

ORIGINAL

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October 15, 2003

RECEIVED: PSC
03 OCT 15 AM 10:19
COMMISSION
CLERK

BY HAND DELIVERY

Ralph Jaeger
Office of General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: City Gas Company of Florida
Docket No. 030569-GU
Draft Notice of Interim Rate Increase

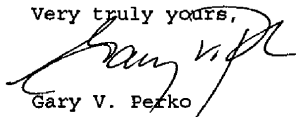
Dear Ralph:

Enclosed for the staff's review and approval is a draft Notice of Interim Rate Increase.

Please let me know if any changes are required.

If you have any questions, please call.

Very truly yours,



Gary V. Perko

- AUS _____
- CAF _____
- CMP _____ GVP/mee
- COM _____ Enclosure
- CTR _____
- ECR _____ cc: Blanca Bayó (for docket file)
- GCL _____ Matthew Brinkley (by hand-delivery)
- OPC _____ Gloria Lopez
- MMS _____
- SEC _____
- OTH _____

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(continued from front panel)

All comments should refer to Docket No. 030569-GU, which is the docket number that has been assigned to this case.

City Gas personnel may be contacted to answer questions concerning the rate request at 1-800-347-4427, extension 5222.

The interim rates will raise the bill of a typical residential customer using 18 therms per month by \$1.46, or 5.1 percent, exclusive of taxes. Other classes of customers will see increases that vary based on their usage.

However, lower wholesale natural gas prices have enabled City Gas to reduce the Gas Cost component of its bill by 20 cents per therm since June. Even with the interim increase, a typical residential customer using 18 therms per month will see a November bill that is actually \$2.16 less than five months earlier, a net decrease of 6.7 percent.

PSC APPROVED INTERIM RATES

RESIDENTIAL:
Customer charge \$7.50
Energy charge (cents/therm) 57.489 * (1)

GAS LIGHTING:
Customer charge \$0.00
Energy charge (cents/therm) 56.186 * (1)

COMMERCIAL AND INDUSTRIAL FIRM:
Customer charge \$20.00
Energy charge (cents/therm) 26.300 * (2)

LARGE COMMERCIAL FIRM:
Customer charge \$50.00
Energy charge (cents/therm) 19.403 * (3)

INTERRUPTIBLE PREFERRED:
Customer charge \$100.00
Energy charge (cents/therm) 17.212 * (4)

CONTRACT INTERRUPTIBLE - PREFERRED:
Customer Charge \$100.00
Energy Charge (cents/therm) 17.212

INTERRUPTIBLE LARGE VOLUME GAS:
Customer Charge \$250.00
Energy Charge (cents/therm) 12.167

**CONTRACT INTERRUPTIBLE
LARGE VOLUME GAS:**
Customer Charge \$250.00
Energy Charge (cents/therm) 12.167

NATURAL GAS VEHICLE SALES SERVICE:
Customer charge \$15.00
Energy charge (cents/therm) 19.278

SMALL COMMERCIAL

TRANSPORTATION:
Customer charge \$25.00
Transport. charge (cents/therm) 26.079 * (2)

COMMERCIAL TRANSPORTATION:
Customer charge \$55.00
Transport. charge (cents/therm) 19.394 * (3)

INTERRUPTIBLE TRANSPORTATION:
Customer charge \$175.00
Transport. charge (cents/therm) 17.170 * (4)

**CONTRACT - INTERRUPTIBLE
TRANSPORTATION:**
Customer charge \$175.00
Transport charge (cents/therm) 17.160

**INTERRUPTIBLE LARGE VOLUME -
TRANSPORTATION:**
Customer charge \$400.00
Transport charge (cents/therm) 12.167

**CONTRACT INTERRUPTIBLE
LARGE VOLUME - TRANSPORTATION:**
Customer charge \$400.00
Transport. charge (cents/therm) 12.167

**NATURAL GAS VEHICLE -
TRANSPORTATION:**
Customer charge \$15.00
Transport. charge (cents/therm) 19.278

*Does not include conservation and/or competitive rate adjustment factors, which total the following (per therm):

(1) \$0.09224 (2) \$0.03697
(3) \$0.02919 (4) \$0.01363



NOTICE OF INTERIM RATE INCREASE

On October 7, 2003, the Florida Public Service Commission (PSC) approved interim natural gas rates for City Gas Company of Florida. The interim rates will be collected subject to refund pending the PSC's decision regarding final rates. If a refund is ordered, it will include interest based on PSC-determined factors.

The approved interim rates, which are listed in this notice, are effective for meter readings on or after November 6, 2003. The interim rates are reflected on the bill that accompanies this notice.

Written comments regarding the utility's service or the requested final rate increase may be sent to the PSC at the following address:

**Director, Division of Commission Clerk
and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**

(continued)