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March 16, 2018

Electronic Filing

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

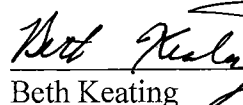
Re: DOCKET NO. 20170179-GU - Petition for rate increase and approval of depreciation study by Florida City Gas.

Dear Ms. Stauffer:

Attached for filing, please find Corrected Exhibit C to the Stipulation and Settlement submitted on March 12, 2018, by FCG, the Office of Public Counsel, and the Federal Executive Agencies.

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)

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 In Service 7/31/2018	Existing Accrual		Proposed Accrual		Difference
			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
STORAGE PLANT						
364.00 LNG Plant			S4	50	0%	S4 50 0%
DISTRIBUTION PLANT						
375.00 Structures & Improvements	R3	40	0%	R5	32	0%
376.10 Mains, Steel	S3	42	-25%	S3	55	-50%
376.20 Mains, Plastic	S3	40	-20%	S3	55	-40%
378.00 M&R Station Equipment - General	S3	30	0%	S3	30	-5%
379.00 M&R Station Equipment - City Gate	S4	30	0%	S4	35	-5%
380.10 Services, Steel	S6	35	-80%	S6	45	-100%
380.20 Services, Plastic	S4	34	-30%	S4	45	-45%
381.00 Meters	S3	25	-3%	R1.5	20	-5%
381.10 Meters - ERTs	S3	25	-3%	R1.5	20	-5%
382.00 Meter Installations	S3	34	-25%	S3	30	-20%
382.10 Meter Install - ERTs	S3	15	0%	R1.5	20	0%
383.00 House Regulators	S3	25	-3%	S3	30	-5%
384.00 House Regulator Installations	S3	34	0%	S3	30	0%
385.00 Industrial M&R Station Equipment	R3	30	0%	R3	30	0%
387.00 Other Equipment	S5	30	0%	S5	30	0%
GENERAL PLANT						
390.00 Structures & Improvements	R1	40	0%	R1	40	0%
391.00 Office Furniture	S2	19	0%	SQ	15	0%
391.10 Software Non-Enterprise	S2	12	0%	SQ	10	0%
391.11 Computer Software	R4	11	0%	SQ	12	0%
391.12 Computer Hardware	S2	12	0%	SQ	5	0%
391.50 Individual Equipment	S2	12	0%	SQ	5	0%
392.00 Transportation Equipment	L3	12	12%	L2.5	12	12%
392.10 Trans Equip - Autos & Lt Trucks	L3	12	12%	L3	8	12%
392.20 Trans Equip - Service Trucks	L3	12	12%	L3	8	12%
392.30 Trans Equip - Heavy Trucks	L3	12	12%	L3	13	12%
393.00 Stores Equipment	R2	25	0%	SQ	25	0%
394.00 Tools, Shop, & Garage Equipment	S2	15	0%	SQ	15	0%
394.10 Natural Gas Vehicle Equipment			0%	S4	20	0%
395.00 Laboratory Equipment	S4	25	0%	SQ	20	0%
396.00 Power Operated Equipment	S3	15	0%	SQ	15	10%
397.00 Communication Equipment	R2	12	0%	SQ	12	0%
398.00 Miscellaneous Equipment	S3	15	0%	SQ	20	0%

CERTIFICATE OF SERVICE

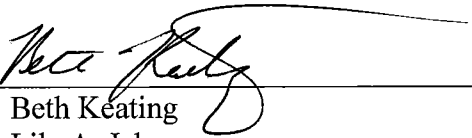
I hereby certify that a true and correct copy of the foregoing filing has been served by Hand Delivery and/or Electronic Mail this 16th day of March, 2018, upon the following:

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