State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

DATE: August 31, 2016

TO: Office of Commission Clerk (Stauffer)

FROM: Division of Economics (Rome) CAR EJD
Office of the General Counsel (Mapp) KRM

RE: Docket No. 160085-GU – Joint petition for approval of swing service rider, by Florida Public Utilities Company, Florida Public Utilities Company-Indiantown Division, Florida Public Utilities Company-Fort Meade, and Florida Division of Chesapeake Utilities Corporation.

AGENDA: 09/13/16 – Regular Agenda – Tariff Filing – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Administrative

CRITICAL DATES: 12/11/16 (8-Month Effective Date)[1]

SPECIAL INSTRUCTIONS: None

Case Background

On April 11, 2016, Florida Public Utilities Company, Florida Public Utilities Company – Indiantown Division, and Florida Public Utilities Company – Fort Meade (jointly, FPUC), as well as the Florida Division of Chesapeake Utilities Corporation (Chesapeake) (jointly, Companies), filed a petition for approval of a swing service rider tariff applicable to certain gas transportation customers. FPUC is a local distribution company (LDC) subject to the regulatory jurisdiction of the Commission pursuant to Chapter 366, Florida Statutes (F.S.). It is a wholly-owned subsidiary of Chesapeake Utilities Corporation which is headquartered in Dover, Delaware. Chesapeake is also an LDC subject to the Commission's jurisdiction under Chapter 366, F.S. It is an operating division of Chesapeake Utilities Corporation.

[1] Joint petitioners waived the 60-day file and suspend provision of Section 366.06(3), F.S., on April 13, 2016.

The new swing service rider is a proposed cents-per-therm charge that would be included in the monthly gas bill. The Companies seek approval of this rider to expand the allocation of the intrastate capacity cost components of the Purchased Gas Adjustment (PGA) mechanism for FPUC (with the exception of the Indiantown Division)[2] and the Operational Balancing Account (OBA) for Chesapeake to include transportation customers not currently subject to those cost allocation mechanisms. In 2015, the Commission approved a first step by the Companies (Phase I) to achieve a more equitable allocation of the intrastate capacity cost components of the PGA and OBA.[3] In that Phase I petition, the Companies noted that Phase I would be followed by a separate request (Phase II) to more fully distribute these costs across a broader base of customers.[4]

The Commission first approved swing service tariffs for a Florida investor-owned gas utility in 2000 when Peoples Gas System filed numerous tariff changes to make transportation service available to all non-residential customers pursuant to Rule 25-7.0335, Florida Administrative Code (F.A.C.).[5] The Commission approved amendments to Peoples' swing service tariffs in 2015.[6]

The Office of Public Counsel (OPC) requested interested party status in this docket on May 2, 2016. During Commission staff's evaluation of the petition, staff issued two data requests to the Companies for which responses were received on May 11, 2016, and June 7, 2016, respectively. On August 2, 2016, the Companies filed an amended petition to request a modification to the stepped implementation of the Phase II proposal; this modification resulted in reductions to some of the swing service rider tariff rates for which approval is being sought. The Commission has jurisdiction over this matter pursuant to Sections 366.04, 366.05, and 366.06, F.S.

---

[2] The Commission approved Indiantown's exiting of the gas merchant function by Order No. PSC-02-1655-TRF-GU, issued November 26, 2002, in Docket No. 020471-GU, *In re: Petition for authority to convert all remaining sales customers to transportation service and to terminate merchant function by Indiantown Gas Company.* Thereafter, the Commission authorized Indiantown's proposed unbundling transitional cost recovery and refund of the company's final PGA over-recovery by Order No. PSC-03-1109-PAA-GU, issued October 6, 2003, in Docket No. 030462-GU, *In re: Petition of Indiantown Gas Company for approval of transition cost recovery charge and for approval of final purchased gas adjustment true-up credit.*

[3] Order No. PSC-15-0321-PAA-GU, issued August 10, 2015, in Docket No. 150117-GU, *In re: Joint petition for approval of modified cost allocation methodology and revised purchased gas adjustment calculation, by Florida Public Utilities Company, Florida Public Utilities Company – Indiantown Division, Florida Public Utilities Company – Fort Meade, and Florida Division of Chesapeake Utilities Corporation.*

[4] Id., pp. 5-6.

[5] Order No. PSC-00-1814-TRF-GU, issued October 4, 2000, in Docket No. 000810-GU, *In re: Petition for approval of modifications to tariff provisions governing transportation of customer-owned gas and tariff provisions to implement Rule 25-7.0335, F.A.C., by Tampa Electric Company d/b/a Peoples Gas System.*

[6] Order Nos. PSC-15-0570-TRF-GU and PSC-15-0570A-TRF-GU, issued December 17, 2015 and January 7, 2016, respectively, in Docket No. 150220-GU, *In re: Petition for approval of tariff modifications related to the swing service charge, by Peoples Gas System.*

Discussion of Issues

Issue 1: Should the Commission approve the Companies' joint amended petition for approval of a swing service rider tariff and associated rates?

Recommendation: Yes. Staff recommends approval of the proposed swing service rider tariff and associated rates as shown in Attachment A. The effective date of the proposed swing service rider tariff should be six months after the date of the Commission's vote. Beginning September 1, 2017, the Companies should submit by September 1 of each year for each of the next four years included in the stepped implementation period, revised swing service rider tariffs for Commission approval. The Companies should incorporate the calculated offset of revenues from the swing service rider as a credit into the PGA proceeding for that concurrent year. (Rome)

Staff Analysis: Florida's LDCs incur intrastate capacity costs when they reserve upstream capacity to transport gas on intrastate pipelines (*i.e.*, pipelines operating in Florida only). In contrast to interstate pipelines for which there are established capacity release mechanisms approved by the Federal Energy Regulatory Commission, intrastate pipelines and LDCs do not have tariff provisions or other mechanisms that support the release of capacity to pool managers. Therefore, LDCs must use other means to recover intrastate capacity costs, such as the PGA, the OBA, or through other alternative methods such as the Companies' Phase I and Phase II proposals.[7]

To evaluate the Companies' Phase II proposal in this docket, it is necessary to offer some background information regarding the operational differences among the Companies as well as the Phase I proposal filed in 2015 in Docket No. 150117-GU. Phase II would expand on the results of Phase I and include transportation service customers who are not currently being allocated intrastate capacity costs even though they share in the benefits from projects such as infrastructure upgrades.

Background

Operational Differences among the Companies

Sales customers are primarily residential and small commercial customers that purchase gas from an LDC and receive allocations of intrastate capacity costs through the PGA charge. Only Florida Public Utilities Company and Florida Public Utilities Company – Fort Meade have sales customers.

The Companies' transportation customers can be categorized as TTS (Transitional Transportation Service) or non-TTS. TTS program shippers purchase gas for residential and small commercial customers in aggregated customer pools who do not contract directly with a shipper for their gas supply. Only Florida Public Utilities Company – Indiantown Division and Chesapeake have TTS customers. TTS customers receive allocations of intrastate capacity costs

[7] See Order No. PSC-15-0321-PAA-GU, issued August 10, 2015, in Docket No. 150117-GU, *In re: Joint petition for approval of modified cost allocation methodology and revised purchased gas adjustment calculation, by Florida Public Utilities Company, Florida Public Utilities Company – Indiantown Division, Florida Public Utilities Company – Fort Meade, and Florida Division of Chesapeake Utilities Corporation.*

through the OBA mechanism, which allows Indiantown and Chesapeake to assign intrastate capacity costs to TTS shippers, who then may pass the costs on to the TTS customers for whom they purchase gas.

Non-TTS customers are primarily large commercial or industrial customers who contract directly with a shipper for their gas supply. Non-TTS customers are not currently paying a share of the intrastate capacity costs.[8]

Table 1-1 summarizes the number of customers for each of the Companies and shows the mechanism by which each company currently recovers intrastate capacity costs from its customers. Non-TTS customers would begin paying a share of the intrastate capacity costs under the proposed swing service rider, with a few exceptions that are specifically discussed later in this recommendation.

Table 1-1
Summary of Differences among Companies

Company / Customer Category	Customers	Therms per Year (000)	Cost Recovery
Florida Public Utilities Company / Sales	55,557	36,386	PGA
Fort Meade / Sales	666	128	PGA
Indiantown / TTS Transportation	693	196	OBA
Chesapeake / TTS Transportation	14,008	7,082	OBA
Subtotal for PGA and OBA Customers	70,924	43,792	
Non-TTS Transportation Customers by Company:			
Florida Public Utilities Company	1,677	36,717	None
Fort Meade	6	20	None
Indiantown	2	2,599	None
Chesapeake	2,502	163,471	None
Subtotal for Non-TTS Transportation Customers	4,187	202,807	
Total for all Customers	75,111	246,599	

Source: Companies' responses to Staff's First Data Request; May 11, 2016.

Summary of Companies' Phase I Proposal (Docket 150117-GU)

In 2015, the Companies proposed Phase I of an anticipated two-phase process to change the way the Companies allocate intrastate capacity costs. In Phase I, the Companies sought approval to aggregate the intrastate capacity costs from the Companies and spread those costs across all customers in the PGA and TTS pools. Benefits cited by the Companies in support of the proposal included the ability to allocate the intrastate capacity costs across a larger body of customers, thereby reducing the impacts to customers of individual systems as a result of infrastructure

[8] Id., pp. 2-4.

upgrades. The Commission approved Phase I in Order No. PSC-15-0321-PAA-GU and acknowledged that the modified cost allocation methodology and resulting revisions to the PGA factor calculation would enable the Companies to have the ability to better balance the costs of individual projects across the entire Chesapeake Florida system, in contrast to spreading such costs on a more limited system-by-system basis.[9] The Companies' Phase I filing envisioned a separate subsequent filing (*i.e.*, Phase II) in which the Companies would request to expand the allocation of intrastate capacity costs to transportation customers who are not part of the PGA or TTS pools.

Evaluation of Companies' Phase II Proposal

The proposed new swing service rider would expand the allocation of intrastate capacity costs and assess an appropriate portion of these costs to customers that are not currently subject to either the PGA or the OBA mechanism, consistent with the regulatory principle that the cost causer should pay its fair portion of the costs incurred. The Companies' rate schedules that would be subject to the proposed swing service rider and the proposed swing service tariff rates for each applicable rate schedule are shown in Attachment A.

The Companies noted that customers subject to the proposed swing service rider would include TTS pool customers that currently receive an allocation of the intrastate capacity costs through the OBA mechanism. However, this does not mean that the TTS pool customers would be assigned an additional allocation of costs. As is discussed in greater detail later in this recommendation, the Companies' Phase II proposal would allocate costs to these customers directly through the swing service rider rather than through the OBA mechanism.

Allocation Methodology

The Companies asserted that the proposed cost allocation methodology would function similar to the swing service charge used by Peoples Gas System to allocate system-wide balancing costs among the rate classes based on relative consumption. The proposed three-step methodology would be used to determine the appropriate cost allocations by transportation rate schedule.

Step one consists of compiling the throughput volumes for each affected transportation and sales rate schedule to determine the percentage split between transportation and sales service customers relative to the Companies' total throughput for the affected rate schedules. This step would be performed annually based on the most recent 12-months' usage data. Based upon information provided in response to a staff data request, the initial appropriate split for allocating the annual total intrastate capacity costs of $5.3 million is 64.39 percent ($3.4 million) to transportation customers and 35.61 percent ($1.9 million) to sales customers.

In step two, the transportation customers' share of $3.4 million would be allocated to the affected transportation rate schedules in proportion to each rate schedule's share of the Companies' total throughput for the affected transportation rate schedules. The costs allocated to each rate schedule would then be divided by the rate schedule's number of therms to calculate the cost recovery factor (*i.e.*, rider) to be billed by rate schedule directly to the transportation customers.

[9] Id., p. 6.

In step three, the aggregate of the swing service revenues received would be credited to the PGA, thereby reducing costs recovered from customers subject to the PGA. Sales customers' proportionate share of the intrastate capacity costs would remain embedded in the Companies' PGA. Any over-recovery or under-recovery of intrastate capacity costs allocated to the PGA by the Companies would continue to be subject to the annual PGA "true-up."

Stepped Implementation for Non-TTS Customers

The Companies expressed recognition that the implementation of the proposed swing service rider could have a significant financial impact on non-TTS transportation customers because they do not receive an allocation of intrastate capacity costs through the current Phase I mechanism. Non-TTS transportation customers comprise the largest volume user groups on the Companies' systems.

The Companies proposed a stepped implementation process for the swing service rider to better allow these large volume customers to plan and adjust to the new cost allocation. Specifically, the Companies proposed to implement the swing service rider in stages over a period of five years for non-TTS transportation customers. The Companies' amended petition requested approval to have the swing service rider applied annually at a rate of 20 percent of the total allocation for the first year, and thereafter increase by an additional 20 percent annually so that the total allocation of 100 percent would be reached in year five.

Treatment of TTS Pool Customers

The Companies' TTS pool customers would not be subject to the stepped implementation process and would receive their full Phase II allocation beginning in the first year. To clarify, TTS pool customers would not receive a larger allocated portion of the intrastate capacity costs upon implementation of Phase II. A procedural change from the current Phase I allocation process is that the allocated costs would henceforth be charged directly to the TTS pool customers through the swing service rider rather than being charged by the Companies to shippers who then pass the costs through to TTS pool customers. The Companies stated that assessing the charge directly to TTS pool customers would provide consistency across the Companies' service platform regarding the method by which the allocated costs are recovered from transportation service customers.

As discussed above, non-TTS customers would begin to receive allocations of intrastate capacity costs under the Companies' Phase II proposal. Therefore, beginning in the first year, the implementation of Phase II would result in lower allocations of intrastate capacity costs to TTS pool customers than those customers currently receive. The Companies' TTS pool rate schedules are designated by an asterisk in Attachment A to this recommendation.

Balancing of Impacts among Customer Classes

The Companies asserted that the implementation of Phase II would enable the Companies to appropriately recover intrastate capacity costs, while allocating the costs in a more equitable manner across customer classes. The Companies acknowledged that the stepped implementation would extend the unbalanced cost allocation to the PGA and TTS pool customers for a longer period of time. However, given: (a) the significance of potential financial impacts to large volume (*i.e.*, non-TTS) transportation customers, and (b) that unlike PGA and TTS pool customers, non-TTS customers have never been allocated any portion of the intrastate capacity costs, the Companies suggested that the proposed stepped implementation process represents a reasonable approach to achieving an appropriate allocation of these costs across all customer classes.

In response to a staff data request, the Companies stated that they had considered a 10-year implementation period. However, the Companies stated in the amended petition that the proposed five-year period with the 20 percent per year stepped allocation was an effort to strike a reasonable balance between finding the earliest and largest benefit to PGA and TTS pool customers, while not overburdening the non-TTS transportation customers. The Companies further stated that efforts to resolve inequities in the current allocation process included consideration of the benefits to the utility and the general body of ratepayers of retaining the non-TTS customers due to the large gas volumes typically used by customers in those rate classes.

Rate Schedules Excluded from Proposed Swing Service Rider

In response to a staff data request, the Companies stated that in general, they are proposing that the swing service rider exclude transportation rate schedules historically excluded from other billing adjustments made by the Companies, such as the Conservation Cost Recovery adjustment clause. The Companies' rate schedules that would be excluded from the swing service rider are listed in Table 1-2, below.

Table 1-2
Rate Schedules Excluded from Swing Service Rider

Company	Rate Schedule
Florida Public Utilities Company	Interruptible Transportation Service
	Natural Gas Vehicle Transportation Service
	Gas Lighting Service Transportation Service
Florida Public Utilities Company – Fort Meade	Natural Gas Vehicle Transportation Service
Florida Public Utilities Company – Indiantown	Natural Gas Vehicle Transportation Service
Chesapeake (Florida Division)	Firm Transportation Service-13
	Natural Gas Vehicle Transportation Service

Source: Companies' responses to Staff's First Data Request; May 11, 2016.

The Companies excluded Florida Public Utilities Company's Interruptible Transportation Service (ITS) rate schedule because the nature of service is substantially different from that of a firm transportation customer inasmuch as it is available to be interrupted at the discretion of the utility. The Companies are not proposing to apply the swing service rider to this rate schedule because the non-firm nature of ITS customers' loads does not demand that the Companies acquire additional firm capacity to support their consumption.

Each of the four Companies has a Natural Gas Vehicle Transportation Service (NGV) rate schedule. The Companies stated that these rate schedules were designed as incentive mechanisms. As such, the Companies excluded the NGV rate schedules so as to maintain the full incentive nature of these schedules and to continue to encourage the development of natural gas vehicle opportunities.

The Companies excluded Florida Public Utilities Company's Gas Lighting Service Transportation Service (GLSTS) rate schedule because the actual data for this initial period showed no therm usage for this rate schedule. If there is therm usage for this rate schedule in the future, the Companies anticipate that they then would propose that it be included in the calculation of the swing service rider.

The Companies excluded Chesapeake's Firm Transportation Service-13 (FTS-13) rate schedule because it is a closed schedule with one remaining customer taking service. This remaining customer has approached the utility in an effort to negotiate a special contract in order to avoid a bypass situation.

Customer Impacts

The proposed Phase II allocation methodology would result in a reduction of costs assigned to sales (PGA) customers and transportation customers in the TTS pools. The increased costs that would be borne by non-TTS transportation customers would be mitigated by the stepped implementation of the swing service rider factors.

PGA Customers

Under the proposed Phase II allocation methodology, PGA customers would receive reduced allocations of the intrastate capacity costs of approximately $0.014 per therm in the first year of the stepped implementation period and $0.028 per therm by year two of the program. At the end of the stepped implementation in year 5, the full estimated reduction would be approximately $0.07 per therm for PGA customers. For a typical residential customer using 20 therms per month, this would represent a monthly bill savings of about $1.40.

TTS Pool Customers

As stated earlier in this recommendation, the Companies' TTS pool customers would not be subject to the stepped implementation process and would receive their full Phase II allocation through the swing service rider beginning in the first year. Under the proposed Phase II allocation methodology, TTS pool customers would receive a reduced allocation of the intrastate capacity costs of approximately $0.07 per therm. For a typical residential customer using 20 therms per month, this would represent a monthly bill savings of about $1.40.

Non-TTS Transportation Customers

Under the proposed Phase II allocation methodology, non-TTS transportation customers would begin to receive a proportionate allocation of the intrastate capacity costs through the stepped implementation process. The swing service rider rates included in Attachment A that are applicable to non-TTS transportation customer rate schedules represent the Companies' proposal to assess 20 percent of the full swing service rider allocation for the first year of stepped implementation. As is discussed in greater detail later in this recommendation, the Companies anticipate separate annual tariff filings over the next four years seeking approval to accomplish the stepped increases in swing service rider rates necessary to achieve the proportionate cost allocations that are appropriate for each non-TTS transportation customer rate schedule.

Transportation Customers under Special Contracts

The Companies noted that as special contracts come up for renewal over time, the allocation of some appropriate portion of the intrastate capacity costs would be included as a topic in the contract negotiations. Any such negotiated special contracts would result in an additional credit to the PGA. Such discussions also would take into consideration the market conditions at the time of the negotiations and the recognition that retention of customers subject to special contracts is beneficial to the utility and the general body of ratepayers due to the very large gas volumes typically contracted for by these customers. In the aggregate, customers under special contracts consume nearly half of the total system throughput.

Outreach to Affected Parties

During the evaluation of how to address the allocation of intrastate capacity costs, the Companies hosted a meeting in May 2015 to which all interested parties, including OPC and Commission staff, were invited. At the meeting, the Companies provided an opportunity for attendees to engage in an open dialogue. Subsequent to the meeting, the Companies communicated directly with interested parties, including shippers, regarding potential plans, options, and areas of concern. The Companies also have developed a communication strategy that will include direct communication with the largest transportation customers, as well as notices issued via bill inserts for all non-TTS transportation customers. At present, the Companies are having discussions with appropriate internal groups regarding the best means of disseminating information to impacted customers.

Companies' Future Filings

To complete the proposed five-year stepped implementation process, the Companies would submit filings each year for the next four years (*i.e.*, 2017 through 2020) requesting Commission approval of the revised swing service rider rates. In response to a staff data request, the Companies proposed that procedurally, the annual update of the tariff amounts be filed in the same general time frame and handled in a manner similar to the Gas Reliability Infrastructure Program.

The Companies would calculate the prospective swing service rider rates annually based on the most recent 12 months of actual data. Thus, as a hypothetical example, the Companies would use actual data from June 2016 through May 2017 to calculate the rates to be in effect from January 2018 through December 2018. The filing would be submitted to the Commission by September 1, 2017. This proposed time line would allow the Companies sufficient time to calculate the swing service rider in advance of the annual PGA projection clause, thereby facilitating the incorporation of the calculated offset into the PGA proceeding for that current year. In essence, the amount calculated and billed, in the aggregate, to the transportation customers would be reflected as a credit to the PGA balance at the time of its calculation.

Proposed Delayed Implementation Date

The Companies expressed their belief that non-TTS transportation customers should bear their fair portion of intrastate capacity costs. However, the Companies also recognized the potential impacts to large customers that historically have not received allocations of these costs.

Therefore, the Companies requested that the effective date for implementation of the swing service rider tariff be delayed for six months from the date of the Commission's approval to mitigate impacts to non-TTS customers and to better facilitate the communication efforts with affected customers. All proposed swing service rider rates included in Attachment A would become effective six months after the date of the Commission's approval and would be applicable through the last billing cycle for December 2017.

Conclusion

Based on its review of the information provided in the joint petition, amended petition, and in response to staff's data requests, staff believes that the Companies' proposed swing service rider is reasonable. Staff believes that the implementation of the proposed swing service rider would enable the Companies to recover their costs while allocating the costs in a more equitable manner across customer classes.

Staff recommends approval of the proposed swing service rider tariff and associated rates as shown in Attachment A. The effective date of the proposed swing service rider tariff should be six months after the date of the Commission's vote. Beginning September 1, 2017, the Companies should submit by September 1 of each year for each of the next four years included in the stepped implementation period, revised swing service rider tariffs for Commission approval. The Companies should incorporate the calculated offset of revenues from the swing service rider as a credit into the PGA proceeding for that concurrent year.

Issue 2: Should this docket be closed?

Recommendation: If Issue 1 is approved and a protest is filed within 21 days of the issuance of the order, any revenues collected once the tariff becomes effective should be held subject to refund, pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order. (Mapp)

Staff Analysis: If Issue 1 is approved and a protest is filed within 21 days of the issuance of the order, any revenues collected once the tariff becomes effective should be held subject to refund, pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order.

Chesapeake Utilities Corporation – Florida Division
Swing Service Rider Rates

Rate Schedule	Classification	Rates per Therm
* Firm Transportation Service A	FTS-A	$0.0521
* Firm Transportation Service B	FTS-B	$0.0539
* Firm Transportation Service 1	FTS-1	$0.0591
* Firm Transportation Service 2	FTS-2	$0.0627
* Firm Transportation Service 2.1	FTS-2.1	$0.0553
* Firm Transportation Service 3	FTS-3	$0.0504
* Firm Transportation Service 3.1	FTS-3.1	$0.0442
Firm Transportation Service 4	FTS-4	$0.0091
Firm Transportation Service 5	FTS-5	$0.0087
Firm Transportation Service 6	FTS-6	$0.0084
Firm Transportation Service 7	FTS-7	$0.0090
Firm Transportation Service 8	FTS-8	$0.0075
Firm Transportation Service 9	FTS-9	$0.0084
Firm Transportation Service 10	FTS-10	$0.0063
Firm Transportation Service 11	FTS-11	$0.0090
Firm Transportation Service 12	FTS-12	$0.0071
Experimental Rate Schedules	Classification	Rates per Bill
* Firm Transportation Service A	FTS-A	$0.4481
* Firm Transportation Service B	FTS-B	$0.8193
* Firm Transportation Service 1	FTS-1	$1.2766
* Firm Transportation Service 2	FTS-2	$2.7463
* Firm Transportation Service 2.1	FTS-2.1	$8.4332
* Firm Transportation Service 3	FTS-3	$11.2896
* Firm Transportation Service 3.1	FTS-3.1	$27.9742

Source: Companies' joint petition, Exhibit B.

* Indicates a TTS pool rate schedule that will receive full Phase II allocation in Year One.

Florida Public Utilities Company
Swing Service Rider Rates

Rate Schedule	Rates per Therm
Rate Schedule GSTS-1	$0.0090
Rate Schedule GSTS-2	$0.0083
Rate Schedule LVTS	$0.0083

Source: Companies' joint petition, Exhibit B.

Florida Public Utilities Company – Fort Meade
Swing Service Rider Rates

Rate Schedule	Rates per Therm
Rate Schedule GSTS-1	$0.0076

Source: Companies' joint petition, Exhibit B.

Florida Public Utilities Company – Indiantown
Swing Service Rider Rates

Rate Schedule	Classification	Rates per Therm
* Transportation Service 1	TS1	$0.0441
* Transportation Service 2	TS2	$0.0392
* Transportation Service 3	TS3	$0.0468
Transportation Service 4	TS4	$0.0139

Source: Companies' joint petition, Exhibit B.

* Indicates a TTS pool rate schedule that will receive full Phase II allocation in Year One.

All proposed swing service rider rates included in Attachment A would become effective six months after the date of the Commission's approval and would be applicable through the last billing cycle for December 2017.