

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

RE: Purchsed Gas Adjustment)

(PGA) True-Up)

DOCKET NO: 990003-GU

PREPARED REVISED DIRECT TESTIMONY

OF

JERRY H. MELENDY, JR.

ON BEHALF OF

SEBRING GAS SYSTEM, INC.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

1 Q. Please state your name, business address, by whom you are
2 employed and in what capacity.

3 A. My name is Jerry H. Melendy, Jr., my business address is
4 3515 U.S. Highway 27, South, Sebring, Florida 33870-5452.
5 I am the Vice President of Sebring Gas System, Inc. (the Company),
6 a Florida Corporation.

7 Q. What are your responsibilities in that position?

8 A. I am responsible for all areas of finance, rates, accounting
9 and taxes as well as general management responsibilities
10 of the company.

11 Q. Please state your educational background.

12 A. I have an Associate of Arts degree from Polk Community
13 College. I have a Bachelor of Arts degree from the University
14 of South Florida.

15 Q. What is the purpose of your testimony?

16 A. The purpose of my testimony is to present the calculation of Sebring Gas
17 System's levelized purchased gas cost for the upcoming twelve-month
18 period January 2000 through December 2000.

19 Q. Has the Company prepared the Schedules as prescribed by
20 this Commission for this purpose?

21 A. Yes, it has. The Schedules prescribed by the Commission are
22 being filed at this time. Copies are attached to my testimony.

23 Q. Would you please identify the Schedules which you are filing?

24 A. Yes. The Purchased Gas Adjustment Schedules presently filed
25 are as follows:

1 E-1 - PURCHASED GAS ADJUSTMENT COST RECOVERY
2 CLAUSE CALCULATION, Original Estimate for the Projected
3 Period January 2000 through December 2000.

4 E-1/R - PURCHASED GAS ADJUSTMENT COST RECOVERY
5 CLAUSE CALCULATION, Revised Estimate for the Period January 1999
6 through December 1999.

7 E-2 - CALCULATION OF TRUE-UP AMOUNT for the
8 Current Period January 1999 through December 1999.

9 E-3 - TRANSPORTATION PURCHASES, SYSTEM SUPPLY
10 AND USE for the Period January 2000 through December 2000. Because
11 Sebring Gas does not purchase transportation gas, this schedule, although
12 included in this filing, is not applicable.

13 E-4 - CALCULATION OF TRUE-UP AMOUNT,
14 PROJECTED PERIOD January 2000 through December 2000.

15 E-5 - THERM SALES AND CUSTOMER DATA for
16 the Projected Period January 2000 through December 2000.

17 Q. Were these schedules prepared under your direction and
18 supervision?

19 A. Yes, they were.

20 REVISED ESTIMATES FOR THE PERIOD
21 JANUARY 1999 - DECEMBER 1999

22 Q. What is the revised estimate of total purchased gas cost for the
23 period January 1999 through December 1999?

24 A. The revised estimate of purchased gas cost for the current period
25 January 1999 through December 1999 is \$268,481.

1 Q. What is the revised estimate of gas revenue to be collected for the
2 current period Janaury 1999 through December 1999?

3 A. The revised estimate of gas revenue to be collected for the current
4 period Janaury 1999 through December 1999 is \$226,481.

5 Q. What is the revised true-up amount, including interest,
6 estimated for the current period January 1999 through December
7 1999?

8 A. The company's estimate for the revised true-up, including
9 interest, is an unrecollection of \$6,726

10 PROJECTIONS FOR THE PERIOD
11 JANUARY 2000 THROUGH DECEMBER 2000

12 Q. How was the projections for the period January 2000 through
13 December 2000 determined?

14 A. The estimated gas supply requirements for each month of the
15 twelve month period were determined initially. These requirement
16 estimates were based upon the estimated sales to ultimate customers
17 for the period.

18 Q. What steps were used to determine the estimated cost of gas for the
19 projected period January 2000 through December 2000?

20 A. As reported on Schedule E-1, lines 1 through 11, the total cost of
21 gas consists of the cost of demand and commodity costs of firm
22 transportation service(FTS) on FGT, the commodity cost of gas paid to
23 our supplier, Pennisula Energy Services Co. (PESCO) and the cost of gas
24 transportation as billed by TECO (People's Gas System). The demand
25 portion of services (line 5of Schedules E-1 E1/R) is based on

1 Sebring Gas System's contract with FGT and an estimate of FGT's demand
2 rates for these services. The commodity portion of the Cost of Gas
3 Purchased is shown as Lines 1 and 4 of Schedule E-1.
4 The rate utilized for the projected period January 2000 through December
5 2000 are the current rates in effect by PESCO.
6 The Commodity (Other), (line 4) is based on amount of therms
7 purchased by Sebring Gas, multiplied by the current rate per therm,
8 plus a management fee. The rate is based upon the price paid by
9 our supplier PESCO, plus the management fee of \$250.00 per month.
10 The management fee allows Sebring Gas to benefit from the work
11 research of the gas procurement department of PESCO for
12 obtaining the best gas price. Because of Sebring Gas' small
13 size and lack of experience in acquiring gas, the best use of the
14 company's funds and resources is to contract PESCO to
15 provide gas for the company.
16 Other charges for the Cost of Gas Purchased is represented on
17 Line 6 of Schedule E-1. This figure consists of a charge for
18 transportation by the City of Sebring, any Western Division
19 Revenue Sharing Credit from FGT and PGA Reporting Fees.
20 The City of Sebring transports the company's gas supply through
21 a 7 mile pipeline connected to FGT's gatestation in Avon Park
22 and ending at Sebring Gas' gatestation in Sebring. The pipeline
23 is presently owned by Tampa Electric Company (TECO), who
24 allows the City of Sebring to operate and maintain. The rate for
25 transportation is based on a contract with TECO for MCF's

- 1 transported.
- 2 Q. How was the projected total firm sales determined?
- 3 A. The company has only firm sales at this time. Subsequently,
4 the total sales and firm sales are the same. The total sales were
5 determined by using historical averages for both classes, residential
6 and commercial, customers, with a growth factor added. The total
7 sales are shown on Line 27 of Schedule E-1. The total estimated
8 sales for the Projected period January 2000 through December 2000 is
9 753,558 therms.
- 10 Q. What is the company's average cost per therm for the Projected
11 period January 2000 through December 2000?
- 12 A. Shown on Line 40 of Schedule E-1, the company's average cost
13 of gas for the Projected period January 2000 through December 2000
14 is estimated to be 50.650 cents per therm. To arrive at the Total
15 PGA Factor, the average cost of gas is adjusted for the estimated
16 total true-up through December 1999, as shown on Schedule E-4,
17 and for revenue-related taxes.
- 18 Q. What is the projected PGA Factor for the Projected period
19 January 2000 through December 2000?
- 20 A. The projected PGA Factor for the projected period is 52.724
21 cents per therm, as shown on Line 45 of Schedule E-1.
- 22 Q. The estimated total true-up for the period January 1999 through
23 December 1999, as shown on Schedule E-4 is included in the
24 projected PGA Factor for the period January 2000 through
25 December 2000. How was the figure calculated?

1 A. The final true-up amount for the period April 1998 through
2 December 1998 is added to the estimated end of period net true-up
3 for January 1999 through December 1999. The January 1999 through
4 December 1999 estimated true-up is based on eight months' actual
5 plus four months' projected data.

6 Q. What is the impact of the total true-up for the period January 1999
7 through December 1999 on the projected PGA Factor for the
8 Projected period January 2000 through December 2000?

9 A. The projected true-up for the period, ending December 1999 is an
10 unrecovery of \$8,143, which is shown on line 4, Column
11 4 of Schedule E-4. Dividing the underrecovery of \$8,178 by
12 the projected therm sales of 753,558 therms results in a
13 collection of 1.08519 cents per therm to be included in the proposed
14 PGA Factor.

15 Q. What is the maximum levelized purchased gas factor (cap)
16 that you are proposing for the projected period January 2000
17 through December 2000?

18 A. The maximum levelized purchased gas factor (cap) that Sebring
19 Gas is proposing for the period is 52.724 cents per therm.

20 Q. Does this conclude your testimony?

21. A. Yes, it does.

22.

23.

24.

25.

SEBRING GAS SYSTEM, INC.

REVISED

JANUARY 2000 - DECEMBER 2000

PURCHASED GAS PROJECTION FILING

PURCHASED GAS ADJUSTMENT
 COST RECOVERY CLAUSE CALCULATION
 ORIGINAL ESTIMATE FOR THE PROJECTED PERIOD:
 JANUARY 2000 THROUGH DECEMBER 2000

COST OF GAS PURCHASED	PROJECTION												TOTAL
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
1 COMMODITY (Pipeline)	\$265	\$257	\$280	\$221	\$193	\$219	\$169	\$212	\$184	\$225	\$235	\$246	\$2,705
2 NO NOTICE SERVICE	0	0	0	0	0	0	0	0	0	0	0	0	0
3 SWING SERVICE	0	0	0	0	0	0	0	0	0	0	0	0	0
4 COMMODITY (Other)	\$28,821	\$27,903	\$30,457	\$24,003	\$20,993	\$23,767	\$18,309	\$22,983	\$19,978	\$24,422	\$25,490	\$26,762	\$293,888
5 DEMAND	\$4,385	\$3,961	\$4,385	\$4,244	\$5,262	\$5,092	\$5,262	\$5,262	\$5,092	\$7,893	\$4,244	\$4,385	\$59,466
6 OTHER - City of Sebring Trans. Chg.	\$2,513	\$2,433	\$2,655	\$2,093	\$1,830	\$2,072	\$1,596	\$2,004	\$1,742	\$2,129	\$2,222	\$2,333	\$25,621
LESS END-USE CONTRACT													
7 COMMODITY (Pipeline)	0	0	0	0	0	0	0	0	0	0	0	0	0
8 DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0
9	0	0	0	0	0	0	0	0	0	0	0	0	0
10	0	0	0	0	0	0	0	0	0	0	0	0	0
11 TOTAL COST (1+2+3+4+5+6)-(7+8+9+10)	\$35,984	\$34,563	\$37,778	\$30,560	\$28,278	\$31,150	\$25,336	\$30,460	\$26,995	\$34,669	\$32,191	\$33,726	\$381,679
12 NET UNBILLED	0	0	0	0	0	0	0	0	0	0	0	0	0
13 COMPANY USE	0	0	0	0	0	0	0	0	0	0	0	0	0
14 TOTAL THERM SALES	\$35,984	\$34,563	\$37,778	\$30,560	\$28,278	\$31,150	\$25,336	\$30,460	\$26,995	\$34,669	\$32,191	\$33,726	\$381,679
THERMS PURCHASED													
15 COMMODITY (Pipeline) Billing Determinants Only	73,900	71,545	78,096	61,545	53,828	60,942	46,947	58,930	51,225	62,620	65,360	68,620	753,558
16 NO NOTICE SERVICE Billing Determinants Only	0	0	0	0	0	0	0	0	0	0	0	0	0
17 SWING SERVICE Commodity	0	0	0	0	0	0	0	0	0	0	0	0	0
18 COMMODITY (Other) Commodity	73,900	71,545	78,096	61,545	53,828	60,942	46,947	58,930	51,225	62,620	65,360	68,620	753,558
19 DEMAND Billing Determinants Only	155,000	140,000	155,000	150,000	186,000	180,000	186,000	186,000	180,000	279,000	150,000	155,000	2,102,000
20 OTHER Commodity	73,900	71,545	78,096	61,545	53,828	60,942	46,947	58,930	51,225	62,620	65,360	68,620	753,558
LESS END-USE CONTRACT													
21 COMMODITY (Pipeline)	0	0	0	0	0	0	0	0	0	0	0	0	0
22 DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0
23	0	0	0	0	0	0	0	0	0	0	0	0	0
24 TOTAL PURCHASES (+17+18+20)-(21+22+23)	73,900	71,545	78,096	61,545	53,828	60,942	46,947	58,930	51,225	62,620	65,360	68,620	753,558
25 NET UNBILLED	0	0	0	0	0	0	0	0	0	0	0	0	0
26 COMPANY USE	0	0	0	0	0	0	0	0	0	0	0	0	0
27 TOTAL THERM SALES (24-26)	73,900	71,545	78,096	61,545	53,828	60,942	46,947	58,930	51,225	62,620	65,360	68,620	753,558
CENTS PER THERM													
28 COMMODITY (Pipeline) (1/15)	0.359	0.359	0.359	0.359	0.359	0.359	0.359	0.359	0.359	0.359	0.359	0.359	0.359
29 NO NOTICE SERVICE (2/16)	0	0	0	0	0	0	0	0	0	0	0	0	0
30 SWING SERVICE (3/17)	0	0	0	0	0	0	0	0	0	0	0	0	0
31 COMMODITY (Other) (4/18)	39.000	39.000	39.000	39.000	39.000	39.000	39.000	39.000	39.000	39.000	39.000	39.000	39.000
32 DEMAND (5/19)	3.772	3.772	3.772	3.772	3.772	3.772	3.772	3.772	3.772	3.772	3.772	3.772	3.772
33 OTHER (6/20)	3.400	3.400	3.400	3.400	3.400	3.400	3.400	3.400	3.400	3.400	3.400	3.400	3.400
LESS END-USE CONTRACT													
34 COMMODITY Pipeline (7/21)	0	0	0	0	0	0	0	0	0	0	0	0	0
35 DEMAND (8/22)	0	0	0	0	0	0	0	0	0	0	0	0	0
36 (9/23)	0	0	0	0	0	0	0	0	0	0	0	0	0
37 TOTAL COST OF PURCHASE (11/24)	48.693	48.295	48.374	49.654	52.534	51.115	53.967	51.688	52.700	55.363	49.252	49.149	50.650
38 NET UNBILLED (12/25)	0	0	0	0	0	0	0	0	0	0	0	0	0
39 COMPANY USE (13/26)	0	0	0	0	0	0	0	0	0	0	0	0	0
40 TOTAL COST OF THERM SOLD (37)	48.693	48.295	48.374	49.654	52.534	51.115	53.967	51.688	52.700	55.363	49.252	49.149	50.650
41 TRUE-UP (E-4)	1.08519	1.08519	1.08519	1.08519	1.08519	1.08519	1.08519	1.08519	1.08519	1.08519	1.08519	1.08519	1.08519
42 TOTAL COST OF GAS (40*41)	49.778	49.380	49.459	50.739	53.619	52.200	55.052	52.773	53.785	56.448	50.337	50.234	51.735
43 REVENUE TAX FACTOR	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911
44 PGA FACTOR ADJUSTED FOR TAXES(42x43)	50.729	50.324	50.404	51.709	54.644	53.198	56.104	53.782	54.813	57.527	51.299	51.194	52.724
45 PGA FACTOR ROUNDED TO NEAREST .001	50.729	50.324	50.404	51.709	54.644	53.198	56.104	53.782	54.813	57.527	51.299	51.194	52.724

COMPANY: SEBRING GAS SYSTEM, INC.

REVISION: 10/18/99

**PURCHASED GAS ADJUSTMENT
COST RECOVERY CLAUSE CALCULATION**

SCHEDULE E-1/R

(REVISED 8/18/93)

REVISED ESTIMATE FOR THE PROJECTED PERIOD:

JAN 98 Through DEC 98

COST OF GAS PURCHASED	ACTUAL								REVISED PROJECTION					TOTAL
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC		
1 COMMODITY (Pipeline)	\$220	\$197	\$211	\$204	\$192	\$175	\$173	\$172	\$162	\$215	\$230	\$248	\$2,398	
2 NO NOTICE SERVICE	0	0	0	0	0	0	0	0	0	0	0	0	0.00	
3 SWING SERVICE	0	0	0	0	0	0	0	0	0	0	0	0	0.00	
4 COMMODITY (Other)	\$13,950	\$12,578	\$12,571	\$11,778	\$13,140	\$11,634	\$11,548	\$13,106	\$13,500	\$19,800	\$21,120	\$22,770	\$177,495	
5 DEMAND	\$5,148	\$5,092	\$5,421	\$5,497	\$6,478	\$6,304	\$5,068	\$4,882	\$5,080	\$7,874	\$4,233	\$4,374	\$65,460	
6 OTHER	\$2,409	\$2,188	\$2,303	\$1,783	\$1,709	\$1,555	\$1,545	\$1,544	\$1,530	\$2,040	\$2,176	\$2,346	\$23,128	
LESS END-USE CONTRACT														
7 COMMODITY (Pipeline)	0	0	0	0	0	0	0	0	0	0	0	0	0.00	
8 DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0.00	
9	0	0	0	0	0	0	0	0	0	0	0	0	0	
10	0	0	0	0	0	0	0	0	0	0	0	0	0.00	
11 TOTAL COST (1+2+3+4+5+6)-(7+8+9+10)	\$21,725	\$20,055	\$20,508	\$19,262	\$21,519	\$19,668	\$18,334	\$19,714	\$20,272	\$29,929	\$27,759	\$29,738	\$268,481	
12 NET UNBILLED	0	0	0	0	0	0	0	0	0	0	0	0	0.00	
13 COMPANY USE	0	0	0	0	0	0	0	0	0	0	0	0	0.00	
14 TOTAL THERM SALES	\$24,415	\$19,508	\$19,104	\$15,689	\$13,741	\$17,941	\$15,197	\$21,955	\$20,237	\$29,938	\$27,689	\$29,659	\$255,081	
THERMS PURCHASED														
15 COMMODITY (Pipeline)	75,650	67,820	72,560	56,820	53,550	49,030	48,230	47,780	45,000	60,000	64,000	69,000	709,440	
16 NO NOTICE SERVICE	0	0	0	0	0	0	0	0	0	0	0	0	0	
17 SWING SERVICE	0	0	0	0	0	0	0	0	0	0	0	0	0	
18 COMMODITY (Other)	75,650	67,820	72,560	56,820	53,550	49,030	48,230	47,780	45,000	60,000	64,000	69,000	709,440	
19 DEMAND	155,000	140,000	72,560	56,820	81,810	93,090	48,530	118,020	180,000	279,000	150,000	155,000	1,529,830	
20 OTHER	75,688	68,594	71,838	55,216	53,005	47,859	47,131	47,018	45,000	60,000	64,000	69,000	704,349	
LESS END-USE CONTRACT														
21 COMMODITY (Pipeline)	0	0	0	0	0	0	0	0	0	0	0	0	0	
22 DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0	
23	0	0	0	0	0	0	0	0	0	0	0	0	0	
24 TOTAL PURCHASES (15+16+17+18+19+20)-(21+22+23)	75,650	67,820	72,560	56,820	53,550	49,030	48,230	47,780	45,000	60,000	64,000	69,000	709,440	
25 NET UNBILLED	0	0	0	0	0	0	0	0	0	0	0	0	0	
26 COMPANY USE	0	0	0	0	0	0	0	0	0	0	0	0	0	
27 TOTAL THERM SALES	67,379	65,199	71,189	56,041	49,010	55,479	42,741	53,640	45,000	60,000	64,000	69,000	698,678	
CENTS PER THERM														
28 COMMODITY (Pipeline) (1/15)	0.291	0.290	0.291	0.359	0.359	0.357	0.359	0.360	0.359	0.359	0.359	0.359	0.338	
29 NO NOTICE SERVICE (2/16)	0	0	0	0	0	0	0	0	0	0	0	0	0	
30 SWING SERVICE (3/17)	0	0	0	0	0	0	0	0	0	0	0	0	0	
31 COMMODITY (Other) (4/18)	18.440	18.546	17.325	20.729	24.538	23.728	23.944	27.430	30.000	33.000	33.000	33.000	25.019	
32 DEMAND (5/19)	3.320	3.637	7.471	9.674	7.918	6.772	10.443	4.145	3.763	3.763	3.763	3.763	4.279	
33 OTHER (6/20)	3.183	3.190	3.206	3.229	3.224	3.249	3.278	3.284	3.400	3.400	3.400	3.400	3.284	
LESS END-USE CONTRACT														
34 COMMODITY Pipeline (7/21)	0	0	0	0	0	0	0	0	0	0	0	0	0	
35 DEMAND (8/22)	0	0	0	0	0	0	0	0	0	0	0	0	0	
36 (9/23)	0	0	0	0	0	0	0	0	0	0	0	0	0	
37 TOTAL COST (11/24)	28.718	29.571	28.261	33.900	40.185	40.114	38.014	41.260	45.048	49.882	43.374	43.099	37.844	
38 NET UNBILLED (12/25)	0	0	0	0	0	0	0	0	0	0	0	0	0	
39 COMPANY USE (13/26)	0	0	0	0	0	0	0	0	0	0	0	0	0	
40 TOTAL THERM SALES (37)	32.243	30.780	28.805	34.371	43.907	35.451	42.886	38.752	45.048	49.882	43.374	43.099	38.427	
41 TRUE-UP (E-2)	(0.92100)	(0.92100)	(0.92100)	(0.92100)	(0.92100)	(0.92100)	(0.92100)	(0.92100)	(0.92100)	(0.92100)	(0.92100)	(0.92100)	(0.92100)	
42 TOTAL COST OF GAS (40+41)	31.322	29.859	27.884	33.450	42.986	34.530	41.975	35.831	44.127	48.961	42.453	42.178	37.506	
43 REVENUE TAX FACTOR	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911	1.01911	
44 PGA FACTOR ADJUSTED FOR TAXES(42*43)	31.921	30.409	28.417	34.089	43.807	35.190	42.777	36.516	44.970	49.897	43.284	42.984	38.223	
45 PGA FACTOR ROUNDED TO NEAREST .001	31.921	30.409	28.417	34.089	43.807	35.190	42.777	36.516	44.970	49.897	43.284	42.984	38.223	

CALCULATION OF TRUE-UP AMOUNT

FOR THE CURRENT PERIOD: JAN 98 Through DEC 98

	ACTUAL												TOTAL PERIOD
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
TRUE-UP CALCULATION													
1 PURCHASED GAS COST	\$14,170	\$12,775	\$12,782	\$11,982	\$13,332	\$11,809	\$11,721	\$13,278	\$13,662	\$20,015	\$21,350	\$23,018	179,893
2 TRANSPORTATION COST	7,555	7,280	7,724	7,280	8,187	7,859	8,613	6,436	6,610	9,914	8,409	6,720	88,588
3 TOTAL	21,725	20,055	20,506	19,262	21,519	19,668	18,334	19,714	20,272	29,929	27,759	29,738	268,481
4 FUEL REVENUES (NET OF REVENUE TAX)	24,415	19,508	19,104	15,699	13,741	17,941	15,197	21,955	20,237	29,938	27,689	29,659	255,081
5 TRUE-UP COLLECTED OR (REFUNDED)	568	568	568	568	568	568	568	568	568	568	568	568	6,816
6 FUEL REVENUE APPLICABLE TO PERIOD (LINE 4 (+ or -) LINE 5)	24,983	20,074	19,672	18,267	14,309	18,509	15,765	22,523	20,805	30,506	28,257	30,227	261,897
7 TRUE-UP PROVISION - THIS PERIOD (LINE 6 - LINE 3)	3,258	19	(834)	(2,995)	(7,210)	(1,159)	(2,569)	2,809	533	577	498	489	(6,585)
8 INTEREST PROVISION-THIS PERIOD (21)	27	31	28	18	(5)	(25)	(36)	(39)	(35)	(35)	(35)	(36)	(141)
9 BEGINNING OF PERIOD TRUE-UP AND INTEREST	5,381	8,098	7,581	6,207	2,881	(5,121)	(8,873)	(10,046)	(7,845)	(7,915)	(7,941)	(8,047)	5,381
10 TRUE-UP COLLECTED OR (REFUNDED) (REVERSE OF LINE 5)	(568)	(568)	(568)	(568)	(568)	(568)	(568)	(568)	(568)	(568)	(568)	(568)	(6,816)
10a FLEX RATE REFUND (if applicable)	0	0	0	0	0	0	0	0	0	0	0	0	0
11 TOTAL ESTIMATED/ACTUAL TRUE-UP (7+8+9+10+10a)	\$8,098	\$7,581	\$6,207	\$2,881	(\$5,121)	(\$8,873)	(\$10,046)	(\$7,845)	(\$7,915)	(\$7,941)	(\$8,047)	(\$8,162)	(\$8,162)
INTEREST PROVISION													
12 BEGINNING TRUE-UP AND INTEREST PROVISION (9)	\$5,381	\$8,098	\$7,581	\$6,207	\$2,881	(\$5,121)	(\$8,873)	(\$10,046)	(\$7,845)	(\$7,915)	(\$7,941)	(\$8,047)	
13 ENDING TRUE-UP BEFORE INTEREST (12+7-5)	8,071	7,549	6,179	2,644	(5,117)	(6,848)	(10,010)	(7,805)	(7,880)	(7,906)	(8,011)	(8,126)	
14 TOTAL (12+13)	13,452	15,647	13,759	8,850	(2,455)	(11,970)	(18,883)	(17,851)	(15,725)	(15,821)	(15,953)	(16,173)	
15 AVERAGE (50% OF 14)	6,726	7,824	6,880	4,425	(1,228)	(5,985)	(8,442)	(8,925)	(7,863)	(7,911)	(7,976)	(8,086)	
16 INTEREST RATE - FIRST DAY OF MONTH	4.900%	4.810%	4.850%	4.880%	4.800%	4.850%	5.050%	5.100%	5.320%	5.320%	5.320%	5.320%	
17 INTEREST RATE - FIRST DAY OF SUBSEQUENT MONTH	4.810%	4.850%	4.880%	4.800%	4.850%	5.050%	5.100%	5.320%	5.320%	5.320%	5.320%	5.320%	
18 TOTAL (16+17)	9.710%	9.660%	9.730%	9.680%	9.650%	9.900%	10.150%	10.420%	10.640%	10.640%	10.640%	10.640%	
19 AVERAGE (50% OF 18)	4.855%	4.830%	4.865%	4.840%	4.825%	4.950%	5.075%	5.210%	5.320%	5.320%	5.320%	5.320%	
20 MONTHLY AVERAGE (19/12 Months)	0.405%	0.403%	0.405%	0.403%	0.402%	0.413%	0.423%	0.434%	0.443%	0.443%	0.443%	0.443%	
21 INTEREST PROVISION (15x20)	\$27	\$31	\$28	\$18	(\$5)	(\$25)	(\$36)	(\$39)	(\$35)	(\$35)	(\$35)	(\$36)	

**CALCULATION OF TRUE-UP AMOUNT
 PROJECTED PERIOD**

ESTIMATED FOR THE PROJECTED PERIOD: **JANUARY 2000** Through **DECEMBER 2000**

PRIOR PERIOD: APRIL, 1998 - DECEMBER, 1998

CURRENT PERIOD:
 JAN 99 - DEC 99

	(1) FIVE MONTHS ACTUAL PLUS FOUR MONTHS REVISED ESTIMATE	(2) ACTUAL	(3) (2)-(1) DIFFERENCE	(4) EIGHT MONTHS ACTUAL PLUS FOUR MONTHS REVISED ESTIMATE	(5) (3)+(4) TOTAL TRUE-UP
1 TOTAL THERM SALES \$	E-2 Line 6 \$145,642	A-2 Line 6 \$133,340	Col.2 - Col.1 (\$12,302)	E-2 Line 6 \$261,897	Col.3 + Col.4 \$249,595
2 TRUE-UP PROVISION FOR THIS PERIOD OVER (UNDER) COLLECTION	E-2 Line 7 (4,022)	A-2 Line 7 (5,466)	Col.2 - Col.1 (1,444)	E-2 Line 7 (6,585)	Col.3 + Col.4 (8,029)
3 INTEREST PROVISION FOR THIS PERIOD	E-2 Line 8 253	A-2 Line 8 245	Col.2 - Col.1 (8)	E-2 Line 8 (141)	Col.3 + Col.4 (149)
4 END OF PERIOD TOTAL NET TRUE-UP	Line 2 + Line 3 (\$3,769)	Line 2 + Line 3 (\$5,221)	Col.2 - Col.1 (\$1,452)	Line 2 + Line 3 (\$6,726)	Col.3 + Col.4 (\$8,178)

NOTE: FIVE MONTHS ACTUAL FOUR MONTHS REVISED ESTIMATE DATA OBTAINED FROM SCHEDULE (E-2).

COLUMN (1) DATA OBTAINED FROM SCHEDULE (A-2)
 COLUMN (2) DATA OBTAINED FROM SCHEDULE (A-2)
 LINE 4 COLUMN (3) SAME AS LINE 7 SCHEDULE (A-7)
 LINE 4 COLUMN (1) SAME AS LINE 8 SCHEDULE (A-7)
 LINE 2 COLUMN (4) SAME AS LINE 7 SCHEDULE (E-2)
 LINE 3 COLUMN (4) SAME AS LINE 8 SCHEDULE (E-2)

TOTAL TRUE-UP OF (\$8,178), DIVIDED BY THE
 PROJECTED THERM SALES OF 753,558 EQUALS
 1.08519 CENTS PER THERM TO BE COLLECTED
 DURING THE JAN 2000 THROUGH DEC 2000 PERIOD. LINE
 41 (TRUE-UP) OF THE JAN-DEC 2000 PGA, SCHEDULE A-1
 WILL BE 1.08519, INDICATING A COLLECTION PER THERM.

TRUE-UP \$ (\$8,178)
 THERMS 753,558
 COLLECT/THERM (1.08519)CENTS

THERM SALES AND CUSTOMER DATA

ESTIMATED FOR THE PROJECTED PERIOD:

JAN 2000 Through DEC 2000

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
THERM SALES (FIRM)													
RESIDENTIAL	11,714	9,422	11,436	5,449	4,518	4,586	3,849	4,001	3,740	4,320	4,860	7,020	74,715
COMMERCIAL	62,186	62,123	66,660	56,096	49,310	56,356	43,298	54,929	47,485	58,300	60,500	61,600	678,843
COMMERCIAL LARGE VOL. 1	0	0	0	0	0	0	0	0	0	0	0	0	0
COMMERCIAL LARGE VOL. 2	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL FIRM	73,900	71,545	78,096	61,545	53,828	60,942	46,947	58,930	51,225	62,620	65,360	68,620	753,558
THERM SALES (INTERRUPTIBLE)													
SMALL INTERRUPTIBLE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERRUPTIBLE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LARGE INTERRUPTIBLE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL INTERRUPTIBLE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL THERM SALES	73,900	71,545	78,096	61,545	53,828	60,942	46,947	58,930	51,225	62,620	65,360	68,620	753,558
NUMBER OF CUSTOMERS (FIRM)													
RESIDENTIAL	636.00	662.00	670.00	639.00	518.00	485.00	475.00	474.00	429.00	499.00	551.00	714.00	563
COMMERCIAL	99.00	99.00	101.00	98.00	99.00	103.00	99.00	96.00	95.00	97.00	98.00	99.00	99
COMMERCIAL LARGE VOL. 1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
COMMERCIAL LARGE VOL. 2	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL FIRM	735.00	761.00	771.00	737.00	617.00	588.00	574.00	570.00	524.00	596.00	649.00	813.00	661
NUMBER OF CUSTOMERS (INT.)													
SMALL INTERRUPTIBLE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERRUPTIBLE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LARGE INTERRUPTIBLE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL INTERRUPTIBLE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL CUSTOMERS	735.00	761.00	771.00	737.00	617.00	588.00	574.00	570.00	524.00	596.00	649.00	813.00	661
THERM USE PER CUSTOMER													
RESIDENTIAL	18.42	14.23	17.07	8.53	8.72	9.46	7.88	8.44	8.72	8.66	8.82	9.83	132.79
COMMERCIAL	628.14	627.51	660.00	572.41	498.08	547.15	437.35	572.18	499.84	601.03	617.35	622.22	6,885.98
COMMERCIAL LARGE VOL. 1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
COMMERCIAL LARGE VOL. 2	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SMALL INTERRUPTIBLE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTERRUPTIBLE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LARGE INTERRUPTIBLE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00