

VOTE SHEET

SEPTEMBER 30, 2003

RE: Docket No. 030222-GU - Request for approval of change in depreciation rates to be implemented as of 10/1/03, by City Gas Company of Florida.

ISSUE 1: Should the current depreciation rates of City Gas be changed?

RECOMMENDATION: Yes. A review of the company's current capital recovery position indicates the need to revise depreciation rates.

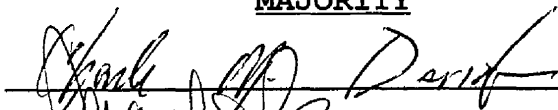
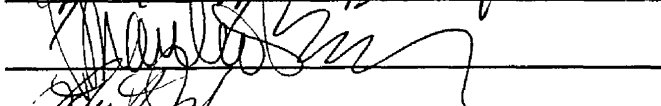

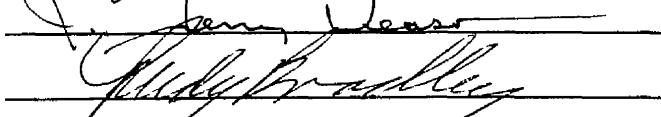
APPROVED

COMMISSIONERS ASSIGNED: Full Commission

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

REMARKS/DISSENTING COMMENTS:

DOCUMENT NUMBER-DATE

09436 OCT-18

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ISSUE 2: What should be the date of implementation for revised depreciation rates and capital recovery schedules?

RECOMMENDATION: Staff recommends approval of the company's proposed October 1, 2003, date of implementation for revised depreciation rates and recovery schedules.

APPROVED

ISSUE 3: Should any corrective reserve measures be made?

RECOMMENDATION: Yes. Staff recommends the following corrective reserve measures:

Account	Book Reserve	Recommended Transfers	Restated Reserve
	(\$)	(\$)	(\$)
380 - Services - Other than Plastic	12,099,061	58,336	12,157,397
387 - Other Equipment	167,166	(58,336)	108,830
390 - Structures & Improvements	598,920	182,217	781,137
391.3 - Computers	1,234,790	(162,964)	1,071,826
392 - Transportation Equipment	322,938	(73,676)	249,262
393 - Stores Equipment	17,198	(7,049)	10,149
394 - Tools, Shop, Garage Equip.	211,983	54,423	266,406
395 - Laboratory Equipment	11,733	7,049	18,782
Total	14,663,789	0	14,663,789

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ISSUE 4: What are the appropriate depreciation rates and recovery schedules for City Gas?

RECOMMENDATION: The staff recommended remaining lives, net salvage values, reserve positions, and resulting depreciation rates and recovery schedules are shown on Attachment A of staff's September 18, 2003 memorandum. These recommendations result in a decrease in annual depreciation expense of about \$280,000, based on estimated October 1, 2003, investments and reserves as shown on Attachment B of staff's memorandum.

APPROVED

ISSUE 5: Should the current amortization of investment tax credits (ITCs) and the flowback of excess deferred income taxes be revised to reflect the approved depreciation rates and recovery schedules?

RECOMMENDATION: Yes. The current amortization of ITCs and the flowback of excess deferred income taxes (EDIT) should be revised to match the actual recovery periods for the related property. The utility should file detailed calculations of the revised ITC amortization and flowback of EDIT at the same time it files its surveillance report covering the period ending September 30, 2004.

APPROVED

ISSUE 6: Should this docket be closed?

RECOMMENDATION: If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, this docket should be closed upon the issuance of a consummating order.

APPROVED