilled volumes from city gate receipts.

Benchmark Billings Using Non-FRB Tariff Rates per Therm

September 1, 1999 through August 31, 2000

	FRB Residential Consumption, Therms (Schedule 2)	Residential Tariff Rates					FRB Benchmark Billings					Total
		Energy Charge	PGA	ECCR	CRA	Interest	Energy Charge	PGA	ECCR	CRA	Interest	
Sep-99	-											
Oct-99	-											
Nov-99	-											
Dec-99	-											
Jan-00	894,410	\$0 49367	\$0.40201	\$0.07188	\$0 01002	na	\$441,543	\$359,562	\$64,290	\$8,962	na	\$874,357
Feb-00	1,068,072	\$0 49367	\$0.40201	\$0 07188	\$0 01002	na	\$527,275	\$429,376	\$76,773	\$10,702	na	\$1,044,126
Mar-00	991,549	\$0 49367	\$0.40201	\$0 07188	\$0 01002	na	\$489,498	\$398,613	\$71,273	\$9,935	na	\$969,319
Apr-00	892,406	\$0 49367	\$0 42211	\$0 07188	\$0 01002	na	\$440,554	\$376,693	\$64,146	\$8,942	na	\$890,335
May-00	878,470	\$0.49367	\$0 42211	\$0 07188	\$0 01002	na	\$433,674	\$370,811	\$63,144	\$8,802	na	\$876,431
Jun-00	780,215	\$0 49367	\$0.49002	\$0 07188	\$0 01002	na	\$385,169	\$382,321	\$56,082	\$7,818	na	\$831,390
Jul-00	723,821	\$0 49367	\$0 52262	\$0 07188	\$0 01002	na	\$357,329	\$378,283	\$52,028	\$7,253	na	\$794,893
Aug-00	<u>718,584</u>	\$0 49367	\$0.55277	\$0 07188	\$0 01002	na	<u>\$354,743</u>	<u>\$397,212</u>	<u>\$51,652</u>	<u>\$7,200</u>	na	<u>\$810,807</u>
Total	6,947,527						\$3,429,785	\$3,092,871	\$499,388	\$69,614		\$7,091,658

Actual FRB Billings

September 1, 1999 through August 31, 2000

	Number of Billed FRB Customers	FRB Rates (1)					FRB Actual Billings:					
		Energy Charge	PGA	ECCR	CRA	Interest	Energy Charge	PGA	ECCR	CRA	Interest	Total
Sep-99	-											
Oct-99	-											
Nov-99	-											
Dec-99	-											
Jan-00	54,828	\$7.06	\$6.49	\$1.03	\$0.14	\$0.00	\$387,086	\$355,834	\$56,473	\$7,676	\$0	\$807,069
Feb-00	56,228	\$7.06	\$6.49	\$1.03	\$0.14	\$0.00	\$396,970	\$364,920	\$57,915	\$7,872	\$0	\$827,677
Mar-00	56,995	\$7.06	\$6.49	\$1.03	\$0.14	\$0.00	\$402,385	\$369,898	\$58,705	\$7,979	\$0	\$838,967
Apr-00	57,147	\$7.06	\$6.49	\$1.03	\$0.14	\$0.00	\$403,458	\$370,884	\$58,861	\$8,001	\$0	\$841,204
May-00	57,006	\$7.06	\$6.49	\$1.03	\$0.14	\$0.00	\$402,462	\$369,969	\$58,716	\$7,981	\$0	\$839,128
Jun-00	56,978	\$7.06	\$6.49	\$1.03	\$0.14	\$0.00	\$402,265	\$369,787	\$58,687	\$7,977	\$0	\$838,716
Jul-00	56,898	\$7.06	\$6.49	\$1.03	\$0.14	\$0.00	\$401,700	\$369,268	\$58,605	\$7,966	\$0	\$837,539
Aug-00	<u>56,753</u>	\$7.06	\$6.49	\$1.03	\$0.14	\$0.00	<u>\$400,676</u>	<u>\$368,327</u>	<u>\$58,456</u>	<u>\$7,945</u>	<u>\$0</u>	<u>\$835,404</u>
Total	452,833	\$7.06	\$6.49	\$1.03	\$0.14	\$0.00	\$3,197,002	\$2,938,887	\$466,418	\$63,397	\$0	\$6,665,704

(1) From prior year Schedule 1

Interest Provision on Net Over / (Under) Recovered Balance

September 1, 1999 through August 31, 2000

a	Beginning Balance b	Benchmark Billings (Schedule 3) c	FRB Billings (Schedule 4) d	Ending Balance e=b-c+d	Average Balance f=(b+e)/2	Interest Rate (1) g	Interest Provision (2) h=f*i%	Ending Balance Plus Interest i=e+h
Sep-99								
Oct-99								
Nov-99								
Dec-99								
Jan-00	\$0	\$874,357	\$807,069	(\$67,288)	(\$33,644)	5.60%	(\$160)	(\$67,448)
Feb-00	(\$67,448)	\$1,044,126	\$827,677	(\$283,897)	(\$175,673)	5.80%	(\$849)	(\$284,746)
Mar-00	(\$284,746)	\$969,319	\$838,967	(\$415,098)	(\$349,922)	5.80%	(\$1,731)	(\$416,829)
Apr-00	(\$416,829)	\$890,335	\$841,204	(\$465,960)	(\$441,395)	6.07%	(\$2,253)	(\$468,213)
May-00	(\$468,213)	\$876,431	\$839,128	(\$505,516)	(\$486,865)	6.18%	(\$2,586)	(\$508,102)
Jun-00	(\$508,102)	\$831,390	\$838,716	(\$500,776)	(\$504,439)	6.57%	(\$2,764)	(\$503,540)
Jul-00	(\$503,540)	\$794,893	\$837,539	(\$460,894)	(\$482,217)	6.58%	(\$2,630)	(\$463,524)
Aug-00	(\$463,524)	\$810,807	\$835,404	(\$438,927)	(\$451,226)	6.51%	(\$2,442)	(\$441,369)
Sep-00						6.48%		
Total		<u>\$7,091,658</u>	<u>\$6,665,704</u>				<u>(\$15,415)</u>	(\$441,369)

(1) Interest Rate sourced from monthly PGA Schedule A-2 actuals.

(2) Interest Provision calculated using 1/ 12th of the average of the interest rate, of the current and subsequent month

True-up of Net Over / (Under) Recovered Balance

Over / (Under) Recovered FRB Balance
September 1, 1999 through August 31, 2000

for Recovery Year Beginning January 1, 2001

	<u>Energy Charge</u>	<u>PGA</u>	<u>ECCR</u>	<u>CRA</u>	<u>Interest</u>	<u>Total</u>
1 Prior Year Balance (prior year Schedule 6)	\$0	\$0	\$0	\$0	\$0	\$0
2 Benchmark Billings per PGA Tariff Rate (Schedule 3)	\$3,429,785	\$3,092,871	\$499,388	\$69,614	\$0	\$7,091,658
3 Actual Flat Rate Billings (Schedule 4)	\$3,197,002	\$2,938,887	\$466,418	\$63,397	\$0	\$6,665,704
4 Interest Provision (Schedule 5)					(\$15,415)	(\$15,415)
5 Total Over / (Under) Recovery Balance, (L1-L2+L3+L4)	(\$232,783)	(\$153,984)	(\$32,970)	(\$6,217)	(\$15,415)	(\$441,369)
6 Projected Annual Number of FRB Bills (Schedule 1)	684,285	684,285	684,285	684,285	684,285	
7 Flat Rate Billing True Up, (L5/L6*-1) Charge / (Credit) per Bill	\$0.34	\$0.23	\$0.05	\$0.01	\$0.02	\$0.65

Sample Flat Rate Billing (FRB) Calculation - 3rd Year FRB Rate

January 1, 2002 through December 31, 2002

	<u>Current Tariff Rates</u>	<u>Projected Average Therms per Customer *</u>	<u>Unadjusted FRB Rate</u>	<u>True-up Adjustment Schedule 6</u>	<u>Adjusted FRB Rate</u>
1 Monthly Service Charge	\$7.50		\$7.50		\$7.50
per Therm Charges:					
2 Energy Charge	0.49367	13.7	\$6.76	\$0.28	\$7.04
3 Projected PGA, from Sch E1 for 12mo.	0.60412	13.7	\$8.28	\$1.91	\$10.19
4 Projected ECCR, from C-1	0.04983	13.7	\$0.68	\$0.04	\$0.72
5 Projected CRA, from Sch. A	0.01206	13.7	\$0.17	\$0.01	\$0.18
6 Interest				\$0.11	\$0.11
 7 Total Bill			<u>\$23.39</u>	<u>\$2.35</u>	<u>\$25.74</u>

<u>* Miami Division, FRB Residential, Projected:</u>		<u>2002</u>
8 Annual Consumption, Therms		9,278,291
9 Annual Number Bills		<u>675,027</u>
10 Average Therms per Customer, (L8/L9)		13.7

Flat Rate Billing (FRB) Residential Consumption

September 1, 2000 through August 31, 2001
 (Therms)

	<u>Miami Division</u> <u>City Gates</u> a	<u>less Non-FRB</u> <u>Sales</u> b	<u>less Non-FRB</u> <u>Transportation</u> c	<u>FRB Residential</u> <u>Consumption</u> d=a-b-c
Sep-00	5,176,020	1,753,493	2,784,224	638,303
Oct-00	5,678,630	1,760,833	3,010,725	907,072
Nov-00	5,552,420	1,705,607	2,634,680	1,212,133
Dec-00	5,796,050	1,894,368	3,125,833	775,849
Jan-01	6,509,950	1,951,896	3,480,941	1,077,113
Feb-01	5,556,690	1,629,202	3,207,087	720,401
Mar-01	5,964,090	1,811,125	3,365,984	786,981
Apr-01	5,777,450	1,894,856	3,117,574	765,020
May-01	5,565,390	1,412,424	3,430,619	722,347
Jun-01	5,355,610	1,355,941	3,099,753	899,916
Jul-01	5,064,420	1,296,659	3,332,156	435,605
Aug-01	<u>5,240,790</u>	<u>1,420,153</u>	<u>2,928,420</u>	<u>892,217</u>
Total	67,237,510	19,886,557	37,517,996	9,832,957

Benchmark Billings Using Non-FRB Tariff Rates per Therm

September 1, 2000 through August 31, 2001

	FRB Residential Consumption, Therms (Schedule 2)	Residential Tariff Rates:					FRB Benchmark Billings:					
		Energy Charge	PGA	ECCR	CRA	Interest	Energy Charge	PGA	ECCR	CRA	Interest	Total
Sep-00	638,303	\$0.49367	\$0.57789	\$0.07188	\$0.01002	na	\$315,111	\$368,869	\$45,881	\$6,396	na	\$736,257
Oct-00	907,072	\$0.49367	\$0.60302	\$0.07188	\$0.01002	na	\$447,794	\$546,983	\$65,200	\$9,089	na	\$1,069,066
Nov-00	1,212,133	\$0.49367	\$0.60302	\$0.07188	\$0.01134	na	\$598,394	\$730,940	\$87,128	\$13,746	na	\$1,430,208
Dec-00	775,849	\$0.49367	\$0.60302	\$0.07188	\$0.01134	na	\$383,013	\$467,852	\$55,768	\$8,798	na	\$915,431
Jan-01	1,077,113	\$0.49367	\$0.79093	\$0.06005	\$0.01134	na	\$531,738	\$851,921	\$64,681	\$12,214	na	\$1,460,554
Feb-01	720,401	\$0.49367	\$0.95029	\$0.06005	\$0.01134	na	\$355,640	\$684,590	\$43,260	\$8,169	na	\$1,091,659
Mar-01	786,981	\$0.49367	\$0.98493	\$0.06005	\$0.01134	na	\$388,509	\$775,121	\$47,258	\$8,924	na	\$1,219,812
Apr-01	765,020	\$0.49367	\$0.98493	\$0.06005	\$0.01134	na	\$377,667	\$753,491	\$45,939	\$8,675	na	\$1,185,772
May-01	722,347	\$0.49367	\$0.90453	\$0.06005	\$0.01134	na	\$356,601	\$653,385	\$43,377	\$8,191	na	\$1,061,554
Jun-01	899,916	\$0.49367	\$0.80402	\$0.06005	\$0.01134	na	\$444,262	\$723,550	\$54,040	\$10,205	na	\$1,232,057
Jul-01	435,605	\$0.49367	\$0.68342	\$0.06005	\$0.01134	na	\$215,045	\$297,701	\$26,158	\$4,940	na	\$543,844
Aug-01	<u>892,217</u>	\$0.49367	\$0.62814	\$0.06005	\$0.01134	na	<u>\$440,461</u>	<u>\$560,437</u>	<u>\$53,578</u>	<u>\$10,118</u>	na	<u>\$1,064,594</u>
Total	9,832,957						\$4,854,235	\$7,414,840	\$632,268	\$109,465		\$13,010,808

Note, February Actual PGA is prorated per day due to a rate change granted on 2/6/01 calculated as follows $0.79093 * 5/28 + (0.98493) * 23/28$

Actual FRB Billings

September 1, 2000 through August 31, 2001

	Number of Billed FRB Customers	FRB Rates (1)					FRB Actual Billings					
		Energy Charge	PGA	ECCR	CRA	Interest	Energy Charge	PGA	ECCR	CRA	Interest	Total
Sep-00	57,770	\$7.06	\$6.49	\$1.03	\$0.14	\$0.00	\$407,856	\$374,927	\$59,503	\$8,088	\$0	\$850,374
Oct-00	57,378	\$7.06	\$6.49	\$1.03	\$0.14	\$0.00	\$405,089	\$372,383	\$59,099	\$8,033	\$0	\$844,604
Nov-00	56,007	\$7.06	\$6.49	\$1.03	\$0.14	\$0.00	\$395,409	\$363,485	\$57,687	\$7,841	\$0	\$824,422
Dec-00	57,488	\$7.06	\$6.49	\$1.03	\$0.14	\$0.00	\$405,865	\$373,097	\$59,213	\$8,048	\$0	\$846,223
Jan-01	53,649	\$7.25	\$10.59	\$0.89	\$0.17	\$0.02	\$388,955	\$568,143	\$47,748	\$9,120	\$1,073	\$1,015,039
Feb-01	57,560	\$7.25	\$10.59	\$0.89	\$0.17	\$0.02	\$417,310	\$609,560	\$51,228	\$9,785	\$1,151	\$1,089,034
Mar-01	57,474	\$7.25	\$10.59	\$0.89	\$0.17	\$0.02	\$416,687	\$608,650	\$51,152	\$9,771	\$1,149	\$1,087,409
Apr-01	57,297	\$7.25	\$10.59	\$0.89	\$0.17	\$0.02	\$415,403	\$606,775	\$50,994	\$9,740	\$1,146	\$1,084,058
May-01	57,187	\$7.25	\$10.59	\$0.89	\$0.17	\$0.02	\$414,606	\$605,610	\$50,896	\$9,722	\$1,144	\$1,081,978
Jun-01	56,569	\$7.25	\$10.59	\$0.89	\$0.17	\$0.02	\$410,125	\$599,066	\$50,346	\$9,617	\$1,131	\$1,070,285
Jul-01	57,096	\$7.25	\$10.59	\$0.89	\$0.17	\$0.02	\$413,946	\$604,647	\$50,815	\$9,706	\$1,142	\$1,080,256
Aug-01	<u>56,270</u>	\$7.25	\$10.59	\$0.89	\$0.17	\$0.02	<u>\$407,958</u>	<u>\$595,899</u>	<u>\$50,080</u>	<u>\$9,566</u>	<u>\$1,125</u>	<u>\$1,064,628</u>
Total	681,745	\$7.19	\$9.21	\$0.94	\$0.16	\$0.01	\$4,899,209	\$6,282,242	\$638,761	\$109,037	\$9,061	\$11,938,310

(1) From prior year schedule 1

Interest Provision on Net Over / (Under) Recovered Balance

September 1, 2000 through August 31, 2001

a	Beginning Balance b	Billings (Schedule 3) c	Billings (Schedule 4) d	Ending Balance e=b-c+d	Average Balance f=(b+e)/2	Interest Rate (1) g	Interest Provision (2) h=f*i%	Ending Balance Plus Interest i=e+h
Sep-00	(\$441,369)	\$736,257	\$850,374	(\$327,252)	(\$384,311)	6.48%	(\$2,078)	(\$329,330)
Oct-00	(\$329,330)	\$1,069,066	\$844,604	(\$553,792)	(\$441,561)	6.50%	(\$2,390)	(\$556,182)
Nov-00	(\$556,182)	\$1,430,208	\$824,422	(\$1,161,968)	(\$859,075)	6.49%	(\$4,703)	(\$1,166,671)
Dec-00	(\$1,166,671)	\$915,431	\$846,223	(\$1,235,879)	(\$1,201,275)	6.65%	(\$6,582)	(\$1,242,461)
Jan-01	(\$1,242,461)	\$1,460,554	\$1,015,039	(\$1,687,976)	(\$1,465,219)	6.50%	(\$7,357)	(\$1,695,333)
Feb-01	(\$1,695,333)	\$1,091,659	\$1,089,034	(\$1,697,958)	(\$1,696,646)	5.55%	(\$7,564)	(\$1,705,522)
Mar-01	(\$1,705,522)	\$1,219,812	\$1,087,409	(\$1,837,925)	(\$1,771,724)	5.15%	(\$7,493)	(\$1,845,418)
Apr-01	(\$1,845,418)	\$1,185,772	\$1,084,058	(\$1,947,132)	(\$1,896,275)	5.00%	(\$7,403)	(\$1,954,535)
May-01	(\$1,954,535)	\$1,061,554	\$1,081,978	(\$1,934,111)	(\$1,944,323)	4.37%	(\$6,732)	(\$1,940,843)
Jun-01	(\$1,940,843)	\$1,232,057	\$1,070,285	(\$2,102,615)	(\$2,021,729)	3.94%	(\$6,520)	(\$2,109,135)
Jul-01	(\$2,109,135)	\$543,844	\$1,080,256	(\$1,572,723)	(\$1,840,929)	3.80%	(\$5,791)	(\$1,578,514)
Aug-01	(\$1,578,514)	\$1,064,594	\$1,064,628	(\$1,578,480)	(\$1,578,497)	3.75%	(\$4,749)	(\$1,583,229)
Sep-01						3.47%		
Total		<u>\$13,010,808</u>	<u>\$11,938,310</u>				<u>(\$69,362)</u>	<u>(\$1,583,229)</u>

(1) Interest Rate sourced from monthly PGA Schedule A-2 actuals.

(2) Interest Provision calculated using 1/ 12th of the average of the interest rate, of the current and subsequent month

True-up of Net Over / (Under) Recovered Balance

Over / (Under) Recovered FRB Balance
 September 1, 2000 through August 31, 2001

for Recovery Year Beginning January 1, 2002

	Energy Charge	PGA	ECCR	CRA	Interest	Total
1 Prior Year Balance (prior year Schedule 6)	(\$232,783)	(\$153,984)	(\$32,970)	(\$6,217)	(\$15,415)	(\$441,369)
2 Benchmark Billings per PGA Tariff Rate (Schedule 3)	\$4,854,235	\$7,414,840	\$632,268	\$109,465	\$0	\$13,010,808
3 Actual Flat Rate Billings (Schedule 4)	\$4,899,209	\$6,282,242	\$638,761	\$109,037	\$9,061	\$11,938,310
4 Interest Provision (Schedule 5)					(\$69,362)	(\$69,362)
5 Total Over / (Under) Recovery Balance, (L1-L2+L3+L4)	(\$187,809)	(\$1,286,582)	(\$26,477)	(\$6,645)	(\$75,716)	(\$1,583,229)
6 Projected Annual Number of FRB Bills (Schedule 1)	675,027	675,027	675,027	675,027	675,027	
7 Flat Rate Billing True Up, (L5/L6*-1)	\$0.28	\$1.91	\$0.04	\$0.01	\$0.11	\$2.35

Change in FRB Bill per Hypothetical Change Average Therms Per Customers:

1 FRB Customers Under 7 Therms per Month	11,000			
2 Average Annual Therms per Water Heater	199			
3 Total Annual Consumption, Therms, (L1*L2)	<u>2,189,000</u>			
	<u>Base Year</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
4 Base Year 2000 Consumption	9,889,838	9,889,838	9,889,838	9,889,838
5 1/3 Add Water Heaters, (L3/3)		729,667	729,667	729,667
6 1/3 Add Water Heaters, (L3/3)			729,667	729,667
7 1/3 Add Water Heaters, (L3/3)				729,666
8 Annual Consumption, Therms, (L4+L5+L6+L7)	<u>9,889,838</u>	<u>10,619,505</u>	<u>11,349,172</u>	<u>12,078,838</u>
9 Annual Number Bills	<u>691,739</u>	<u>691,739</u>	<u>691,739</u>	<u>691,739</u>
10 Average Therms per Customer, (L8/L9)	14.3	15.4	16.4	17.5
11 FRB Bill, per 2000 FRB Determinants *	\$22.22	\$23.35	\$24.38	\$25.51
12 Change in Billing From Base Year		\$1.13	\$2.16	\$3.29
13 Cumulative Percentatge Change		5.1%	9.3%	14.8%

* Base Year FRB tariff per therm rates per TK-1 times the projected year(s) Average Therms per Customer plus the Monthly Service Charge.

NUI Utilities Inc. d/b/a,
 City Gas Company of Florida
 Miami Division, Flat Rate Billing (FRB)

Proposed Flat Rate Billing (FRB) Pilot Rate

January 1, 2003 through December 31, 2003

	Current Tariff Rates	Projected Average Therms per Customer *	<u>FRB Rate</u>
1 Monthly Service Charge	\$7.50		\$7.50
per Therm Charges:			
2 Energy Charge	0.49367	14.3	\$7.06
3 Projected PGA, from Sch E1 for 12 month	0.74639	14.3	\$10.67
4 Projected ECCR, from C-1	0.07799	14.3	\$1.12
5 Projected CRA, from Sch. A	0.01425	14.3	\$0.20
6 Interest			\$0.00
7 Total Bill			<u><u>\$26.55</u></u>

* <u>Miami Division, FRB Residential, Projected:</u>		<u>2003</u>
8 Annual Consumption, Therms		9,526,017
9 Annual Number Bills		<u>665,436</u>
10 Average Therms per Customer, (L8/L9)		14.3

For name or address correction, please check here and see reverse side.

2110075219015000025171

Exhibit (TK-6)
 Bill Sample Page 1 of 2
 City Gas Witness Kaufmann
 Flat Rate Billing Docket

0
 THIS BILL HAS BEEN RANDOMLY SELECTED
 NUMBER: NUI 987 CYCLE: 32

To enroll in our direct debit payment plan, please check here and sign reverse side.

PO BOX 6060
 ELIZABETH NJ 07207-6060



SW AVE
 MIAMI FL

Please Pay This Amount
 25.17

Please Pay By
 August 26, 2002

Your Account Number
 211-

TEAR HERE IF PAYING BY MAIL PLEASE RETURN THIS PORTION WITH YOUR CHECK OR MONEY ORDER PAYABLE TO NUI CORPORATION TEAR HERE

Billing Date Aug 06 2002	Account Number 211-	Srvc SW AVE For: MIAMI FL	Next Reading Date Sep 04 2002
-----------------------------	------------------------	------------------------------	----------------------------------

Billing Type
Residential Consol

Previous Balance 27.41
 Payment Applied 08/06/02 - Thank You -28.00
 Remaining Balance -.59
 Current Gas Charges 23.48
 Utility Tax 1.69
 Gross Receipt Tax .59

Please Pay This Amount
 By August 26, 2002
 25.17

We have separated our appliance and gas utility service centers. Please note the appropriate phone numbers listed on the bottom of your bill.

Late Charge Reminder: A 1.5% Late Payment Charge will be applied to any balance not paid by due date.
 Tired of writing checks? Enroll in "NUI Rapid Payment". Check the box next to the amount due on your payment stub and sign the reverse side.

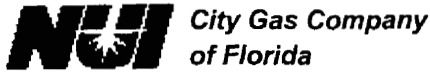
How We Calculate Your Current Gas Charges

Meter Number	Type of Reading	Billing Period	Days	Readings old	Readings new	Gas Used (CCF)	Therm Factor	Therms Billed
0725080	Estimate	07/01 08/05	35	1612	1626	14	1.0780	15.1

Rate Class	Therms Billed	Energy chg	Gas Cost	Basic Service Charge	Current Gas Charges
RES	15.1	15.1 X .55556	15.1 X .50252	7.50	23.48

To report a gas leak or for questions about your gas charges please call 1-800-993-7546

For gas equipment repair, sales, leasing or appliance billing please call 1-877-737-2477



PO BOX 6060
ELIZABETH NJ 07207-6060

JOHN DOE
123 MAIN STREET
MIAMI FL 12345

Please Pay This Amount
28.90

Please Pay By
August 26, 2002

Your Account Number
211-xxxxxxx-xxx

IF PAYING BY MAIL PLEASE RETURN THIS PORTION WITH YOUR CHECK OR MONEY ORDER PAYABLE TO NUI CORPORATION

Billing Date Aug 6, 2002	Account Number 211-xxxxxxx-xxx	Svc: 123 MAIN STREET For: MIAMI FL
------------------------------------	--	---

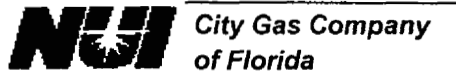
Billing Type
Residential Flat Rate

Previous Balance	28.90
Payment Applied 8/1/02 - Thank You	<u>-28.90</u>
Remaining Balance	0.00
Current Gas Charges	26.55
Utility Tax	1.69
Gross Receipts Tax	0.66

Please Pay This Amount
By May 06, 2002
28.90

Late Charge Reminder: A 1.5% Late Payment Charge will be applied to any balance not paid by due date.

For questions or service call
1-305-691-0313



For a gas leak call
1-305-693-4311

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CI-LV	Contract Interruptible - Large Volume Gas Service	45
NGVSS	Natural Gas Vehicle Sales Service	50
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Gas Transportation Service:

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CTS	Commercial Transportation Service	64
ITS	Interruptible Transportation Service	67
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KTS	Contract Transportation Service	76
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Issued by: Victor A. Fortkiewicz
 Vice President

Effective:

City Gas Company of Florida
 FPSC Natural Gas Tariff
 Volume No. 6

First Revised Sheet No. 29
Original Sheet No. 29

RATE SCHEDULE RS
Residential Service

Availability

Throughout the service area of the Company, except for those customers eligible for service under Rate Schedule Residential Service – Flat Rate Billing.

Applicability

Applies to all gas delivered for domestic purposes, to any customer for use in single family dwellings, in separately metered housing units, or for use in commonly owned areas of condominium associations, cooperative apartments, and homeowner associations as residential service.

Character of Service

Natural gas, or its equivalent, with heating value on the order of 1,100 British Thermal Units per cubic foot.

Monthly Rate

Customer Charge:	\$7.50
Energy Charge:	\$0.49367 per therm

Minimum Bill

The minimum monthly bill shall be the customer charge.

Terms of Payment

Bills are net and due upon receipt by the Customer and become delinquent if unpaid after expiration of twenty days from date of mailing.

Adjustments

See Billing Adjustments, Sheet Nos. 24-27.

Special Terms and Conditions of Service

Application of this rate is subject to the Rules and Regulations of the Company as they may be in effect from time to time and as filed with the regulatory authorities. Under no conditions will service be rendered under any agreement whereby the customer or his tenants resell the gas either within or without his premises, nor under conditions by which gas is transmitted outside the premises under contract.

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 Vice President

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RATE SCHEDULE RS-FRB
Residential Service - Flat Rate Billing

Availability

Residential customers served in the Miami Division service territory consisting of Miami-Dade and Broward Counties, except those customers whose annualized consumption exceeds 600 therms will be served under the RS Rate Schedule effective the month after the disqualifying meter read is obtained.

Applicability

Applies to all gas delivered for domestic purposes, to any customer for use in single family dwellings, in separately metered housing units, or for use in commonly owned areas of condominium associations, cooperative apartments, and homeowner associations as residential service.

Character of Service

Natural gas, or its equivalent, with heating value on the order of 1,100 British Thermal Units per cubic foot.

Monthly Rate

Customer Charge: \$26.55

Minimum Bill

The minimum monthly bill shall be the customer charge.

Terms of Payment

Bills are net and due upon receipt by the Customer and become delinquent if unpaid after expiration of twenty days from date of mailing.

Adjustments

Billing Adjustments on Sheet Nos. 24-27 are included in the customer charge.

Special Terms and Conditions of Service

Application of this rate is subject to the Rules and Regulations of the Company as they may be in effect from time to time and as filed with the regulatory authorities, except that meter readings will be performed once per year. Under no conditions will service be rendered under any agreement whereby the customer or his tenants resell the gas either within or without his premises, nor under conditions by which gas is transmitted outside the premises under contract.

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 Vice President

Effective: