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October 3, 2022

VIA ELECTRONIC FILING

Mr. Adam J. Teitzman
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850


Re: Docket No. 20220069-GU
Florida City Gas – Rebuttal Testimony of Tara B. DuBose

Dear Mr. Teitzman:

Enclosed for filing on behalf of Florida City Gas (“FCG”) in the above-referenced docket is the **Rebuttal Testimony of FCG witness Tara B. DuBose**, together with Exhibits TBD-7 through TBD-9.

A copy of this filing is being served in accordance with the attached certificate of service. If you or your staff have any question regarding this filing, please contact me at (561) 691-7144.

Respectfully submitted,



Christopher T. Wright
Authorized House Counsel No. 1007055

Enclosures

Cc: Ken Hoffman

Florida Power & Light Company
700 Universe Boulevard, Juno Beach, FL 33408

CERTIFICATE OF SERVICE

20220069-GU

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic mail this 3rd day of October 2022 to the following parties:

<p>Walter Trierweiler, Esquire Matthew Jones, Esquire Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399 wtrierwe@psc.state.fl.us majones@psc.state.fl.us <i>For Commission Staff</i></p>	<p>Office of Public Counsel c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400 Gentry.richard@leg.state.fl.us wessling.mary@leg.state.fl.us <i>For Office of Public Counsel</i></p>
<p>Beth Keating Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601 Tallahassee, FL 32301 BKeating@gunster.com <i>For Florida City Gas</i></p>	<p>T. Jernigan/H. Buchanan/E. Payton/ R. Franjul/M. Duffy 139 Barnes Drive, Suite 1 Tyndall AFB FL 32403 thomas.jernigan.3@us.af.mil holly.buchanan.1@us.af.mil ebony.payton.ctr@us.af.mil rafael.franjul@us.af.mil ULFSC.Tyndall@us.af.mil Marcus.duffy.3@us.af.mil <i>For Federal Executive Agencies</i></p>

s/ Christopher T. Wright

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Attorney for Florida City Gas

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **DOCKET NO. 20220069-GU**

3
4 **FLORIDA CITY GAS**

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6
7
8 **REBUTTAL TESTIMONY OF**

9
10 **TARA B. DUBOSE**

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13
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15 **Topics: Cost of Service,**
16 **Revenue Allocation**
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24 **Filed: October 3, 2022**

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1 **I. INTRODUCTION**

2 **Q. Please state your name and business address.**

3 A. My name is Tara DuBose. My business address is Florida Power & Light Company,
4 700 Universe Boulevard, Juno Beach, Florida 33408.

5 **Q. Did you previously submit direct testimony?**

6 A. Yes. On May 31, 2022, I submitted written direct testimony on behalf of Pivotal Utility
7 Holdings, Inc. d/b/a Florida City Gas (“FCG” or the “Company”), together with
8 Exhibits TBD-1 through TBD-6.

9 **Q. What is the purpose of your rebuttal testimony?**

10 A. The purpose of my rebuttal testimony is to address the testimony of the Federal
11 Executive Agencies (“FEA”) witness Brian C. Collins regarding FCG’s proposed cost
12 of service study (“COS”) and proposed revenue increase distribution. Specifically, I
13 will respond to FEA witness Collins’ proposal to allocate capacity costs using a design
14 day allocation and explain why such an allocation is not reasonable, is inconsistent with
15 the principles of gradualism, and is not reflective of how FCG operates and provides
16 service to its customers.

17 **Q. Are you sponsoring or co-sponsoring any exhibits with your rebuttal testimony?**

18 A. Yes. I am sponsoring the following exhibits with my rebuttal testimony:

- 19
- Exhibit TBD-7 – Customers and Usage Comparison by Customer Group

20

 - Exhibit TBD-8 – Comparison of FEA to FCG Revenue Allocations

21

 - Exhibit TBD-9 – Comparison of FEA to FCG Increase Allocations

1 I also co-sponsor Exhibit LF-10 – FCG’s Notice of Identified Adjustments filed August
2 16, 2022, filed with the rebuttal testimony of FCG witness Fuentes.

3

4 **II. GENERAL RESPONSE TO FEA’S CONCERNS**

5 **Q. Before addressing the specific issues and recommendations raised by FEA, do you**
6 **have any general observations?**

7 A. Yes. I note that all of the FEA customers take natural gas service under FCG’s
8 commercial and industrial (“CI”) rates. Not surprisingly, FEA witness Collins
9 proposed allocation, if adopted, would significantly shift costs from the CI customer
10 classes to the residential customers classes, with most residential customers
11 experiencing a revenue increase in excess of 66% under his proposal. As further
12 explained below, such an allocation is not reasonable, is inconsistent with the principles
13 of gradualism, and is not reflective of how FCG operates and provides service to its
14 customers.

15

16 Relying on the National Association of Regulatory Utility Commissioners Gas
17 Distribution Rate Design Manual (“NARUC Manual”), FEA witness Collins proposes
18 to allocate capacity costs using a design day allocation. FEA witness Collins
19 generalizes that the expected demand on the system peak day is the key consideration
20 for demand cost allocations. Contrary to his assertion, however, the NARUC Manual
21 recognizes that different demand cost allocation methods can and often are used.
22 Indeed, page 19 of the NARUC Manual provides that “there is no one correct cost of
23 service, but rather a range of reasonable alternatives.” Page 27 of the NARUC Manual

1 further states the “most commonly used demand allocations for natural gas distribution
2 utilities are the coincident demand method, the non-coincident demand method, the
3 peak and average method, or some modification or combination of the three.”

4
5 FEA witness Collins also overlooks that the Peak and Average (“P&A”) cost allocation
6 methodology used by FCG in this proceeding has been widely used by investor-owned
7 natural gas utilities in Florida, including FCG, Peoples Gas System, and Florida Public
8 Utilities. As further explained below, the P&A method appropriately reflects the
9 unique attributes and operations of Florida gas utilities, where the residential load or
10 throughput is significantly lower than the CI load and the customers all take service in
11 a much warmer climate with less heating load as compared to northern gas utilities.

12
13 **III. COST OF SERVICE ALLOCATION METHODOLOGIES**

14 **Q. Does FEA witness Collins agree with FCG’s class cost of service study (“COSS”)**
15 **allocations for distribution mains?**

16 A. No. FEA witness Collins states throughout his testimony that the allocation of
17 distribution mains in FCG’s COSS based on a P&A allocation methodology does not
18 reflect cost causation. Instead, he proposes allocating FCG’s distribution mains based
19 on design day demand and number of customers, which is essentially a minimum
20 system allocation. FEA witness Collins states that his proposed allocation “better
21 reflects cost causation” because it allocates distribution mains on a demand and
22 customer basis and not a demand basis alone.

1 **Q. Do you agree that allocating distribution mains based on a design day demand**
2 **better reflects cost causation?**

3 A. No. FEA witness Collins fails to consider that the P&A method, by definition, allocates
4 costs on both class peak usage (demand component) and class average usage (customer
5 component). For FCG's systems, class average usage is a better indicator of a customer
6 component for capacity costs as it accounts for the relatively small amount of usage
7 per residential customer throughout the year, instead of simply developing an allocator
8 based on number of customers with no weighting. Additionally, FEA witness Collins'
9 proposed method reduces the cost allocations to rate classes containing FEA's CI
10 accounts and reallocates those costs to rate classes with a larger number of customers
11 and much lower per-customer usage and demand, such as the residential class, with no
12 reasonable justification.

13 **Q. Why is an allocation method using design day not appropriate for FCG?**

14 A. On page 9 of his testimony, FEA witness Collins states that FCG designs its system to
15 meet the design day demands (*i.e.*, firm coincident demands) of its customer classes
16 and, therefore, must allocate some of its distribution costs based on design day demand.
17 While design day demand may be a factor in system design, the guidance provided by
18 the NARUC Manual acknowledges that there are other factors to consider when
19 allocating distribution costs that are unique to each gas utility:

20 Demand or capacity costs are allocated to customer classes based
21 upon an analysis of system load conditions and on how each
22 customer class affects such costs.... There is a wide variety of
23 alternative formulas for allocating and determining demand costs,
24 each of which has received support from some rate experts. No
25 method is universally accepted, although some definitely have more
26 merit than others.

27 *See NARUC Manual, p. 25.*

1 FEA witness Collins' proposal related to design day could be appropriate for a utility
2 located in a colder climate that builds and operates its system to serve high and
3 extended winter peaks that occur due to increased residential gas heating load. This
4 type of system would be sized to meet a high but intermittent demand. However, to
5 apply this same method to FCG fails to consider that approximately 49% of FCG's
6 customers are located in Miami, Florida, a geographical area with temperatures that are
7 consistently warmer than most other parts of the United States during peak winter
8 months. For example, over the past 20 years, the monthly average temperature for
9 Miami during January, historically the coldest month, has been 68.5 degrees. The three
10 coldest days in the past 20 years all occurred in 2010, with a low temperature of 36
11 degrees each. However, the average daily low temperature in January over the same
12 period was 61.5 degrees. Thus, FCG's system experiences much less heating load and
13 is not as peak sensitive as a gas utility in a colder climate.

14
15 Additionally, FEA witness Collins' allocation method does not account for the actual
16 utilization of the mains by the different classes of customers. Although residential
17 customers make up 93% of the customers on FCG's system, the residential customers
18 flow only 14% of the gas on FCG's system on an annual basis, while CI customers
19 flow 86% of the gas on FCG's system on an annual basis¹ as shown in Exhibit TBD-7.
20 Despite the fact that the CI customers' use of the FCG system is over six times that of
21 the residential customers, FEA witness Collins' cost of service would allocate 70% of

¹ Excluding throughput by KDS customers that are on special contracts and not impacted by the proposed base rate increase.

1 the total revenue requirements to the residential customers while only 29% would be
2 assigned to the CI classes as shown in Exhibit TBD-8. Clearly, FEA witness Collins’
3 method would inappropriately shift costs away from those customers who use FCG’s
4 system the most during the year to the residential customers who use it the least.

5 **Q. What allocation methodology did FCG use for capacity costs including**
6 **distribution mains?**

7 A. FCG used the P&A allocation methodology for all capacity costs embedded in the
8 COSS model. I note that this allocation methodology is part of the Minimum Filing
9 Requirements Schedule H required by the Florida Public Service Commission
10 (“Commission”). This method, as calculated by FCG, equally weights the highest
11 monthly usage for each rate class (the non-coincident peak demand) with the average
12 usage of each rate class.

13 **Q. Why is FCG’s P&A allocation methodology for capacity costs appropriate?**

14 A. The use of the P&A allocation methodology in FCG’s COSS assigns 37% of costs to
15 residential customers and 62% to the commercial and industrial classes as shown in
16 Exhibit TBD-8. When considering the actual usage of the system by the residential
17 classes is only 14% and the actual usage of the system by the CI customer classes is
18 86%, this cost allocation methodology, while not exact, better reflects how customers
19 use FCG’s system than a design day approach and is more consistent with cost
20 causation theory.

1 **IV. FINAL REVENUE ALLOCATIONS**

2 **Q. Does FEA witness Collins agree with FCG’s proposed class revenue allocations?**

3 A. No. On page 19 of his testimony, FEA witness Collins asserts that FCG’s final class
4 revenue allocations are based solely on its COSS study, which he contends should be
5 rejected because it applied the P&A allocation method. He then recommends a class
6 revenue allocation based on the results of his proposed COSS methodology, which used
7 a methodology that included design day demand and number of customers, to allocate
8 capacity costs. For the reasons explained previously, FEA witness Collins’ proposed
9 COSS methodology is not appropriate and should be rejected.

10 **Q. Is FEA witness Collins correct that FCG’s final class revenue allocation was based**
11 **solely on its COSS?**

12 A. No. While the equalized COSS was the starting point for final revenue allocations,
13 other factors were considered, such as the impact of past cost of service allocations, the
14 concept of gradualism in relation to revenue increases, parity by rate class, and the
15 unique competitive concerns of FCG’s CI customer classes as explained in my direct
16 testimony.

17
18 FCG’s approach to final rate design cost allocations is consistent with guidance from
19 the NARUC Manual, which states that “Cost allocation studies should only be utilized
20 as a general guide or starting point for rate design.” *See* NARUC Manual, p. 20. The
21 NARUC Manual further explains:

22 First it should be recognized that rate design does not occur in a
23 vacuum. The utility likely has an existing rate design which must
24 be considered. Although states prohibit undue discrimination in
25 setting utility rates, the utility’s product must compete with

1 alternative energy sources in the marketplace. These and other
2 similar factors will likely affect the viewpoint and potential results
3 of the rate designer.

4 *See* NARUC Manual, p. 18.

5 **Q. Why are FCG's proposed class revenue allocations appropriate?**

6 A. As described on page 23 of my direct testimony, "FCG has set the proposed revenues
7 by rate class to improve parity among the rate classes to the greatest extent possible,
8 while following the Commission practice of gradualism and considering the
9 competitive nature of the natural gas industry." My direct testimony goes on to
10 describe that the proposed percentage increases were limited to lessen the impacts to
11 customer bills. Additionally, even though large CI customer classes were well below
12 parity, final rate increases were limited to consider these customers' ability to use
13 alternative fuel sources or to bypass or relocate their businesses should gas service
14 become uneconomical.

15 **Q. What factors influence rate design for a natural gas distribution company like**
16 **FCG?**

17 A. As previously stated, rate design is a careful balance of factors, including: cost of
18 service results and parity; current rates and their underlying cost allocations; bill
19 impacts to average customers in each class; and the competitive nature of the gas
20 distribution business concerning customers with the ability to switch fuels or bypass.

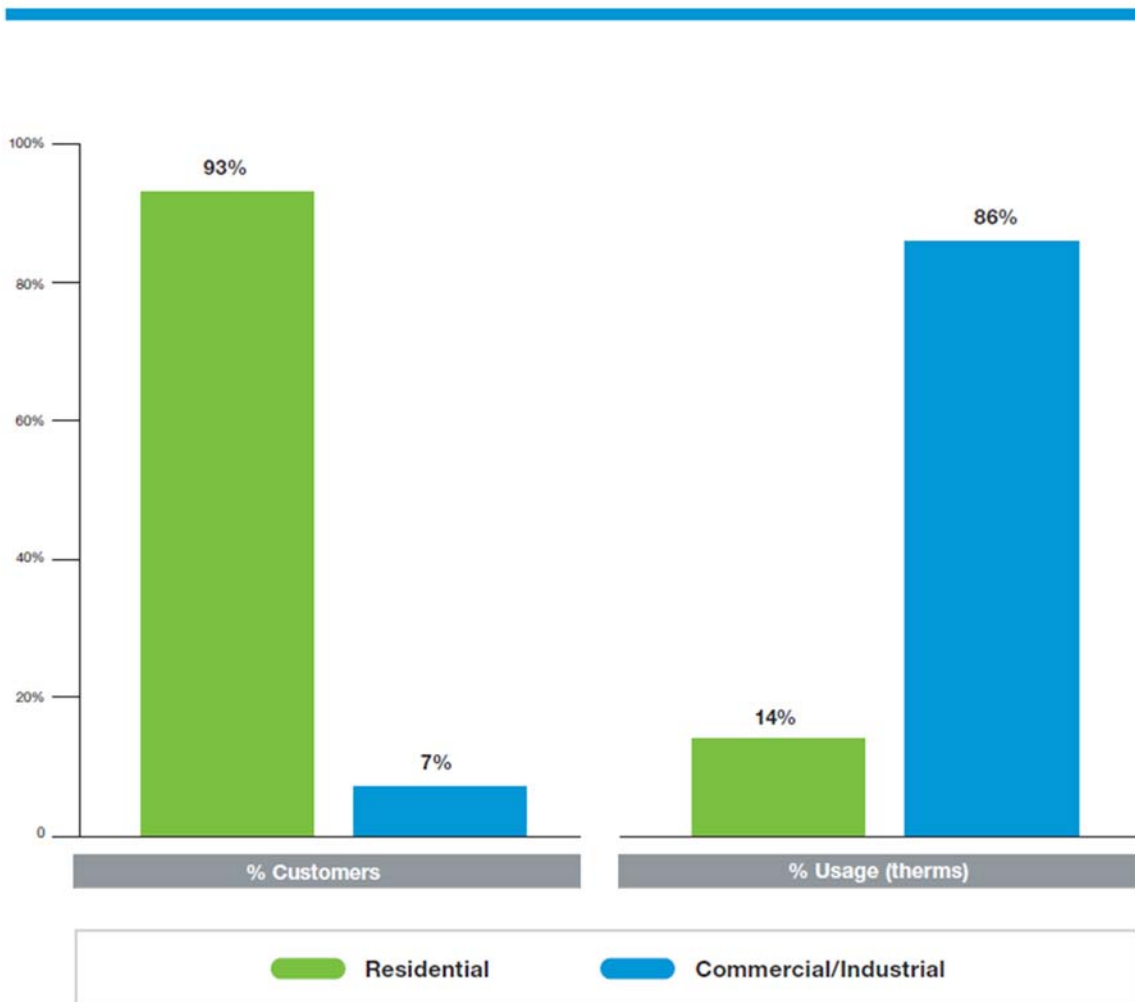
21 **Q. Why is FEA witness Collins' proposed revenue allocation not appropriate for**
22 **FCG?**

23 A. As stated previously, FCG's residential customers make up 93% of FCG's total
24 customer count, but flow only 14% of the gas on FCG's system on an annual basis,
25 while CI customers flow 86% of the gas on FCG's system on an annual basis (see

1 Figure 1 below). As shown in Exhibit TBD-9, under FEA witness Collins' final
2 proposed allocations, most residential customer classes would receive an increase of
3 66.64%, while the CI classes containing FEA's customers would receive only 24.81%
4 increases. By taking a more balanced approach, FCG's final rate allocations propose
5 increases that range from 34% to 55.7% for the residential class and from 44.1% to
6 53.8% for the CI classes.

7 **Figure 1**

FCG Customers vs. Usage



8

9

1 **V. IDENTIFIED ADJUSTMENTS TO FCG’S REVENUE REQUIREMENTS**

2 **Q. Has FCG identified adjustments that should be made to the cost of service or rate**
3 **design for the 2023 Test Year?**

4 A. Yes. FCG determined that there was a formula error in the calculation of present
5 revenues for the Load Enhancement Service (“LES”), that when corrected resulted in
6 an increase of \$155,495 in the present operating revenue forecast as reflected in the
7 COSS. While the present operating revenues were adjusted in the COSS, the associated
8 change in income tax expense was not adjusted. Therefore, the correct impact of the
9 adjustment to present operating net income in the COSS should have been an increase
10 of \$116,085. Thus, the net impact of these adjustment to the COSS is a decrease of
11 \$39,410 to present net operating income. To reflect the impacts of this correction, FCG
12 filed a Notice of Identified Adjustments on August 16, 2022, which is provided as
13 Exhibit LF-10 to the rebuttal testimony of FCG witness Fuentes.

14

15 Subsequently, FCG identified an additional adjustment to present revenues. When
16 forecasting miscellaneous service revenues, FCG inadvertently included \$16,071 for
17 forecasted billing adjustments that should be removed from the 2023 Test Year present
18 operating revenues. The impact of this adjustment will be an increase to FCG’s
19 calculated revenue deficiency of \$11,998 for the 2023 Test Year, which is reflected in
20 FCG’s updated 2023 Test Year Recalculated Revenue Requirements provided as
21 Exhibits LF-11 and LF-12 to the rebuttal testimony of FCG witness Fuentes.

22 **Q. Does this conclude your rebuttal testimony?**

23 A. Yes.

**FLORIDA CITY GAS
2023 TEST YEAR FORECAST
NUMBER OF BILLS**

RATE CLASS	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	TOTAL
RS-1	30,754	30,792	30,829	30,851	30,850	30,863	30,880	30,905	30,914	30,930	30,963	31,001	370,532
RS-100	76,591	76,684	76,776	76,832	76,830	76,861	76,904	76,966	76,989	77,029	77,110	77,206	922,780
RS-600	1,353	1,348	1,346	1,348	1,349	1,350	1,350	1,350	1,349	1,349	1,349	1,349	16,192
GS-1	4,254	4,261	4,267	4,273	4,280	4,286	4,292	4,299	4,305	4,311	4,318	4,324	51,470
GS-1 (Transportation)	1,486	1,489	1,492	1,495	1,497	1,500	1,502	1,505	1,507	1,509	1,511	1,513	18,005
GS-6K	943	939	934	929	925	920	916	911	906	902	897	892	11,015
GS-6K (Transportation)	1,198	1,195	1,192	1,189	1,186	1,183	1,180	1,177	1,175	1,172	1,169	1,167	14,184
GS-25K	82	82	82	82	82	82	82	82	82	82	82	82	984
GS-25K (Transportation)	279	278	278	278	277	277	277	277	277	278	278	278	3,331
Gas Light	1	1	1	1	1	1	1	1	1	1	1	1	12
GS-120K	11	11	11	11	11	11	11	11	11	11	11	11	133
GS-120K (Transportation)	87	87	87	87	87	87	87	87	87	87	87	87	1,045
GS-1250K	-	-	-	-	-	-	-	-	-	-	-	-	-
GS-1250K (Transportation)	9	9	9	9	9	9	9	9	9	9	9	9	108
GS-11 M	-	-	-	-	-	-	-	-	-	-	-	-	-
GS-25M	-	-	-	-	-	-	-	-	-	-	-	-	-
KDS**	1	1	1	1	1	1	1	1	1	1	1	1	12
KDS New Additions	-	-	-	-	-	-	-	-	-	-	-	-	-
LES	3	3	3	3	3	3	3	3	3	3	3	3	36
TFKDS25M**	1	1	1	1	1	1	1	1	1	1	1	1	12
CSG*	35	35	35	35	35	35	35	35	35	35	35	35	422
RSG*	12	12	12	12	12	12	12	12	12	12	12	12	140
TPS*	10	10	10	10	10	10	10	10	10	10	10	10	120
Total	117,111	117,238	117,367	117,448	117,447	117,493	117,554	117,641	117,675	117,731	117,847	117,982	1,410,533

* CSG, RSG, and TPS customers were not included in the original forecast supported by witness Campbell

** KDS customers where removed from cost of service calculations

Residential Customers	93%	1,309,624
Commercial/Industrial (CI) Customers	7%	100,853
		1,410,477

**FLORIDA CITY GAS
2023 TEST YEAR FORECAST
NUMBER OF THERMS**

RATE CLASS	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	TOTAL
RS-1	279,777	278,513	257,795	234,330	211,942	193,538	178,012	183,863	170,565	185,375	201,453	262,313	2,637,477
RS-100	1,564,326	1,529,554	1,360,444	1,222,521	1,099,556	1,018,908	909,248	919,249	871,766	937,636	978,814	1,371,548	13,783,571
RS-600	143,934	124,480	134,474	126,606	104,903	79,930	65,758	63,930	65,591	82,831	88,982	125,700	1,207,119
GS-1	774,711	768,847	765,186	734,337	731,765	697,937	661,249	662,594	678,237	689,678	720,278	774,636	8,659,454
GS-1 (Transportation)	453,873	446,566	442,497	437,625	435,585	435,300	435,421	435,542	435,673	437,079	441,843	448,171	5,285,175
GS-6K	933,214	911,168	898,785	883,947	877,576	876,439	876,505	876,558	876,628	880,517	894,470	913,114	10,698,920
GS-6K (Transportation)	1,343,243	1,313,118	1,308,265	1,239,379	1,215,450	1,175,154	1,144,185	1,135,280	1,191,064	1,183,005	1,250,754	1,343,671	14,842,568
GS-25K	317,881	317,096	316,120	315,406	314,889	314,719	314,744	315,004	315,579	316,002	316,159	315,996	3,789,595
GS-25K (Transportation)	807,051	805,252	804,667	804,422	804,466	805,084	804,674	804,594	805,238	806,356	806,400	805,759	9,663,964
Gas Light**	1,515	1,515	1,515	1,515	1,515	1,515	1,515	1,515	1,515	1,515	1,515	1,515	18,177
GS-120K	169,854	170,512	170,927	171,105	170,900	171,013	170,909	170,541	169,928	169,834	170,224	170,406	2,046,153
GS-120K (Transportation)	2,854,028	2,717,001	2,859,966	2,662,470	2,614,007	2,472,677	2,549,503	2,465,015	2,372,406	2,829,081	2,756,214	2,895,164	32,047,533
GS-1250K	-	-	-	-	-	-	-	-	-	-	-	-	-
GS-1250K (Transportation)	1,639,025	1,290,307	1,593,057	1,645,810	1,618,788	1,229,223	1,231,855	1,512,050	1,610,851	1,684,799	1,422,380	1,471,413	17,949,558
GS-11 M	-	-	-	-	-	-	-	-	-	-	-	-	-
GS-25M	-	-	-	-	-	-	-	-	-	-	-	-	-
KDS*	1,010,039	685,026	865,140	844,504	264,288	225,493	126,224	305,483	410,351	912,240	1,547,596	1,128,836	8,325,221
KDS New Additions	-	-	-	-	-	-	-	-	-	-	-	-	-
LES120K	150,055	150,930	152,062	152,661	152,558	152,370	152,018	151,746	151,506	151,262	151,287	151,485	1,819,940
LES1250K	204,182	205,373	206,914	207,728	207,588	207,332	206,854	206,483	206,157	205,825	205,859	206,128	2,476,424
TFKDS25M*	3,464,706	3,464,706	3,352,941	1,452,941	3,352,941	3,440,998	4,178,600	2,934,220	2,889,111	3,030,714	3,464,706	3,352,941	38,379,526
CSG**	1,407	1,407	1,407	1,407	1,407	1,407	1,407	1,407	1,407	1,407	1,407	1,407	16,885
RSG**	28	28	28	28	28	28	28	28	28	28	28	28	341
TPS	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	16,112,851	15,181,397	15,492,189	13,138,742	14,180,154	13,499,066	14,008,709	13,145,103	13,223,601	14,505,185	15,420,371	15,740,232	173,647,601

*Therms for KDS customers where removed from cost of service calculations
 ** CSG, RSG, and Gas lightning therms were not included in the original forecast supported by witness Campbell

Residential Therms	14%	17,628,508
CI Therms	86%	109,296,169
		126,924,677
Average Residential Therms per Customer		13
Average CI Therms per Customer		1,084
		90

Florida City Gas Company
Comparison of FEA to FCG Revenue Allocations
For the Test Year 2023
(Thousands)

Table 1 - Cost of Service Total Revenue Allocation Comparison

	<u>FEA COS</u>			<u>FCG COS</u>		
		<u>% of Total</u>	<u>% By Group</u>		<u>% of Total</u>	<u>% By Group</u>
RS-1	\$ 18,623	19.92%		\$ 9,103	9.74%	
RS-100	46,318	49.53%		24,980	26.72%	
RS-600	953	1.02%	70% RS	896	0.96%	37% RS
GS-1	10,087	10.79%		12,431	13.29%	
GS-6k	5,916	6.33%		13,093	14.00%	
GS-25k	2,275	2.43%		6,257	6.69%	
GS-120k	5,467	5.85%		16,727	17.89%	
GS-1250k	3,729	3.99%	29% CI	9,875	10.56%	62% CI
GS-11M	-	0.00%		-	0.00%	
GS-25M	-	0.00%		-	0.00%	
GAS LIGHTING	1	0.00%	0%	6	0.01%	0%
NGV	-	0.00%		-	0.00%	
Third Party Suppliers	137	0.15%	0%	137	0.15%	0%
	<u>\$ 93,506</u>	<u>100%</u>	<u>100%</u>	<u>\$ 93,505</u>	<u>100%</u>	<u>100%</u>

Table 2 - Rate Design Total Revenue Allocation Comparison

	<u>FEA Final</u>			<u>FCG Final</u>		
	<u>Revenue Allocation</u>	<u>% of Total</u>	<u>% By Group</u>	<u>Revenue Allocation</u>	<u>% of Total</u>	<u>% By Group</u>
RS-1	\$ 10,549	11.28%		\$ 9,381	10.03%	
RS-100	36,639	39.18%		28,541	30.52%	
RS-600	1,259	1.35%	52% RS	1,550	1.66%	42% RS
GS-1	10,087	10.79%		11,491	12.29%	
GS-6k	12,310	13.17%		15,199	16.25%	
GS-25k	6,427	6.87%		7,621	8.15%	
GS-120k	11,724	12.54%		14,350	15.35%	
GS-1250k	4,157	4.45%	48% CI	5,085	5.44%	57% CI
GS-11M	-	0.00%		-	0.00%	
GS-25M	-	0.00%		-	0.00%	
GAS LIGHTING	14	0.01%	0%	11	0.01%	0%
NGV	-	0.00%		-	0.00%	
Third Party Suppliers	338	0.36%	0%	276	0.30%	0%
	<u>\$ 93,504</u>	<u>100%</u>	<u>100%</u>	<u>\$ 93,505</u>	<u>100%</u>	<u>100%</u>

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Comparison of FEA to FCG Increase Allocations
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Florida City Gas Company
Comparison of FEA to FCG Increase Allocations
For the Test Year 2023
(Thousands)

Table 1 - Cost of Service Increase Comparison

	<u>FEA COS</u>	<u>% Increase on</u>	<u>% of Total</u>			<u>FCG COS</u>	<u>% Increase on</u>	<u>% of Total</u>		
	<u>Increase</u>	<u>Present Revenue</u>	<u>Increase</u>	<u>% By Group</u>		<u>Allocation</u>	<u>Present Revenue</u>	<u>Increase</u>	<u>% By Group</u>	
RS-1	\$ 12,292	194.20%	42.73%			\$ 3,078	51.10%	10.70%		
RS-100	24,332	110.70%	84.59%			3,679	17.30%	12.79%		
RS-600	(56)	-5.50%	-0.19%	127%	RS	(110)	-11.00%	-0.38%	23%	RS
GS-1	2,690	36.40%	9.35%			4,959	66.40%	17.24%		
GS-6k	(3,947)	-40.00%	-13.72%			3,000	29.70%	10.43%		
GS-25k	(2,874)	-55.80%	-9.99%			980	18.60%	3.41%		
GS-120k	(3,927)	-41.80%	-13.65%			6,971	71.50%	24.24%		
GS-1250k	398	11.90%	1.38%	-27%	CI	6,346	179.90%	22.06%	77%	CI
GS-11M	-	0.00%	0.00%			-	0.00%	0.00%		
GS-25M	-	0.00%	0.00%			-	0.00%	0.00%		
GAS LIGHTING	(10)	-94.70%	-0.03%	0%		(5)	-47.80%	-0.02%	0%	
NGV	-	0.00%	0.00%			-	0.00%	0.00%		
Third Party Suppliers	(134)	-49.30%	-0.47%	0%		(134)	-19.30%	-0.47%	0%	
	<u>\$ 28,764</u>	<u>44%</u>	<u>100%</u>	<u>100%</u>		<u>\$ 28,764</u>	<u>44%</u>	<u>100%</u>	<u>100%</u>	

Table 2 - Final Revenue Increase Comparison

	<u>FEA Increase</u>	<u>% Increase on</u>	<u>% of Total</u>			<u>FCG Increase</u>	<u>% Increase on</u>	<u>% of Total</u>		
	<u>Allocation</u>	<u>Present Revenue</u>	<u>Increase</u>	<u>% By Group</u>		<u>Allocation</u>	<u>Present Revenue</u>	<u>Increase</u>	<u>% By Group</u>	
RS-1	\$ 4,219	66.64%	14.67%			\$ 3,356	55.70%	11.67%		
RS-100	14,653	66.64%	50.94%			7,240	34.00%	25.17%		
RS-600	250	24.81%	0.87%	66%	RS	543	54.00%	1.89%	39%	RS
GS-1	2,690	24.81%	9.35%			4,019	53.80%	13.97%		
GS-6k	2,447	24.81%	8.51%			5,106	50.60%	17.75%		
GS-25k	1,278	24.81%	4.44%			2,344	44.40%	8.15%		
GS-120k	2,331	24.81%	8.10%			4,594	47.10%	15.97%		
GS-1250k	826	24.81%	2.87%	33%	CI	1,556	44.10%	5.41%	61%	CI
GS-11M	-	0.00%	0.00%			-	0.00%	0.00%		
GS-25M	-	0.00%	0.00%			-	0.00%	0.00%		
GAS LIGHTING	3	24.81%	0.01%	0%		-	0.20%	0.00%	0%	
NGV	-	0.00%	0.00%			-	0.00%	0.00%		
Third Party Suppliers	67	24.81%	0.23%	0%		5	1.90%	0.02%	0%	
	<u>\$ 28,764</u>	<u>44%</u>	<u>100%</u>	<u>100%</u>		<u>\$ 28,763</u>	<u>44%</u>	<u>100%</u>	<u>100%</u>	