

State of Florida



Public Service Commission

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

DATE: June 25, 2002
TO: Division of Competitive Markets and Enforcement (Makin)
FROM: Division of Auditing and Safety (Vandiver) W
RE: **Docket No.** 020003-GU; South Florida Natural Gas Company; **Audit Purpose:** Purchased Gas Cost Recovery True-up for the Period January 2001 through December 2001; **Audit Control No.** 02-032-3-4

Attached is the final audit report for the utility stated above. I am sending the utility a copy of this memo and the audit report. If the utility desires to file a response to the audit report, it should send the response to the Division of the Commission Clerk and Administrative Services. There are no confidential work papers associated with this audit.

DNV/jcp
Attachment

cc: Division of Auditing and Safety (Hoppe, District Offices, File Folder)
Division of the Commission Clerk and Administrative Services (2)
Division of Competitive Markets and Enforcement (Harvey)
General Counsel
Office of Public Counsel

Mr. Kevin Sweeney
504 Lavaca, Suite 800
Austin, Texas 78701

Mr. Al Kara, Regional Vice President
South Florida Natural Gas Company
P. O. Box 248
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DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK



FLORIDA PUBLIC SERVICE COMMISSION

*DIVISION OF AUDITING AND SAFETY
BUREAU OF AUDITING*

Orlando District Office

SOUTH FLORIDA NATURAL GAS

PURCHASED GAS ADJUSTMENT AUDIT

FOR THE PERIOD JANUARY 1, 2001 THROUGH DECEMBER 14, 2001

AND

**FLORIDA PUBLIC UTILITIES COMPANY
D/B/A SOUTH FLORIDA NATURAL GAS**

PURCHASED GAS ADJUSTMENT AUDIT

FOR THE PERIOD DECEMBER 15, 2001 THROUGH DECEMBER 31, 2001

**DOCKET NO. 020003-GU
AUDIT CONTROL NO. 02-032-3-4**

A handwritten signature in black ink, appearing to read "Jeffery A. Small", written over a horizontal line.

Jeffery A. Small, Audit Manager

A handwritten signature in black ink, appearing to read "Charleston J. Winston", written over a horizontal line.

Charleston J. Winston, Audit Supervisor

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**DIVISION OF AUDITING AND SAFETY
AUDITOR'S REPORT**

JUNE 20, 2002

TO: FLORIDA PUBLIC SERVICE COMMISSION AND OTHER INTERESTED PARTIES

We have applied the procedures described later in this report to audit the accompanying Purchased Gas Adjustment schedules for the period January 1, 2001 through December 14, 2001, for South Florida Natural Gas and for the period December 15, 2001 through December 31, 2001, for Florida Public Utilities Company, d/b/a South Florida Natural Gas. These schedules were prepared by the individual companies as part of their petition for a purchased gas adjustment true-up in Docket No. 020003-GU.

This is an internal accounting report prepared after performing a limited scope audit. Accordingly, this report should not be relied upon for any purpose except to assist the Commission staff in the performance of their duties. Substantial additional work would have to be performed to satisfy generally accepted auditing standards and produce audited financial statements for public use.

SUMMARY OF SIGNIFICANT PROCEDURES

Our audit was performed by examining, on a test basis, certain transactions and account balances which we believe are sufficient to base our opinion. Our examination did not entail a complete review of all the financial transactions of the company. Our more important audit procedures are summarized below. The following definitions apply when used in this report:

Scanned - The documents or accounts were read quickly looking for obvious errors.

Compiled - The exhibit amounts were reconciled with the general ledgers, and accounts were scanned for error or inconsistency.

Verified - The item was tested for accuracy and compared to the substantiating documentation.

Schedules A-1 through A-6 - Compiled and recomputed sample months from the companies' Schedules A-1 through A-6 for the period January 2001 through December 2001.

PGA Revenues - Traced and recomputed therm sales for the above-mentioned period to the companies' monthly billing registers and general ledgers. Recomputed a sample of customer bills to confirm that the companies are using Commission-approved tariffs.

Cost of Gas - Verified therms and cost of gas purchased to the companies-provided invoices.

True-Up - Verified true-ups to Commission Order No. PSC-00-2383-FOF-GU, issued December 12, 2000. Verified that the correct interest rates were applied to under or overrecovered amounts for the 12 months ended December 31, 2001.

Exception No. 1

Subject: Final Purchased Gas Cost True-Up Adjustment

Statement of Fact: Order No. PSC-02-0310-PAA-GU, issued March 11, 2002, acknowledged the merger of South Florida Natural Gas (SFNG) with Florida Public Utilities Company (FPUC) as of December 14, 2001.

SFNG's PGA filing for December 14, 2001, reports a total estimated/actual true-up balance of \$10,366 overrecovery in Schedule A-2, Line 11.

FPUC, d/b/a SFNG's PGA filing for December 31, 2001, reports a total estimated/actual true-up balance of \$10,469 (net of tax) overrecovery in Schedule A-2, Line 11, which includes the \$10,366 overrecovery listed above.

SFNG's PGA filing for November 30, 2001, reports PGA fuel revenues of \$89,213 in Schedule A-2, Line 4.

Recommendation: The final total estimated/actual true-up balance for FPUC, d/b/a SFNG at December 31, 2001, is \$12,781 (net of tax) overrecovery per the audit staff's calculations and discussion that follow. (\$12,845/1.00503 gross-up tax factor)

The audit staff, with the concurrence of the staff analyst in Tallahassee, recomputed the December 31, 2001, PGA filing as if SFNG had finished out the filing period. This was accomplished by the following actions.

- 1) SFNG and FPUC agreed to allocate customer PGA revenues based on the number of days in the month of December that each company provided natural gas to the customers. (SFNG -14 days and FPUC - 17 days) The audit staff recombined the PGA revenues and therms sales for the December 2001 filing period. The above recombination also eliminates a \$2,523 PGA revenue understatement reported in the SFNG December 14, 2001 filing. (\$54,240 - \$56,763)
- 2) All invoices for purchased natural gas for SFNG and for FPUC were combined for the December 2001 filing period.
- 3) The audit staff corrected an error in SFNG's November 2001 filing by reducing its reported fuel revenues on Schedule A-2, Line 4 by \$481 to correctly report what is recorded in its November 30, 2001, general ledger. (\$89,213 - \$88,732) The total effect of this adjustment is to reduce the December 31, 2001, total estimated/actual true-up balance by \$480. (\$13,326 - \$12,845)

The Commission should require FPUC, d/b/a SFNG to increase its true-up balance by \$2,312 (\$12,781 - \$10,469), net of tax, to properly reflect its PGA overrecovery balance as of December 31, 2001.

Disclosure No. 1

Subject: True-Up Adjustment in Prior Audit

Facts: The audit staff's prior audit of South Florida Natural Gas (SFNG) PGA in Docket No. 010003-GU recommended a \$3,903 reduction in the December 31, 2000, final true-up balance because of several accounting errors.

Recommendation: The audit staff could not determine, nor could company representatives confirm, that the above-mentioned adjustment was ever made.

The audit staff defers this issue to the staff analyst in Tallahassee for disposition.

Company: SOUTH FLORIDA NATURAL GAS		COMPARISON OF ACTUAL VERSUS ORIGINAL ESTIMATE OF THE PURCHASED GAS ADJUSTMENT COST RECOVERY FACTOR				SCHEDULE A-1 EXHIBIT NO. DOCKET NO. 010003-GU SOUTH FLA NATURAL GAS AK-1			
ESTIMATED FOR THE PERIOD OF :		JANUARY 01 Through DECEMBER 01				PAGE OF			
		CURRENT MONTH: DECEMBER				PERIOD TO DATE			
COST OF GAS PURCHASED		ACTUAL	ESTIMATE	DIFFERENCE AMOUNT	%	ACTUAL	ESTIMATE	DIFFERENCE AMOUNT	%
1	COMMODITY	386	548	(162)	-33.19	10,903	11,800	(897)	-8.27
2	NO NOTICE SERVICE	880	82	888	726.57	6,833	3,231	3,702	114.57
3	OTHER	-	-	-	0.00	-	-	-	0.00
4	COMMODITY (Other)	18,530	36,164	(17,634)	-48.75	1,455,038	1,668,167	(213,129)	-12.78
5	DEMAND	12,515	12,470	45	0.36	183,985	187,923	(28,043)	-18.07
6	WAGMT FEE	-	-	-	0.00	-	-	-	0.00
LESS END-USE CONTRACT		-	-	-	-	-	-	-	-
7	COMMODITY (Pipeline)	-	-	-	0.00	-	-	-	0.00
8	DEMAND	-	-	-	0.00	-	-	-	0.00
9	OTHER	-	-	-	0.00	-	-	-	0.00
10	Second Prior Month Adj. (OPTIONAL)	-	-	-	0.00	-	-	-	0.00
11	TOTAL COST ((1+2+3+4+5+6+10)-(7+8+9))	32,092	49,283	(17,173)	-34.85	1,686,839	1,861,208	(184,368)	-9.88
12	NET UNBILLED	26,361	-	26,361	0.00	77,979	-	77,979	0.00
13	COMPANY USE	-	-	-	0.00	-	-	-	0.00
14	TOTAL THERM SALES	54,240	24,988	29,274	117.25	2,058,826	1,863,213	393,612	23.85
THERMS PURCHASED		-	-	-	-	-	-	-	-
15	COMMODITY (Pipeline) BILLING DETERMINANTS ONLY	88,360	157,500	(71,140)	-45.17	2,597,630	2,675,828	(78,298)	-2.82
16	NO NOTICE SERVICE BILLING DETERMINANTS ONLY	83,000	13,950	49,050	381.81	947,740	547,850	400,090	73.06
17	SWING SERVICE	-	-	-	0.00	-	-	-	0.00
18	COMMODITY (Other) COMMODITY	86,670	157,500	(70,830)	-44.97	2,397,860	2,801,392	(403,542)	-14.41
19	DEMAND BILLING DETERMINANTS ONLY	336,700	335,496	1,203	0.36	5,212,490	4,612,376	700,115	15.52
20	OTHER COMMODITY	-	-	-	0.00	-	-	-	0.00
LESS END-USE CONTRACT		-	-	-	-	-	-	-	-
21	COMMODITY (Pipeline)	-	-	-	0.00	-	-	-	0.00
22	DEMAND	-	-	-	0.00	-	-	-	0.00
23	OTHER	-	-	-	0.00	-	-	-	0.00
24	TOTAL PURCHASES ((+17+18+20)-(21+23))	86,670	157,500	(70,830)	-44.97	2,397,860	2,801,392	(403,542)	-14.41
25	NET UNBILLED	-	-	-	0.00	-	-	-	0.00
26	COMPANY USE	-	-	-	0.00	-	-	-	0.00
27	TOTAL THERM SALES (24-26 ESTIMATED ONLY)	86,670	157,500	(70,830)	-44.97	2,397,860	2,801,392	(403,542)	-14.41
CENTS PER THERM		-	-	-	-	-	-	-	-
28	COMMODITY (Pipeline) (1/18)	0.424	0.345	0.079	21.84	0.420	0.444	(0.024)	-5.60
29	NO NOTICE SERVICE (2/18)	1.080	0.590	0.490	83.03	0.732	0.590	0.142	23.99
30	SWING SERVICE (3/17)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00
31	COMMODITY (Other) (4/18)	21.380	22.981	(1.601)	-8.99	60.681	59.548	1.133	1.90
32	DEMAND (5/19)	3.717	3.717	0.000	0.00	3.721	3.721	(0.000)	-0.01
33	OTHER (6/20)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00
LESS END-USE CONTRACT		-	-	-	-	-	-	-	-
34	COMMODITY (Pipeline) (7/21)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00
35	DEMAND (8/22)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00
36	OTHER (9/23)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00
37	TOTAL PURCHASES (11/24)	37.028	31.279	5.748	18.38	89.514	86.082	3.432	5.19
38	NET UNBILLED (12/25)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00
39	COMPANY USE (13/26)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00
40	TOTAL COST OF THERMS SOLD (14/27)	32.541	48.838	(16.297)	-33.37	83.439	86.082	(2.643)	-3.06
41	TRUI-UP (E-2)	5.247	5.247	0.000	0.00	5.247	5.247	0.000	0.00
42	TOTAL COST OF GAS (40+41)	37.788	54.085	(16.297)	-30.13	88.686	74.872	(13.814)	-15.53
43	REVENUE TAX FACTOR	1.005030	1.005030	0.000	0.00	1.005030	1.005030	0.000	0.00
44	PGA FACTOR ADJUSTED FOR TAXES (42*43)	37.978	54.351	(16.373)	-30.13	89.032	75.248	(13.784)	-15.48
45	PGA FACTOR ROUNDED TO NEAREST .001	37.978	54.351	(16.373)	-30.13	89.032	75.248	(13.784)	-15.48

5

Company: SOUTH FLORIDA NATURAL GAS	CALCULATION OF TRUE-UP AND INTEREST PROVISION				SCHEDULE A-2			
	JANUARY 01 Through DECEMBER 01				EXHIBIT NO.			
					DOCKET NO. 010003-GJ			
				SOUTH FLA NATURAL GAS				
				AK-1				
				PAGE OF				
	CURRENT MONTH: DECEMBER				PERIOD TO DATE			
	ACTUAL	ESTIMATE	DIFFERENCE AMOUNT	%	ACTUAL	ESTIMATE	DIFFERENCE AMOUNT	%
TRUE-UP CALCULATION								
1 PURCHASED GAS COST	18,530	36,194	17,664	48.781%	1,456,038	1,730,770	274,733	15.83
2 TRANSPORTATION COST	13,582	13,101	(480)	-3.514%	211,801	191,684	(20,118)	-10.55
3 TOTAL	32,082	49,295	17,174	34.859%	1,668,839	1,922,354	255,515	13.29
4 FUEL REVENUES (NET OF REVENUE TAX)	\$4,240	24,866	(20,274)	-117.256%	2,056,626	1,784,354	(272,271)	-18.58
5 TRUE-UP (COLLECTED) OR REFUNDED	(8,087)	(8,087)	-	0.000%	(154,884)	(154,884)	-	0.00
6 FUEL REVENUE APPLICABLE TO PERIOD (LINE 4 (+ OR -) LINE 5)	48,153	18,879	(29,274)	-166.083%	1,801,741	1,578,470	(223,271)	-20.40
7 TRUE-UP PROVISION - THIS PERIOD (LINE 6 - LINE 3)	16,062	(30,286)	(46,448)	152.868%	234,902	(342,863)	(577,765)	188.51
8 INTEREST PROVISION - THIS PERIOD (21)	(1)	(81)	(80)	98.554%	(5,881)	(1,073)	4,808	-448.03
9 BEGINNING OF PERIOD TRUE-UP AND INTEREST	(11,811)	(38,820)	(27,009)	89.574%	(373,568)	125,872	499,441	398.78
10 TRUE-UP COLLECTED OR (REFUNDED) (REVERSE OF LINE 6)	8,087	8,087	-	0.000%	164,884	154,884	-	0.00
10a FLEX RATE REFUND (if applicable)	-	-	-	-	-	-	-	-
11 TOTAL ESTIMATED/ACTUAL TRUE-UP (7+8+9+10+10a)	16,306	(83,200)	(73,836)	118.356%	10,338	(83,200)	(73,868)	118.35
INTEREST PROVISION								
12 BEGINNING TRUE-UP AND INTEREST PROVISION (9)	(11,811)	(38,820)	(27,008)	68.874%				
13 ENDING TRUE-UP BEFORE INTEREST (12+7-6)	10,337	(83,119)	(73,488)	118.377%				
14 TOTAL (12+13)	(1,474)	(101,939)	(100,465)	98.554%				
15 AVERAGE (50% OF 14)	(737)	(50,969)	(50,232)	98.554%				
16 INTEREST RATE - FIRST DAY OF MONTH	2.040%	2.040%	-	0.000%				
17 INTEREST RATE - FIRST DAY OF SUBSEQUENT MONTH	1.780%	1.780%	-	0.000%				
18 TOTAL (16+17)	3.820%	3.820%	-	0.000%				
19 AVERAGE (50% OF 18)	1.910%	1.910%	-	0.000%				
20 MONTHLY AVERAGE (18/12 Months)	0.159%	0.159%	-	0.000%				
21 INTEREST PROVISION (15*20)	(1)	(81)	(80)	98.554%				

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY		COMPARISON OF ACTUAL VERSUS REVISED ESTIMATE				SCHEDULE A-1 FLEXDOWN			
Customers of former South Florida Natural Gas		OF THE PURCHASED GAS ADJUSTMENT COST RECOVERY FACTOR							
Note: This document contains Data for 12/16/01 through 12/31/01.		ESTIMATED FOR THE PERIOD OF: JANUARY 2001 THROUGH DECEMBER 2001							
		CURRENT MONTH: DECEMBER				PERIOD TO DATE			
COST OF GAS PURCHASED		ACTUAL	FLEXDOWN ESTIMATE	DIFFERENCE		ACTUAL	FLEXDOWN ESTIMATE	DIFFERENCE	
				AMOUNT	%			AMOUNT	%
1	COMMODITY (Pipeline)	826	670	(156)	(28.28)	826	670	(156)	(28.28)
2	NO NOTICE SERVICE	451	101	(350)	(346.53)	451	101	(350)	(346.53)
3	SWING SERVICE	0	0	0	0.00	0	0	0	0.00
4	COMMODITY (Other)	52,440	44,200	(8,240)	(18.64)	52,440	44,200	(8,240)	(18.64)
5	DEMAND	15,197	15,242	45	0.30	15,197	15,242	45	0.30
6	OTHER	0	0	0	0.00	0	0	0	0.00
LESS END-USE CONTRACT									
7	COMMODITY (Pipeline)	0	0	0	0.00	0	0	0	0.00
8	DEMAND	0	0	0	0.00	0	0	0	0.00
9	COMMODITY (Other)	0	0	0	0.00	0	0	0	0.00
10	Second Prior Month Purchase Adj. (OPTIONAL)	0	0	0	0.00	0	0	0	0.00
11	TOTAL COST (1+2+3+4+5+6+10)-(7+8+12)	68,914	60,213	(8,701)	(14.45)	68,914	60,213	(8,701)	(14.45)
12	NET UNBILLED	0	0	0	0.00	0	0	0	0.00
13	COMPANY USE	0	0	0	0.00	0	0	0	0.00
14	TOTAL THERM SALES	69,030	67,610	(1,220)	(1.80)	69,030	67,610	(1,220)	(1.80)
THERMS PURCHASED									
15	COMMODITY (Pipeline)	194,760	192,500	(2,260)	(1.17)	194,760	192,500	(2,260)	(1.17)
16	NO NOTICE SERVICE	78,580	17,050	(58,450)	(348.68)	78,580	17,050	(58,450)	(348.68)
17	SWING SERVICE	0	0	0	0.00	0	0	0	0.00
18	COMMODITY (Other)	178,190	192,500	14,310	7.43	178,190	192,500	14,310	7.43
19	DEMAND	408,850	410,053	1,203	0.29	408,850	410,053	1,203	0.29
20	OTHER	0	0	0	0.00	0	0	0	0.00
LESS END-USE CONTRACT									
21	COMMODITY (Pipeline)	0	0	0	0.00	0	0	0	0.00
22	DEMAND	0	0	0	0.00	0	0	0	0.00
23	COMMODITY (Other)	0	0	0	0.00	0	0	0	0.00
24	TOTAL PURCHASES (15+17+18+20)-(21+23)	178,190	192,500	14,310	7.43	178,190	192,500	14,310	7.43
25	NET UNBILLED	0	0	0	0.00	0	0	0	0.00
26	COMPANY USE	0	0	0	0.00	0	0	0	0.00
27	TOTAL THERM SALES (24-26 Estimated Only)	178,190	192,500	14,310	7.43	178,190	192,500	14,310	7.43
CENTS PER THERM									
28	COMMODITY (Pipeline) (1/15)	0.424	0.348	(0.076)	(21.34)	0.424	0.348	(0.076)	(21.84)
29	NO NOTICE SERVICE (2/18)	0.590	0.592	0.002	0.34	0.590	0.592	0.002	0.34
30	SWING SERVICE (3/17)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00
31	COMMODITY (Other) (4/18)	29.429	22.961	(6.468)	(28.17)	29.429	22.961	(6.468)	(28.17)
32	DEMAND (5/112)	3.717	3.717	0.000	0.00	3.717	3.717	0.000	0.00
33	OTHER (6/20)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00
LESS END-USE CONTRACT									
34	COMMODITY Pipeline (7/21)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00
35	DEMAND (8/22)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00
36	COMMODITY Other (12/25)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00
37	TOTAL COST OF PURCHASES (11/24)	38.674	31.276	(7.398)	(23.84)	38.674	31.276	(7.398)	(23.64)
38	NET UNBILLED (12/25)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00
39	COMPANY USE (13/26)	0.000	0.000	0.000	0.00	0.000	0.000	0.000	0.00
40	TOTAL COST OF THERM SOLD (14/27)	64.707	31.276	(33.431)	(51.50)	64.707	31.276	(33.431)	(51.50)
41	TRUE-UP (E-2)	5.247	0.000	(5.178)	(7.504.25)	0.069	0.069	0.000	0.00
42	TOTAL COST OF GAS (15/28+11)	59.554	31.245	(26.505)	(44.50)	54.776	48.808	(5.968)	(12.00)
43	REVENUE TAX FACTOR	1.00000	1.00000	0.00000	0.00	1.00000	1.00000	0.00000	0.00
44	PRICE FACTOR ADJUSTED FOR TAXES (16/29)	1.22557	1.22557	0.00000	0.00	1.22557	1.22557	0.00000	0.00
45	PRICE FACTOR ROUNDED TO NEAREST 0.01	60.55	37.506	(23.044)	(38.05)	42.112	42.112	0.000	(12.00)

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY		CALCULATION OF TRUE-UP AND INTEREST PROVISION								SCHEDULE A-2
Customers of former South Florida Natural Gas		FOR THE PERIOD OF: JANUARY 2001 THROUGH DECEMBER 2001								
Note: This document contains Data for 12/15/01 through 12/31/01		CURRENT MONTH: DECEMBER				PERIOD TO DATE				
REVISED AS REQUESTED BY MALISSA MARSHALL @ FPSC 2/22/02 & 4/15/02		ACTUAL	ESTIMATE	DIFFERENCE		ACTUAL	ESTIMATE	DIFFERENCE		
				AMOUNT	%		(3)	AMOUNT	%	
TRUE-UP CALCULATION										
1	PURCHASED GAS COST (Sch. A-1 Line 4)	52,440	44,200	(8,240)	(18.64)	52,440	44,200	(8,240)	(18.64)	
2	TRANSPORTATION COST (Sch. A-1 Lines 1,2,3,5,6)	16,474	16,013	(461)	(2.88)	16,474	16,013	(461)	(2.88)	
3	TOTAL	68,914	60,213	(8,701)	(14.45)	68,914	60,213	(8,701)	(14.45)	
4	FUEL REVENUES (NET OF REVENUE TAX)	69,030	67,810	(1,220)	(1.80)	69,030	67,810	(1,220)	(1.80)	
5	TRUE-UP (COLLECTED) OR REFUNDED	(7,440)	(7,440)	0	0.00	(7,440)	(7,440)	0	0.00	
6	FUEL REVENUE APPLICABLE TO PERIOD (LINE 4 (+ or -) LINE 5)	61,590	60,370	(1,220)	(2.02)	61,590	60,370	(1,220)	(2.02)	
7	TRUE-UP PROVISION - THIS PERIOD (LINE 6 - LINE 3)	(7,324)	157	7,481	4,764.97	(7,324)	157	7,481	4,764.97	
8	INTEREST PROVISION-THIS PERIOD (2) (2)	17	(46)	(63)	136.96	17	(46)	(63)	136.96	
9	BEGINNING OF PERIOD TRUE-UP AND INTEREST (1)	10,336	(32,658)	(42,994)	131.65	10,336	(32,658)	(42,994)	131.65	
10	TRUE-UP COLLECTED OR (REFUNDED) (REVERSE OF LINE 5)	7,440	7,440	0	0.00	7,440	7,440	0	0.00	
10a	FLEX RATE REFUND (if applicable)	0	0	0	0.00	0	0	0	0.00	
11	TOTAL ESTIMATED/ACTUAL TRUE-UP (7+8+9+10+10a)	10,469	(25,107)	(35,576)	141.70	10,469	(25,107)	(35,576)	141.70	
INTEREST PROVISION										
12	BEGINNING TRUE-UP AND INTEREST PROVISION (9)	10,336	(32,658)	(42,994)	131.65					
13	ENDING TRUE-UP BEFORE INTEREST (12+7-5)	16,452	(25,061)	(35,513)	141.71					
14	TOTAL (12+13)	20,788	(57,719)	(78,507)	136.02					
15	AVERAGE (50% OF 14)	10,394	(28,860)	(39,254)	136.02					
16	INTEREST RATE - FIRST DAY OF MONTH	2.04%	2.04%	0.00%	0.00					
17	INTEREST RATE - FIRST DAY OF SUBSEQUENT MONTH	1.78%	1.78%	0.00%	0.00					
18	TOTAL (16+17)	3.8200%	3.8200%	0.0000%	0.00					
19	AVERAGE (50% OF 18)	1.9100%	1.9100%	0.0000%	0.00					
20	MONTHLY AVERAGE (19/12 Months)	0.159%	0.159%	0.000%	0.00					
21	INTEREST PROVISION (15x20)	17	(46)	(63)	136.96					
<p>Estimated Only:</p> <p>(1) Beginning of period True-up & Interest (Line 9) comes from the most recently filed E-4 if we do not flex down. If we flex down, the beginning of the period True-up & Interest (Line 9) comes from the prior periods end of period net true-up. The prior period write-off will be the estimated overfund recovery estimated on Schedule E-4 regardless if we flex down.</p> <p>(2) For the current period, interest should equal the most recently filed Schedule E-2.</p>										