

Writer's Direct Dial Number: (850) 521-1706
Writer's E-Mail Address: bkeating@gunster.com

March 12, 2018

E-Portal

Ms. Carlotta Stauffer, Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: DOCKET NO. 20170179-GU - Petition for rate increase and approval of depreciation study by Florida City Gas.

Dear Ms. Stauffer:

Attached for electronic filing, please find the Joint Motion of Florida City Gas, the Office of Public Counsel, and Federal Executive Agencies for Approval of Stipulation and Settlement, along with the referenced Stipulation and Settlement.

As always, please don't hesitate to let me know if you have any questions. Thank you for your assistance with this filing.

Kind regards,



Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

cc:/ (Service List)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Re: Petition for rate increase and approval of
depreciation study by Florida City Gas

DOCKET NO. 20170179-GU

FILED: March 12, 2018

**JOINT MOTION OF FLORIDA CITY GAS, THE OFFICE OF PUBLIC COUNSEL,
AND FEDERAL EXECUTIVE AGENCIES FOR
APPROVAL OF STIPULATION AND SETTLEMENT**

Florida City Gas (“FCG” or “Company”), the Office of Public Counsel (“OPC”), and Federal Executive Agencies (“FEA”), (collectively, “Joint Movants”) by and through their undersigned attorneys, respectfully move the Florida Public Service Commission (“Commission” or “FPSC”) to approve the Stipulation and Settlement agreement (“2018 Agreement”) attached hereto as Attachment A, which the Joint Movants have entered into in order to resolve issues in this proceeding. In support hereof, the Joint Movants state as follows:

1. On October 23, 2017, FCG petitioned the Commission for approval to increase the Company’s rates and charges to the extent necessary to generate additional gross annual revenues in the amount of \$19.3 million and to approve the Company’s depreciation study.
2. Following the October 23, 2017, filing, OPC filed a notice of its intervention on October 24, 2017. Subsequently, FEA was authorized to intervene on January 22, 2018.
3. The Joint Movants, as well as Commission Staff, have engaged in extensive discovery in this proceeding leading up to the technical hearing now set to commence on March 26, 2018.

4. In recent weeks, the Joint Movants have engaged in negotiations to resolve the issues in this docket and thereby avoid the need for any further expensive and time-consuming litigation before the Commission. These efforts have been successful and resulted in the 2018 Agreement attached hereto as Attachment A.

5. The 2018 Agreement is the result of good faith efforts to address the issues in this proceeding in a manner that will provide regulatory certainty with regard to FCG's rates and to avoid the unnecessary expense and uncertainty associated with further litigation, including a potential full rate proceeding. The 2018 Agreement results in rates and charges that are fair, just, and reasonable. Therefore, the Joint Movants submit the 2018 Agreement is in the public interest and respectfully request its approval as further described below.

6. The 2018 Agreement provides planning and rate certainty for a period through June 1, 2022, as the Parties agree they shall not seek an increase or reduction in base rates that would take effect before the end of the Minimum Term unless other terms of this 2018 Agreement allow, nor will FCG seek to implement interim rates with an effective date prior to June 1, 2022.

7. In furtherance of this Joint Motion and approval of the 2018 Agreement, the Joint Movants waive any right to seek reconsideration of, or otherwise appeal, any decision of the Commission approving, in its entirety, this 2018 Agreement.

8. The 2018 Agreement, among other things:

- (a) Authorizes FCG to increase its base rates and service charges ("New Rates") to generate an additional \$11,500,000 of annual revenues effective the first billing cycle of June 2018.
- (b) Authorizes a return on equity ("ROE") of 10.19%.

- (c) Authorizes a 48% equity ratio for all regulatory purposes and 49.1% for earnings surveillance reports, as more specifically set forth in the 2018 Agreement.
- (d) Authorizes FCG to establish a storm reserve with an annual accrual of \$57,500 and a target reserve level of \$800,000.
- (e) Authorizes FCG to construct a liquefied natural gas facility.
- (f) The Company may continue to seek recovery of costs through recovery clauses, but cannot seek recovery of costs that the Company has traditionally and historically recovered through base rates, unless such costs are: (i) the direct and unavoidable result of new governmental impositions or requirements; or (ii) new or atypical costs that were unforeseeable and could not have been contemplated by the Joint Movants resulting from significantly changed industry-wide circumstances directly affecting the Company's operations.
- (g) The Joint Movants agree that the Company's projected tax savings from the Tax Cuts and Jobs Act of 2017 ("TCJA") is \$4,584.338 and this amount will be included as a reduction to the test year subject to certain specified conditions as specifically set forth in the 2018 Agreement.
- (h) The Joint Movants agree that the issue of the finalized amount of the protected deferred tax liability and the flow back period of the excess of protected deferred taxes shall be determined and trued-up either by submission of a later agreement or the initiation of a limited scope proceeding no later than July 1, 2018.

- (i) The Joint Movants agree that the issue of the finalized amount of unprotected excess deferred taxes shall be determined and trued-up either by submission of a later agreement or the initiation of a limited scope proceeding no later than July 1, 2018. The Joint Movants agree the unprotected excess deferred taxes shall have a flow back period of five (5) years.

9. The Joint Movants represent that the 2018 Agreement provides an equitable and just balance of the positions of the parties on the issues in this proceeding. The Joint Movants submit approval of the 2018 Agreement as is in the best interests of both the Company and its customers, and therefore, respectfully request approval of same.

10. For the sake of efficiency, the Joint Movants request the Commission rule on this Joint Motion For Approval of Stipulation and Settlement during the period of March 26-30, 2018, the time that is presently scheduled for the technical hearing in this proceeding.

11. FCG commits to making experts available to the Commission to address questions, if any, regarding 2018 Agreement.

12. Commission approval of this Joint Motion is consistent with the Commission's long-standing policy to encourage settlements that provide benefits to the customers and avoid unnecessary additional litigation expense.

WHEREFORE, the Joint Movants respectfully request that the Commission approve the 2018 Agreement attached hereto as Attachment A.

Respectfully submitted this 12th day of March, 2018, by:

/s/Virginia Ponder

Virginia Ponder
Bar No. 99947
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street; Room 812
Tallahassee, FL 32399-1400
(850) 488-9330
ponder.virginia@leg.state.fl.us
Attorneys for the Citizens of the
State of Florida

/s/ Beth Keating

Beth Keating, Esquire
Bar No. 0022756
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706
bkeating@gunster.com
Attorneys for Florida City Gas

/s/ Thomas A. Jernigan

Mr. Thomas A. Jernigan
USAF Utility Law Field Support Center
Air Force Legal Operations Agency
139 Barnes Drive, Suite 1
Tyndall AFB FL 32403
Thomas.jernigan.3@us.af.mil

CERTIFICATE OF SERVICE
Docket No. 20170179-GU

I **HEREBY CERTIFY** that a true and correct copy of the foregoing has been furnished by electronic mail on this 12th day of March 2018, to the following:

Walter Trierweiler, Esq.
Stephanie Cuello, Esq.
Danijela Janjic, Esq.
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
wtrierwe@psc.state.fl.us
scuello@psc.state.fl.us
DJanjic@psc.state.fl.us

Ms. Carolyn Bermudez
Florida City Gas
4045 N.W. 97th Avenue
Doral FL 33178
cbermude@southernco.com

Virginia Ponder
Bar No. 99947
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street; Room 812
Tallahassee, FL 32399-1400
(850) 488-9330
ponder.virginia@leg.state.fl.us

Federal Executive Agencies
A.J. Unsicker/L.L. Ziemann/N.A.
Cepak/R.K. Moore
c/o AFLOA/JACE-ULFSC
139 Barnes Drive, Suite 1
Tyndall AFB FL 32403
andrew.unsicker@us.af.mil
ULFSC.Tyndall@US.AF.MIL
lanny.ziemann.1@us.af.mil
natalie.cepak.2@us.af.mil
ryan.moore.5@us.af.mil
Thomas.jernigan.3@us.af.mil
Ebony.payton.ctr@us.af.mil



Beth Keating, Esquire
Bar No. 0022756
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706
bkeating@gunster.com
Attorneys for Florida City Gas

ATTACHMENT A

Stipulation and Settlement

Of

Florida City Gas, Office of Public Counsel
And the Federal Executive Agencies

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Florida City Gas. | DOCKET NO. 20170179-GU

DATED: March 12, 2018

STIPULATION AND SETTLEMENT

WHEREAS, Florida City Gas (“FCG” or “Company”), the Office of Public Counsel (“OPC”) and the Federal Executive Agencies (“FEA”) have signed this Stipulation and Settlement (“2018 Agreement”); and

WHEREAS, unless the context clearly intends otherwise, the term “Party” or “Parties” shall mean a signatory or signatories to this 2018 Agreement; and

WHEREAS, on October 23, 2017, FCG petitioned the Florida Public Service Commission (“the Commission”) for a rate increase to generate additional gross annual revenues in the amount of \$19.3 million, with the effective date of such rate increase to be August 1, 2018; and

WHEREAS, FCG last filed a petition for a rate increase in 2003; and

WHEREAS, the Parties and Commission Staff have filed testimony and exhibits and have conducted extensive discovery in this proceeding; and

WHEREAS, the Parties have endeavored in good faith to resolve the issues in this docket in order to minimize the rate impact to FCG customers while providing regulatory certainty to FCG and avoiding the uncertainty associated with further litigation; and

WHEREAS, the Parties recognize and acknowledge the federal Tax Cuts and Jobs Act (Pub. Law 115-97) (herein “TCJA”) has an impact on the Company’s revenue requirement in the projected test year utilized by the Company in this proceeding;

WHEREAS, the legal system, as well as the Commission, favors settlement of disputes, for a variety of reasons, including that they can be in the public interest; and

WHEREAS, the Parties to this 2018 Agreement, individually and collectively, agree that this 2018 Agreement, taken as a whole, should be found to be in the public interest; and

WHEREAS, the Parties have entered into this 2018 Agreement in compromise of positions taken in accord with their rights and interests under Chapters 350, 366 and 120, Florida Statutes, as applicable, and as part of a negotiated exchange of consideration among the Parties to this 2018 Agreement, each Party has agreed to concessions to the others with the expectation, intent, and understanding such that all provisions of this 2018 Agreement, upon approval by the Commission, will be enforced by the Commission as to all matters addressed herein with respect to all Parties; and

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants set forth herein, which the Parties agree constitute good and valuable consideration, the Parties hereby stipulate and agree as follows:

I. Term

a. This 2018 Agreement will take effect upon Commission approval (“Effective Date”) and shall be implemented on the date of the meter reading for the first billing cycle of June 2018 (“Implementation Date”) and continue at least until the last billing cycle of May 2022. The base rates, charges and related tariff sheet terms and conditions established as a result of this 2018 Agreement will continue beyond June 2022, except as otherwise contemplated herein, unless and until changed by Commission Order. The period from the Implementation Date through the last billing cycle in May 2022 may be referred to herein as the “Minimum Term”.

b. The Parties agree that the Parties shall not seek an increase or reduction in base rates that would take effect before the end of the Minimum Term unless other terms of this 2018 Agreement allow, nor will FCG seek to implement interim rates with an effective date prior to June 1, 2022.

c. The parties reserve all rights, unless such rights are expressly waived or released, under the terms of this 2018 Agreement.

II. Federal Income Tax Reform

a. In calculating the rates consistent with this 2018 Agreement, which are attached and incorporated herein as Exhibit A, the Company has incorporated known and measurable impacts of the TCJA on its Florida jurisdictional net operating income, rate base and capital structure for the 2018 Projected Test Year. These known and measurable impacts include the change in the federal income tax rate from 35% to 21%, and the quantification of excess deferred income taxes (“EDIT”) and corresponding amortization and the elimination of bonus depreciation.

b. The Parties agree that the Company’s projected quantified tax savings arising from the Act is \$4,584,338. This amount will be included as a reduction to the test year, subject to the conditions set forth in subsections II.c, II.d, and II.e below.

c. Deferred Taxes:

1) Protected: Additional work is required to determine the finalized amount of the protected deferred tax liability and the flow back period of the excess under principles of normalization. The Parties agree this issue – the determination of the amount and flow back period of protected excess deferred taxes - shall be determined and trued-up either by submission of a later agreement to the Commission for its review and approval or by the initiation of a limited scope proceeding no later than July 1, 2018.

2) Unprotected: Additional work is required to determine the finalized amount of the unprotected excess deferred taxes. The Parties agree that the determination of the amount of unprotected excess deferred taxes shall be determined and trued-up either by submission of a later agreement to the Commission for its review and approval or by the initiation of a limited scope proceeding no later than July 1, 2018. The Parties further agree that the unprotected excess deferred taxes shall have a flow back period of 5 years.

d. Interim Rates: The Parties agree that the interim refund calculation methodology of the Commission will be applied when the new rates go into effect on June 1, 2018. This will allow the new tax rate to be taken into account in one, simple calculation in order to

determine whether any refund of interim rates is required. Within 60 days of the implementation of this 2018 Agreement, FCG shall prepare and submit to all signatories and the Commission its calculation to determine whether an interim refund is appropriate for the time period that interim rates were in effect.

- e. SAFE Adjustment: FCG shall use a 21% federal tax rate effective January 1, 2018 through the date new rates are implemented when determining the earned revenue requirement under the SAFE program. FCG will include a reconciliation of the SAFE surcharge recoveries to the SAFE earned revenue requirement for the period January 1, 2018 through the date new rates are implemented when FCG makes its next SAFE filing on September 1, 2018. Any over/under recoveries resulting from this reconciliation will be included in FCG's new SAFE surcharge effective January 1, 2019.

III. Revenue Requirement

a. Upon the Implementation Date and effective with the date of the first meter reading for the first billing cycle of June 2018, FCG shall be authorized to increase its base rates and service charges ("New Rates") to generate an additional \$11.5 million of annual revenues, inclusive of the transfer of the SAFE revenues to base rates, based on the projected test year December 2018 billing determinants reflected in the Minimum Filing Requirements ("MFRs") filed with the Company's Petition in this docket. The Parties further agree that the Company shall be allowed to increase its base rates and charges in an amount sufficient to recover the additional revenue requirement of \$3.8 million on the completed liquefied natural gas ("LNG") facility described in Section IV of this 2018 Agreement by the end of 2019, or upon the in-service date of the LNG facility, whichever is later. To accomplish this increase, it is the Parties' intent that the revenue increase be accomplished in two step increases: (i) \$2.5 million on June 1, 2019, or the in-service date of the LNG facility, whichever is later; and (ii) \$1.3 million on December 1, 2019. If the in-service date of the LNG facility is after December 1, 2019, the Company shall be allowed to implement an increase in rates and charges sufficient to recover the remaining revenue requirement of \$3.8 million upon the in-service date of the LNG facility.

b. The base rates, charges, and related tariff sheet terms and conditions set in accordance with this Agreement shall not be changed during the Minimum Term except as

otherwise permitted or provided for in this 2018 Agreement, and shall continue in effect until next reset by the Commission.

IV. LNG Facility

In its October 23, 2017, petition, FCG sought approval to construct an LNG Facility to address the Company's capacity concerns. The Parties agree that FCG shall be authorized to construct a LNG Facility as described in the testimonies of FCG witnesses Gregory Becker and Stephen Wassell capable of providing an additional 10,000 Dth/d of capacity and which would include the following items discussed in those testimonies: (i) truck loading facilities; (ii) three storage tanks holding a total of 270,000 gallons of LNG; (iii) vaporization equipment; and (iv) other related specifications.

V. Return on Equity and Equity Ratio

a. For purposes of this 2018 Agreement, the phrase "authorized ROE" shall mean the midpoint authorized return on common equity ("ROE") and the phrase "authorized ROE range" shall mean the range that starts at 100 basis points below the midpoint and extends to 100 basis points above the midpoint as determined in this Agreement. Consistent with this understanding, FCG's authorized ROE shall be within a range of 9.19% to 11.19%, with a midpoint of 10.19%. The Parties agree that FCG shall use a capital structure with a 48% equity ratio for all regulatory purposes, including calculation of the revenue requirements for capital investments recovered through the SAFE program surcharge. For purposes of earnings surveillance reporting, FCG shall be deemed to have an equity ratio not greater than 49.1%. The Parties recognize that FCG's actual equity ratio may vary to some degree from the maximum surveillance reporting equity ratio from month to month and that such normal variations shall not be cause for a deviation from the deemed equity ratio for regulatory purposes set forth in this paragraph.

b. Customer deposits, investment tax credits, and deferred income taxes shall be the balances recorded on FCG's books.

c. The authorized ROE and authorized ROE ranges shall continue in effect until the return on equity is next reset by the Commission.

VI. Other Cost Recovery

Nothing in this 2018 Agreement shall preclude the Company from requesting the Commission to approve the recovery of costs that are: (a) of a type which traditionally or historically would be, have been, or are presently recovered through cost recovery clauses or surcharges, or (b) incremental costs not currently recovered in base rates which the Legislature expressly requires shall be clause recoverable subsequent to the approval of this 2018 Agreement. It is the intent of the Parties that the Company shall not seek to recover, nor shall the Company be allowed to recover, through any cost recovery clause or charge, or through the functional equivalent of such cost recovery clauses and charges, costs of any type or category that have historically or traditionally been recovered in base rates, unless such costs are: (i) the direct and unavoidable result of new governmental impositions or requirements; or (ii) new or atypical costs that were unforeseeable and could not have been contemplated by the Parties resulting from significantly changed industry-wide circumstances directly affecting the Company's operations. As a part of the base rate freeze agreed to herein, the Company will not seek Commission approval to defer for later recovery in rates, any costs incurred or reasonably expected to be incurred from the Effective Date through and including May 31, 2022, which are of the type which historically or traditionally have been or would be recovered in base rates, unless such deferral and subsequent recovery is expressly authorized herein or otherwise agreed to by each of the Parties. The Parties are not precluded from participating in any proceedings pursuant to this Section VI, nor is any Party precluded from raising any issues pertinent to any such proceedings.

VII. Earnings

a. Notwithstanding Section V hereof, the Parties agree that, in the event that the Company's earned return on common equity falls below 9.19% during the Minimum Term on a FCG earnings surveillance report stated on a thirteen-month average actual Commission-adjusted basis, the Company may file a Petition for Rate Increase with the Commission either as a general proceeding under Section 366.06 and 366.07, Florida Statutes, and/or as a limited proceeding under Section 366.076, Florida Statutes. Nothing herein shall be construed as an agreement by the OPC or FEA that a limited proceeding would be appropriate, and FCG acknowledges and

agrees that the OPC and FEA reserve and retain all rights to challenge the propriety of any limited proceeding or to assert that any request for base rate changes should be properly addressed through a general rate case, as well as challenge any substantive proposals to change the Company's rates in any such future proceeding. Throughout this Agreement, "actual Commission adjusted basis" and "actual adjusted earned return" shall mean results reflecting all adjustments to FCG's books required by the Commission by rule or order. FCG acknowledges that the OPC and FEA shall be entitled to participate and oppose any request initiated by FCG to increase its rates.

b. Likewise, the Parties agree that if the Company's earned return on common equity exceeds 11.19% on a FCG earning surveillance report on a thirteen-month average actual Commission-adjusted basis, OPC or FEA may file a petition with the Commission seeking a review of the Company's rates. In any case initiated by the OPC or FEA, all Parties will have full rights conferred by law.

VIII. Tariffs

a. The Company shall be allowed to implement the tariff changes reflected in its October 23, 2017, filing, regarding Deposits to Guarantee Payment of Bills, Metering, Piping and Appliances, Right to Suspend or Discontinue Service to a Customer, Extension of Facilities, Force Majeure, Gas Curtailment Plan, and Transportation – Special Conditions, as further outlined in Section XI hereof, and all conforming tariff changes associated therewith, including corrections identified in the Company's revised tariff pages filed on March 9, 2018.

b. The Company shall be allowed to implement the customer service charges, as well as all conforming tariff changes identified in Exhibit A to this 2018 Agreement.

c. Nothing in this 2018 Agreement shall preclude FCG from filing, and the Commission from approving, any new or revised tariff provisions or rate schedules requested by FCG, provided that any such tariff request does not increase any existing base rate component of a tariff or rate schedule, or any other charge imposed on customers during the Minimum Term unless the application of such new or revised tariff, rate schedule, or charge is optional to FCG's customers.

IX. Rate Case Expense

FCG will be entitled to establish a regulatory asset for the deferral of all costs incurred with the actual filing, discovery, and all other activities associated with the conduct of this base rate proceeding, Docket No. 20170179-GU. The annual amortization of the costs in this regulatory asset (1) shall not be less than \$150,000 and (2) shall not be required to begin sooner than June 1, 2018. The Company shall be authorized to amortize additional amounts from time to time at its sole discretion. In any event, the entire amount shall either be fully amortized or deemed recovered for purposes of prospective changes to FCG's base rates by May 31, 2022.

X. Depreciation Study

The Parties agree to an effective date of new depreciation rates of January 1, 2018, which includes the effect of a full year of depreciation rate change. The Parties also agree that FCG witness Watson's proposed lives on all accounts should be utilized, with the exception of the lives stated for Account 380.2 Plastic Services, Account 382 Meter Installations, and Account 385, Industrial M&R Equipment for which the service lives proposed by OPC witness Garrett shall be utilized. Additionally, the Parties agree with FCG's proposed negative 100 percent net salvage. The Parties agree to the new depreciation rates as described in Exhibit C to this 2018 Agreement.

XI. Transportation Tariff

a. The Parties agree that FCG shall be authorized to implement revisions to its transportation service tariff consistent with the proposal set forth in its October 23, 2017, filing, which will allow it to expand the allocation of its capacity costs to include an amount to be allocated to Third Party Shippers who serve transportation customers on the Company's system.

b. The Parties acknowledge and agree that, pursuant to the Company's transportation tariff revisions, the full 20,000 Dth/d of additional capacity purchased from Florida Gas Transmission ("FGT"), as described in FCG Witness Gregory Becker's testimony, will be released to the Third Party Shippers on FCG's system, whereupon the Third Party Shippers will be responsible for the payments associated with such additional capacity, such that

FCG customers subject to the Purchased Gas Adjustment will see no cost increase associated with FCG's purchase of this additional capacity from FGT.

c. The Parties also acknowledge and agree that, in accordance with the Company's transportation tariff revisions, in the event that a transportation service customer asks to be transferred to sales service with FCG, the customer's Third Party Shipper shall be required to return to the Company the capacity released by FCG to the Third Party Shipper that is associated with the customer returning to sales service. Likewise, if a FCG customer subject to the Purchased Gas Adjustment asks to be transferred to transportation service, the capacity associated with that customer shall be excluded from FCG's Purchased Gas Adjustment at the time of transition.

XII. Storm Reserve

a. The Parties agree that FCG shall be authorized to establish a storm reserve and accrue \$57,500 annually to begin establishing the reserve. The target for the storm damage reserve is set at \$800,000. In the event storms or other significant disasters do not occur in the future and the storm damage reserve continues to increase such that it exceeds \$800,000, the Parties agree that the storm reserve accrual should be revisited at that time, either by the Commission or upon petition by OPC or FEA, to determine if FCG should stop accruing the annual expense until additional storm-related costs are incurred and applied against the reserve to decrease the balance to \$800,000.

b. The Parties expressly agree that any proceeding to recover costs associated with any storm shall not be a vehicle for a "rate case" type inquiry concerning the expenses, investment, or financial results of operations of FCG and shall not apply any form of earnings test or measure or consider previous or current base rate earnings. Such issues may be fully addressed in any subsequent FCG base rate case.

c. Nothing in this 2018 Agreement shall preclude FCG from petitioning the Commission to seek recovery of costs associated with any tropical systems named by the National Hurricane Center or its successor without the application of any form of earnings test or measure and irrespective of previous or current base rate earnings. The Parties agree that recovery of storm

costs from customers will begin, on an interim basis (subject to refund following a hearing or a full opportunity for a formal proceeding), sixty days following the filing of a cost recovery petition and tariff with the Commission and will be based on a 12-month recovery period if the storm costs do not exceed \$1 million. In the event the Company's reasonable and prudent storm costs exceed that level, any additional costs in excess of \$1 million shall be recovered in a subsequent year or years as determined by the Commission, after hearing or after the opportunity for a formal proceeding has been afforded to all substantially affected persons or parties. All storm related costs shall be calculated and disposed of consistent with the Commission's electric Rule 25-6.0143, F.A.C., and shall be limited to (i) costs resulting from a tropical system named by the National Hurricane Center or its successor, (ii) the estimate of incremental storm restoration costs above the level of storm reserve prior to the storm, and (iii) the replenishment of the storm reserve to the level that existed prior to the named storm which caused FCG to petition the Commission for recovery under this Section XII. The Parties to this 2018 Agreement are not precluded from participating in any such proceedings and opposing the amount of FCG's claimed costs (for example, and without limitation, on grounds that such claimed costs were not reasonable or were not prudently incurred) or whether the proposed recovery is consistent with this Section XII, but not the mechanism agreed to herein.

d. Consistent with the Bill Impact provision approved in Docket No. 20150116-GU and applicable to the Company's SAFE surcharge, the Parties agree that a monthly \$.75-per-residential-bill cap and a monthly \$2.50-per-non-residential-bill cap shall apply in aggregate for a calendar year; provided, however, that FCG may petition the Commission to allow FCG to increase the initial 12-month recovery at rates greater than the monthly \$.75 per-residential-bill cap and the monthly \$2.50 per-non-residential-bill cap, or for a period longer than 12 months, if FCG incurs in excess of \$1 million of storm recovery costs that qualify for recovery in a given calendar year, inclusive of the amount needed to replenish the storm reserve to the level that existed prior to the named storm which caused FCG to petition the Commission for recovery under this Section XII. All Consumer Parties reserve their right to oppose such a petition.

e. The provisions of this Section XII shall remain in effect during the Term except as otherwise permitted or provided for in this 2018 Agreement and shall continue in effect until the Company's base rates are next reset by the Commission. For clarity, this means that if this 2018

Agreement is terminated pursuant to Section VII hereof, the Company's rights regarding storm cost recovery under this 2018 Agreement are terminated at the same time, except that any Commission-approved surcharge then in effect shall remain in effect until the costs subject to that surcharge are fully recovered. A storm surcharge in effect without approval of the Commission shall be terminated at the time this 2018 Agreement is terminated pursuant to Section VII hereof.

XIII. Rate Design

The total base rate increase, as well as the subsequent step increases, as set forth in Section III, shall be applied to the Company's rate classes as proposed in its October 23, 2017, filing, utilizing the rate design reflected in Exhibit B to this 2018 Settlement, which is attached and incorporated herein by reference. Such rate design reflects the Company's rate design as set forth in its October 23, 2017 filing, modified as it relates to the non-residential rate classes. OPC takes no position on this Section XIII.

XIV. Elderly Energy Assistance Fund

FCG shall be authorized to establish an Elderly Energy Assistance and Community Development Assistance Fund in the amount of \$150,000; however, such fund shall be funded solely with shareholder dollars and in no event shall such funds come from customer rates.

XV. Disputes

Should any disagreement or any differing interpretation of any provision hereof arise, the Parties agree to meet and confer in a good-faith effort to resolve the dispute. To the extent that the Parties are unable to resolve any such dispute, the matter may be submitted to the Commission for resolution.

XVI. Commission Approval

a. The provisions of this 2018 Agreement are contingent upon Commission approval of this 2018 Agreement in its entirety without modification. The Parties further agree that they believe the 2018 Agreement is in the public interest, that they will support this 2018 Agreement and will not request or support any order, relief, outcome, or result in conflict with the terms of

this 2018 Agreement in any administrative or judicial proceeding relating to, reviewing, or challenging the establishment, approval, adoption, or implementation of this 2018 Agreement or the subject matter hereof.

b. No Party will assert in any proceeding before the Commission that this 2018 Agreement or any of the terms in this 2018 Agreement shall have any precedential value. The Parties' agreement to the terms in this 2018 Agreement shall be without prejudice to any Party's ability to advocate a different position in future proceedings not involving this 2018 Agreement. The Parties further expressly agree that no individual provision, by itself, necessarily represents a position of any Party in any future proceeding, and the Parties further agree that no Party shall assert or represent in any future proceeding in any forum that another Party endorses any specific provision of this 2018 Agreement by virtue of that Party's signature on, or participation in, this 2018 Agreement. It is the intent of the Parties to this 2018 Agreement that the Commission's approval of all the terms and provisions of this 2018 Agreement is an express recognition that no individual term or provision, by itself, necessarily represents a position, in isolation, of any Party or that a Party to this 2018 Agreement endorses a specific provision, in isolation, of this 2018 Agreement by virtue of that Party's signature on, or participation in, this 2018 Agreement.

c. The Parties agree the following documents on file in this proceeding will be available for the Commission during its consideration of this Agreement: the Company's Petition, the MFRs, including revised MFRs submitted in conjunction with this 2018 Agreement reflecting the impact of the TCJA, the prefiled testimony and exhibits of all witnesses, and this agreement;

d. Upon approval of this 2018 Agreement by the Commission, the Parties agree such documents may become a part of the record as if admitted into evidence at final hearing at the Commission's discretion; and

e. Commission decision approving this 2018 Agreement may be issued as a final order.

f. The Parties agree that there is good cause to expedite approval of this 2018 Agreement and respectfully request that the Commission consider this 2018 Agreement during

the previously scheduled hearing dates established for the week of March 26, 2018. The Parties agree that approval of the Agreement will avoid additional litigation costs for all Parties. The Parties agree to waive:

- i. All notice requirements for a hearing as set forth in Section 120.569(2)(b), Florida Statutes, or other applicable law;
 - ii. Their right to require a hearing on the merits;
 - iii. Their respective rights to seek reconsideration of, or to appeal, any Final Order that approves this Agreement in its entirety without change; and
 - iv. Their respective right to judicial review of any such final agency action approving this Agreement afforded by Section 120.68, Florida Statutes.
- g. The Parties further agree they will support this 2018 Agreement and affirmatively assert that this 2018 Agreement is in the public interest and should be approved. The Parties likewise agree and acknowledge that:
- i. The revenue increase and resulting rates and charges developed from and in accordance with this Agreement are fair, just and reasonable; and
 - ii. Approval of this 2018 Agreement promotes planning and regulatory certainty for both FCG and its customers.

XVII. New Rates

a. The New Rates, which are attached and incorporated herein as Exhibit A, reflecting the June 1, 2018 Effective Date, shall be designed to accurately reflect the terms as presented in this 2018 Agreement. In addition, the New Rates presented in Exhibit A shall be designed in accordance with methodology of the Cost of Service and Rate Design submitted by FCG in the Minimum Filing Requirements (“MFRs”) filed with the Company’s Petition in this docket, as modified by the rate design attached and incorporated herein as Exhibit B. OPC takes no position with regard to the design of the rates reflected therein.

b. Within 30 days of the Commission's approval of this 2018 Agreement, FCG shall file tariffs consistent with the terms of the 2018 Agreement, which shall become effective on June 1, 2018.

XVIII. Execution

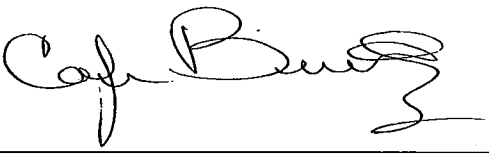
This 2018 Agreement is dated as of March 12, 2018. It may be executed in one (1) or more counterparts, all of which will be considered one and the same Agreement and each of which will be deemed an original.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties evidence their acceptance and agreement with the provisions of this 2018 Agreement by their signature(s).

Dated this 12th day of March, 2018.

Florida City Gas

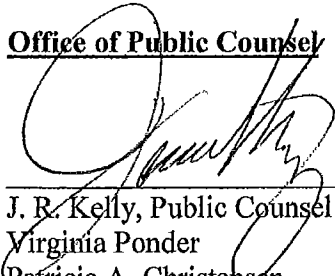
By: _____

Carolyn Bermudez
Vice-President and General Manager, Florida City Gas

IN WITNESS WHEREOF, the Parties evidence their acceptance and agreement with the provisions of this 2018 Agreement by their signature(s).

Dated this 17th Day of March, 2018.

Office of Public Counsel



J. R. Kelly, Public Counsel
Virginia Ponder
Patricia A. Christensen
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400

IN WITNESS WHEREOF, the Parties evidence their acceptance and agreement with the provisions of this 2018 Agreement by their signature(s).

Dated this 12th day of March 2018.

Federal Executive Agencies

/s/Thomas A. Jernigan

Thomas A. "Drew" Jernigan, USAF
Litigation Attorney, GS-14, AFCEC/JA -
Utility Law Field Support Center
139 Barnes Drive, Suite 1
Tyndall AFB FL 32403-5317

Signature Page to Stipulation and Settlement Agreement in Docket No. 20170179-GU

EXHIBIT A

Rate Class	----- PRESENT RATES -----			----- INTERIM RATES -----			----- PROPOSED SETTLEMENT RATES -----			
	Customer Charge	Distr. Charge/Therm		Customer Charge	Distr. Charge/Therm		New Rate Class/Residential (RS) and General Service (GS)	Customer Charge	Distr. Charge/Therm	
GS-1	\$8.00	\$0.56213		No change	\$0.74751		RS-1	\$12.00	\$0.47322	
GS-100	\$9.50	\$0.55248		No change	\$0.65758		RS-100	\$15.00	\$0.41137	
GS-220	\$11.00	\$0.49531		No change	\$0.60246		RS-100	\$15.00	\$0.41137	
GS-600	\$12.00	\$0.43663		No change	\$0.49869		RS-600	\$20.00	\$0.53133	
GS-1.2K	\$15.00	\$0.31715		No change	\$0.35507		RS-600	\$20.00	\$0.53133	
Gas Light	\$0.00	\$0.59535		No change	\$0.65605		Gas Light	\$0.00	No Change	
GS-1	\$8.00	\$0.56213		No change	\$0.74751		GS-1	\$25.00	\$0.37923	
GS-100	\$9.50	\$0.52248		No change	\$0.65758		GS-1	\$25.00	\$0.37923	
GS-220	\$11.00	\$0.49531		No change	\$0.60246		GS-1	\$25.00	\$0.37923	
GS-600	\$12.00	\$0.43663		No change	\$0.49869		GS-1	\$25.00	\$0.37923	
GS-1.2K	\$15.00	\$0.31715		No change	\$0.35507		GS-1	\$25.00	\$0.37923	
GS-6K	\$30.00	\$0.27487		No change	\$0.30647		GS-6K	\$35.00	\$0.34153	
GS-25K	\$80.00	\$0.27618		No change	\$0.30740		GS-25K	\$150.00	\$0.32696	
GS-60K	\$150.00	\$0.27477		No change	\$0.30449		GS-25k	\$150.00	\$0.32696	
NGV	\$15.00	\$0.23232		No change	No change		NGV	\$25.00	No Change	
RSG	\$16.81	\$0.000/Therm (up to 14 therms)	\$0.52248 /per therm (over 14				RSG	No change	No change	No change

EXHIBIT A

Rate Class	----- PRESENT RATES -----			----- INTERIM RATES -----		----- PROPOSED SETTLEMENT RATES -----				
	Customer Charge	Distr. Charge/Therm		Customer Charge	Distr. Charge/Therm		New Rate Class/Residential (RS) and General Service (GS)	Customer Charge	Distr. Charge/Therm	
			terms)							
		Distribution Charge/Therm	Demand Charge/Therm		Distribution Charge/Therm	Demand Charge/Therm			Distrib. Charge/Therm	Demand Charge/Therm
GS-120k	\$250.00	\$0.18084	\$0.289		\$0.20277	No change	GS-120K	\$300.00	\$0.19499	\$0.575
GS-250K	\$300.00	\$0.17191	\$0.289		\$0.19261	No change	GS-120K	\$300.00	\$0.19499	\$0.575
GS-1250K	\$500.00	\$0.12225	\$0.289		\$0.13732	No change	GS-1250K	\$500.00	\$0.09453	\$0.575
GS-11M	N/A	N/A	N/A				GS-11 M	\$1,000.00	\$0.08000	\$0.575
GS-25M	N/A	N/A	N/A				GS-25	\$2,000.00	\$0.04000	\$0.575
TPS Shippers	\$400.00	\$5.92/customer					TPS (Shippers)	\$400.00	\$6.07/customer	
Connect Charge (Residential)	\$50.00			\$50.00				\$80.00		
Connect Charge (Non-residential)	\$110.00			\$110.00				\$150.00		
Connect Charge (Residential – Outside regular business hours)	\$50.00			\$50.00				\$100.00		
Connect Charge (Non-residential- outside regular business	\$110.00			\$110.00				\$200.00		

EXHIBIT A

Rate Class	----- PRESENT RATES -----		----- INTERIM RATES -----		----- PROPOSED SETTLEMENT RATES -----		
	Customer Charge	Distr. Charge/Therm	Customer Charge	Distr. Charge/Therm	New Rate Class/Residential (RS) and General Service (GS)	Customer Charge	Distr. Charge/Therm
hours)							
Reconnection Charge (residential)	\$37.00		\$37.00			\$40.00	
Reconnection (Residential - outside regular business hours)	\$37.00		\$37.00			\$80.00	
Reconnection (Non residential - outside regular business hours)						\$50.00	
Reconnection (Non residential - outside regular business hours)	\$80.00		\$80.00			\$100.00	
Returned Check Charge	\$25.00 or 5%, whichever is greater					Additional service charge of \$25 if the face value does not exceed \$50, \$30 if the face value exceeds \$50 but does not	

EXHIBIT A

Rate Class	----- PRESENT RATES -----		----- INTERIM RATES -----		----- PROPOSED SETTLEMENT RATES -----		
	Customer Charge	Distr. Charge/Therm	Customer Charge	Distr. Charge/Therm	New Rate Class/Residential (RS) and General Service (GS)	Customer Charge	Distr. Charge/Therm
						exceed \$300, \$40 if the face value exceeds \$300, or 5 percent of the face amount of the dishonored instrument, whichever is greater.	
Failed Trip Charge	\$0					\$20	
Late Payment Charge	1.5% or \$5.00					1.5% or \$5.00 whichever is greater. Late Payment Charge applied to the accounts of governmental entities shall be at a rate no greater than allowed by applicable law.	
Change of Account	\$20.00		\$20.00			\$20.00	

EXHIBIT A

Rate Class	----- PRESENT RATES -----		----- INTERIM RATES -----		----- PROPOSED SETTLEMENT RATES -----		
	Customer Charge	Distr. Charge/Therm	Customer Charge	Distr. Charge/Therm	New Rate Class/Residential (RS) and General Service (GS)	Customer Charge	Distr. Charge/Therm
Bill Collection in lieu of disconnection	\$20.00		\$20.00			\$25.00	
Bill Collection in lieu of disconnection (outside normal business hours)						\$32.00	
Temporary Disconnection	\$25.00		\$25.00			\$35.00	
Temporary Disconnect (Outside regular business hours)	\$25.00		\$25.00			\$45.00	
Meter Read Outside Normal Schedule						\$15.00	
Meter Read Outside Normal Schedule (Outside Normal Business Hours)						\$22.00	

FLORIDA CITY GAS
Rate Design Revenue Comparisons

EXHIBIT B

Docket No. 20170179-GU

Page 1 of 1

Class	Revenue from Base Rates									
	Original Filed				Adjusted for			3-08-2018		
	Current Rates	Proposal	Increase	Pct. Increase	Tax Law Changes	Increase	Pct. Increase	Settlement Proposal	Increase	Pct. Increase
RS-1	\$ 6,444,054	\$ 7,210,626	\$ 766,572	11.9%	\$ 7,089,561	\$ 645,507	10.0%	\$ 6,984,757	\$ 540,703	8.4%
RS-100	\$ 17,348,299	\$ 18,807,784	\$ 1,459,484	8.4%	\$ 18,572,299	\$ 1,224,000	7.1%	\$ 18,572,299	\$ 1,224,000	7.1%
RS-600	\$ 671,130	\$ 550,722	\$ (120,408)	-17.9%	\$ 571,948	\$ (99,183)	-14.8%	\$ 671,130	\$ -	0.0%
GS-1	\$ 5,313,299	\$ 7,041,468	\$ 1,728,169	32.5%	\$ 6,719,445	\$ 1,406,146	26.5%	\$ 6,457,906	\$ 1,144,607	21.5%
GS-6k	\$ 8,996,894	\$ 11,981,069	\$ 2,984,175	33.2%	\$ 11,402,309	\$ 2,405,415	26.7%	\$ 10,935,033	\$ 1,938,139	21.5%
GS-25k	\$ 5,398,680	\$ 7,088,431	\$ 1,689,750	31.3%	\$ 6,757,391	\$ 1,358,710	25.2%	\$ 6,561,681	\$ 1,163,001	21.5%
GS-120k	\$ 6,833,871	\$ 12,514,667	\$ 5,680,795	83.1%	\$ 10,969,033	\$ 4,135,162	60.5%	\$ 8,306,045	\$ 1,472,174	21.5%
GS-1250k	\$ 2,386,020	\$ 3,932,041	\$ 1,546,021	64.8%	\$ 3,619,212	\$ 1,233,192	51.7%	\$ 2,900,024	\$ 514,004	21.5%
GS-11M										
GS-25M										
GAS LIGHTING	\$ 20,967	\$ 74,105	\$ 53,139	253.4%	\$ 15,345	\$ (5,622)	-26.8%	\$ 20,967	\$ -	0.0%
NGV										
Contract Demand	\$ 171,598	\$ 171,598	\$ -	0.0%	\$ 171,598	\$ -	0.0%	\$ 171,598	\$ -	0.0%
TPS	\$ 262,518	\$ 266,633	\$ 4,115	1.6%	\$ 265,891	\$ 3,373	1.3%	\$ 265,891	\$ 3,373	1.3%
Total All Classes	\$ 53,847,331	\$ 69,639,143	\$ 15,791,812	29.3%	\$ 66,154,031	\$ 12,306,700	22.9%	\$ 61,847,331	\$ 8,000,000	14.9%
Total Residential	\$ 24,463,483	\$ 26,569,131	\$ 2,105,648	8.6%	\$ 26,233,807	\$ 1,770,324	7.2%	\$ 26,228,186	\$ 1,764,702	7.2%
Total Commercial and Industrial	\$ 28,928,765	\$ 42,557,676	\$ 13,628,910	47.1%	\$ 39,467,390	\$ 10,538,625	36.4%	\$ 35,160,690	\$ 6,231,925	21.5%
GS- 1 through 25K	\$ 19,708,874	\$ 26,110,968	\$ 6,402,095	32.5%	\$ 24,879,145	\$ 5,170,272	26.2%	\$ 23,954,621	\$ 4,245,747	21.5%
GS-120k	\$ 6,833,871	\$ 12,514,667	\$ 5,680,795	83.1%	\$ 10,969,033	\$ 4,135,162	60.5%	\$ 8,306,045	\$ 1,472,174	21.5%
GS-1250k	\$ 2,386,020	\$ 3,932,041	\$ 1,546,021	64.8%	\$ 3,619,212	\$ 1,233,192	51.7%	\$ 2,900,024	\$ 514,004	21.5%

SOUTHERN GAS COMPANY - FLORIDA CITY GAS
 COMPARISON OF DEPRECIATION ACCRUAL RATES with OPC Settlement
 Docket No. 20170179-GU: DEPRECIATION STUDY AT JULY 31, 2018

EXHIBIT C

Page 1 of 2

Account	Description	Plant	Existing Accrual		Proposed Accrual		Difference
		In Service 7/31/2018	Rate	Amount	Rate	Amount	
STORAGE PLANT							
364.00	LNG Plant	-	New	0.00	2.00%	-	-
DISTRIBUTION PLANT							
375.00	Structures & Improvements	-	2.80%	-	3.10%	-	-
376.10	Mains, Steel	109,201,912.12	3.00%	3,276,057.36	2.50%	2,730,047.80	(546,009.56)
376.20	Mains, Plastic	150,016,422.85	3.10%	4,650,509.11	2.50%	3,750,410.57	(900,098.54)
378.00	M&R Station Equipment - General	3,009,723.14	3.30%	99,320.86	3.50%	105,340.31	6,019.45
379.00	M&R Station Equipment - City Gate	10,001,910.51	3.30%	330,063.05	2.70%	270,051.58	(60,011.46)
380.10	Services, Steel	14,597,871.55	6.50%	948,861.65	2.70%	394,142.53	(554,719.12)
380.20	Services, Plastic	61,702,824.15	4.10%	2,529,815.79	2.54%	1,570,251.30	(959,564.49)
381.00	Meters	17,980,577.91	4.90%	881,048.32	6.10%	1,096,815.25	215,766.93
381.10	Meters - ERTs	1,563,534.26	4.90%	76,613.18	6.10%	95,375.59	18,762.41
382.00	Meter Installations	7,163,196.41	4.50%	322,343.84	3.57%	255,843.65	(66,500.19)
382.10	Meter Install - ERTs	4,694,672.47	6.70%	314,543.06	3.10%	145,534.85	(169,008.21)
383.00	House Regulators	5,883,812.60	4.90%	288,306.82	3.00%	176,514.38	(111,792.44)
384.00	House Regulator Installations	2,308,976.45	3.10%	71,578.27	3.20%	73,887.25	2,308.98
385.00	Industrial M&R Station Equipment	3,045,477.79	3.30%	100,500.77	1.48%	45,185.22	(55,315.55)
387.00	Other Equipment	836,930.34	3.30%	27,618.70	3.00%	25,107.91	(2,510.79)
	Total Distribution	392,007,842.55	3.55%	13,917,180.77	2.74%	10,734,508.18	(3,182,672.59)
GENERAL PLANT							
390.00	Structures & Improvements	8,410,477.58	2.60%	218,672.42	2.50%	210,261.94	(8,410.48)
391.00	Office Furniture	635,483.69	7.70%	48,932.24	6.70%	42,577.41	(6,354.84)
391.10	Software Non-Enterprise	215,218.44 *	8.30%	17,863.13	10.00%	21,521.84	3,658.71
391.11	Computer Software	12,908,974.23	9.10%	1,174,716.65	8.30%	1,071,444.86	(103,271.79)
391.12	Computer Hardware	660,986.99	8.30%	54,861.92	20.00%	132,197.40	77,335.48
391.50	Individual Equipment	181,679.78 *	8.30%	15,079.42	20.00%	36,335.96	21,256.53
392.00	Transportation Equipment	1,224,132.85	11.50%	140,775.28	8.40%	102,827.16	(37,948.12)
392.10	Trans Equip - Autos & Lt Trucks	128,094.98 **	11.50%	-	11.00%	-	-
392.20	Trans Equip - Service Trucks	3,231,811.69	11.50%	371,658.34	12.10%	391,049.21	19,390.87
392.30	Trans Equip - Heavy Trucks	374,203.71	11.50%	43,033.43	4.90%	18,335.98	(24,697.44)
393.00	Stores Equipment	-	6.20%	-	4.00%	-	-
394.00	Tools, Shop, & Garage Equipment	644,251.65	7.20%	46,386.12	6.70%	43,164.86	(3,221.26)
394.10	Natural Gas Vehicle Equipment	3,661,962.71	5.00%	183,098.14	4.70%	172,112.25	(10,985.89)
395.00	Laboratory Equipment	-	4.00%	-	5.00%	-	-
396.00	Power Operated Equipment	210,084.00	8.30%	17,436.97	6.50%	13,655.46	(3,781.51)
397.00	Communication Equipment	609,131.06	8.30%	50,557.88	8.30%	50,557.88	-
398.00	Miscellaneous Equipment	248,144.09	7.50%	18,610.81	5.00%	12,407.20	(6,203.60)
	General Plant Amortization True Up					284,453.60	284,453.60
	Total General	33,344,637.45	7.20%	2,401,682.75	7.81%	2,602,903.01	201,220.26
	TOTAL DEPRECIATED PLANT	\$ 425,352,480.00	3.84%	\$ 16,318,863.52	3.14%	\$ 13,337,411.19	\$ (2,981,452.32)

SOUTHERN GAS COMPANY - FLORIDA CITY GAS
COMPARISON OF DEPRECIATION PARAMETERS with OPC Settlement
Docket No. 20170179-GU: DEPRECIATION STUDY AS OF JULY 31, 2018

Account Description	Existing		Proposed		OPC Settlement	
	Curve ASL	Net Salvage	Curve ASL	Net Salvage	Curve ASL	Net Salvage
STORAGE PLANT						
364.00 LNG Plant			S4 50	0%	S4 50	0%
DISTRIBUTION PLANT						
375.00 Structures & Improvements	R3 40	0%	R5 32	0%	R5 32	0%
376.10 Mains, Steel	S3 42	-25%	S3 55	-50%	S3 55	-50%
376.20 Mains, Plastic	S3 40	-20%	S3 55	-40%	S3 55	-40%
378.00 M&R Station Equipment - General	S3 30	0%	S3 30	-5%	S3 30	-5%
379.00 M&R Station Equipment - City Gate	S4 30	0%	S4 35	-5%	S4 35	-5%
380.10 Services, Steel	S6 35	-80%	S6 45	-100%	S6 45	-100%
380.20 Services, Plastic	S4 34	-30%	S4 45	0%	S4 R2.5	0%
381.00 Meters	S3 25	-3%	R1.5 20	-5%	R1.5 20	-5%
381.10 Meters - ERTs	S3 25	-3%	R1.5 20	-5%	R1.5 20	-5%
382.00 Meter Installations	S3 34	-25%	S3 30	-20%	S3 34	-20%
382.10 Meter Install - ERTs	S3 15	0%	R1.5 20	0%	R1.5 20	0%
383.00 House Regulators	S3 25	-3%	S3 30	-5%	S3 30	-5%
384.00 House Regulator Installations	S3 34	0%	S3 30	0%	S3 30	0%
385.00 Industrial M&R Station Equipment	R3 30	0%	R3 30	0%	R2 37	0%
387.00 Other Equipment	S5 30	0%	S5 30	0%	S5 30	0%
GENERAL PLANT						
390.00 Structures & Improvements	R1 40	0%	R1 40	0%	R1 40	0%
391.00 Office Furniture	S2 19	0%	SQ 15	0%	SQ 15	0%
391.10 Software Non-Enterprise	S2 12	0%	SQ 10	0%	SQ 10	0%
391.11 Computer Software	R4 11	0%	SQ 12	0%	SQ 12	0%
391.12 Computer Hardware	S2 12	0%	SQ 5	0%	SQ 5	0%
391.50 Individual Equipment	S2 12	0%	SQ 5	0%	SQ 5	0%
392.00 Transportation Equipment	L3 12	12%	L2.5 12	12%	L2.5 12	12%
392.10 Trans Equip - Autos & Lt Trucks	L3 12	12%	L3 8	12%	L3 8	12%
392.20 Trans Equip - Service Trucks	L3 12	12%	L3 8	12%	L3 8	12%
392.30 Trans Equip - Heavy Trucks	L3 12	12%	L3 13	12%	L3 13	12%
393.00 Stores Equipment	R2 25	0%	SQ 25	0%	SQ 25	0%
394.00 Tools, Shop, & Garage Equipment	S2 15	0%	SQ 15	0%	SQ 15	0%
394.10 Natural Gas Vehicle Equipment			S4 20	0%	S4 20	0%
395.00 Laboratory Equipment	S4 25	0%	SQ 20	0%	SQ 20	0%
396.00 Power Operated Equipment	S3 15	0%	SQ 15	10%	SQ 15	10%
397.00 Communication Equipment	R2 12	0%	SQ 12	0%	SQ 12	0%
398.00 Miscellaneous Equipment	S3 15	0%	SQ 20	0%	SQ 20	0%