

DOCKET NO. 020384-GU: Petition for a rate increase, by
Peoples Gas System

WITNESS: **Direct Testimony Of Roger W. Fletcher**, Appearing
On Behalf Of Staff

DATE FILED: October 28, 2002

DOCUMENT NUMBER-DATE

11803 OCT 28 2002

FPSC-COMMISSION CLERK

DIRECT TESTIMONY OF ROGER W. FLETCHER

Q. Please state your name and business address.

A. My name is Roger W. Fletcher and my business address is 400 W. Robinson Street, Suite N512, Orlando, Florida, 32801.

Q. By whom are you presently employed and in what capacity?

A. I am employed by the Florida Public Service Commission as a Utility Systems Engineer in the Division of Auditing and Safety.

Q. How long have you been employed by the Commission?

A. I have been employed by the Florida Public Service Commission for approximately 22 years.

Q. Briefly review your educational and professional background.

A. In 1971, I received a Bachelor of Science Degree in Industrial Technology from Western Kentucky University. Upon graduation, I was employed by the Kentucky Public Service Commission for nine years, before joining the staff of the Florida Public Service Commission.

Q. Please describe your current responsibilities.

A. Currently, I am employed as a Utility Systems Engineer with the responsibilities of administering the engineering, economic, and safety review of natural gas utilities. Included in these responsibilities are the analytical studies of natural gas utilities' rate case filings relative to engineering costs and technical matters. These studies include plant facilities, operation and maintenance practices, separation and allocation determinations, and the review of capital expansion projects and the related cost benefit. I am also required to analyze utility testimony for technical

1 and factual accuracy. I conduct the statewide review of natural gas
2 measurement, meter test programs, and unaccounted for gas studies. In
3 addition to the cost analysis aspects of the natural gas utilities, my
4 responsibilities also include analysis of the operation and maintenance of the
5 natural gas distribution systems to ensure that adequate safety measures are
6 taken to protect the public from hazard. This analysis includes evaluation
7 of the installation, testing, operation, and maintenance of the natural gas
8 facilities to ascertain compliance with appropriate procedures, as well as
9 federal and state pipeline safety regulations.

10 Q. Have you presented testimony before this Commission or any other
11 regulatory agency?

12 A. Yes. Both the Florida and Kentucky Public Service Commissions. Before
13 the Florida Public Service Commission, I testified in South Florida Natural
14 Gas Company rate case proceedings, Docket Number 810147-GU, Florida Public
15 Utilities rate case proceedings, Docket Number 820249-GU, and Gulf Natural Gas
16 Company rate case proceedings, Docket Number 820404-GU. Before the Kentucky
17 Public Service Commission, I testified in Show Cause Hearings relative to
18 violations of pipeline safety regulations.

19 Q. What is the purpose of your testimony today?

20 A. The purpose of my testimony is to sponsor the staff report as it relates
21 to the engineering aspects of the rate case of TECO-Peoples Gas System, Docket
22 No. 020384-GU. The engineering report is filed with my testimony and is
23 identified as RWF -1 of 2 and RWF - 2 of 2.

24 Q. Was this report prepared by you?

25

1 A. Yes, I was lead engineer in charge of this report. I developed and
2 recommended the adjustments to rate base and operation and maintenance
3 expenses that are presented in this engineering report.

4 Q. What aspects of the rate case are included in this engineering report?

5 A. This report includes an evaluation and analysis of the utility's meter
6 testing program, the allocation of common plant items, capital expenditure
7 assumptions, appliance elevation program expenses, and environmental clean up
8 expenses. The evaluation of the meter testing program included a review of
9 the current meter test contract with North American Service Group to determine
10 if there is any duplication of meter testing activities and if the contract
11 costs are reasonable. The statistical meter sample test program was evaluated
12 to determine compliance with the Meter Sample Plan approved by the Commission
13 staff. Finally, the expenses relating to meter testing were analyzed to
14 determine if the costs are normal and reoccurring.

15 An evaluation was performed on the common plant items shown in Schedule
16 B-5 and G-1, Accounts 374, 375, and 390 of the Minimum Filing Requirements
17 (MFRs) to determine the accuracy of the utility's allocation of land and
18 building usage. The engineering report contains an analysis of the capital
19 expenditure assumptions presented by the company for the Test Year +1, plant-
20 in-service totals shown on Schedule G-1 of the MFRs. A review of the expenses
21 relating to the utility's appliance elevation program and environmental clean
22 up of the manufactured gas plant sites is also included in this report.

23 Q. Did the engineering evaluation reveal any findings to recommend an
24 adjustment to the utility's MFRs?

25

1 A. Yes. Three findings are presented in the engineering report that may
2 result in adjustments to the utility's MFRs. The engineering evaluation of the
3 utility's common plant allocation presented in Schedule B-5 determined
4 variances in plant allocation that would result in a total reduction of
5 \$201,827 in plant and a total reduction of \$31,793 in depreciation for the
6 base test year as follows: Account 374 - \$30,474 (Plant), Account 375 -
7 \$125,248 (Plant) and \$24,217 (Depreciation), and Account 390 - \$46,105 (Plant)
8 and \$7,576 (Depreciation). Per the test year +1, Schedule G-1, the total
9 recommended adjustment would result in a \$1,863,544 reduction in plant and a
10 \$58,736 reduction in depreciation as follows: Account 374 - \$623,046 (Plant),
11 Account 375 \$1,194.393 (Plant) and \$51,160 (Depreciation), and Account 390 -
12 \$46,105 (Plant) and \$7,576 (Depreciation). The projected test year total
13 recommended adjustments would result in a \$1,877,517 reduction in plant and
14 a \$58,736 reduction in depreciation as follows: Account 374 - \$637,019
15 (Plant), Account 375 - \$1,194.393 (Plant) and \$51,160 (Depreciation), and
16 Account 390 - \$46,105 (Plant) and \$7,576 (Depreciation). The recommended
17 adjustments are based on the findings of the engineering evaluation which
18 determined additional nonutility usage of land and structures or the common
19 plant item not being used and useful.

20 Q. Explain your second finding.

21 A. The evaluation of the capital expenditure assumptions shown in Schedule
22 G-1, page 211, Accounts 376 and 376.092, determined that \$5,187,973 in
23 capital main construction would not occur in calendar year 2002 as proposed
24 by the utility. It was the staff's findings that \$2,576,590 in capital main
25

1 projects were completed prior to calendar year 2002 and would have been
2 included in previous year plant-in-service calculations and therefore should
3 not be considered in the test year +1 plant-in-service calculations. It was
4 also determined that \$130,800 in proposed capital main projects were canceled
5 and will not take place in calendar year 2002 and should be removed from the
6 test year +1 plant-in-service calculations. Finally, it was determined that
7 an additional \$2,480,583 of the proposed capital main projects was postponed
8 until calendar year 2003 and therefore should not be considered in the test
9 year +1 plant-in-service calculations.

10 Q. Please explain the third finding.

11 A. The evaluation of the statistical meter sample program determined that
12 an adjustment may be necessary to normalize nonrecurring meter test expenses
13 that have resulted from meter sample groups failing to meet accuracy
14 requirements and additional meter tests being required as the result of
15 isolation meters being removed from service through a three- year accelerated
16 change-out program. A total adjustment of \$1,617,598 should be made to the
17 base test year account totals shown on Schedule C-5, page 49, Account 878, to
18 normalize the nonrecurring meter test expenses over an appropriate time
19 interval.

20 Q. Does this conclude your testimony?

21 A. Yes, it does.

22

23

24

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for a rate
increase by Peoples Gas System.

DOCKET NO. 020384-GU

DATED: OCTOBER 28, 2002

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the staff testimony of Roger W. Fletcher has been filed with the Commission and that a correct copy thereof has been furnished to the following by U. S. Mail this 28th day of October, 2002:

Ansley Watson, Jr., Esquire
Macfarlane Ferguson & McMullen
P. O. Box 1531
Tampa, Florida 33601-1531

Calpine-Eastern Regional Office
Roman J. Bakke, Manager
Fuels Supply
The Pilot House - 2nd Floor
Lewis Wharf
Boston, MA 02110

Matthew R. Costa, Esquire
TECO Energy, Inc.
P. O. Box 111
Tampa, FL 33601-0111

Angela Llewellyn
Peoples Gas System
P. O. Box 2562
Tampa, FL 33601-2562

Office of Public Counsel
H F. Rick Mann
c/o The Florida Legislature
111 W. Madison St., #812
Tallahassee, FL 32399-1400

Florida Industrial Gas Users
c/o John W. McWhirter
McWhirter Reeves Law Firm
400 North Tampa Street
Suite 3350
Tampa, FL 33602

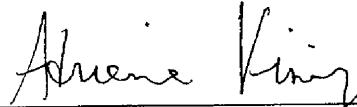
McWhirter Reeves Law Firm
Vicki Gordon Kaufman/Tim Perry
117 South Gadsden Street
Tallahassee, FL 32301

Calpine Eastern Corporation
Joseph A. Regnery, Sr. Counsel
2701 North Rocky Point Drive
Suite 1200
Tampa, FL 33607

CERTIFICATE OF SERVICE
PAGE 2

Landers & Parsons, P. A.
Robert Scheffel Wright
Diane Kiesling
John T. LaVia, III
310 West College Avenue
Tallahassee, FL 32302

Calpine Energy Services, L.P.
Jim Downs
Manager, Fuels Regulatory
700 Louisiana Street, Suite 2700
Houston, TX 77002



ADRIENNE VINING, ATTORNEY
FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6199

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

| | | |
|---------------------------------|---|-------------------------|
| In re: Application for increase |) | |
| in gas rates for Peoples |) | |
| Gas System |) | DOCKET NO. 020384-GU |
| <hr/> |) | Filed: October 28, 2002 |

DIRECT TESTIMONY

OF

ROGER W. FLETCHER

On Behalf of the Florida Public Service Commission

EXHIBIT RWF - 1

FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6199



Public Service Commission

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

DATE : OCTOBER 18, 2002

TO : C. EDWARD MILLS
BUREAU CHIEF SAFETY
BUREAU OF SAFETY
DIVISION OF AUDITING & SAFETY, TALLAHASSEE

FROM : ROGER W. FLETCHER *RWF*
UTILITY SYSTEMS ENGINEER, BUREAU OF SAFETY
DIVISION OF AUDITING & SAFETY
ORLANDO DISTRICT OFFICE

RE : ENGINEERING EVALUATION / TECO-PEOPLES GAS RATE CASE
DOCKET NUMBER 020384-GU

BRIEF

As part of the Commission staff's evaluation and analysis of the TECO-Peoples Gas System's Application for Rate Increase, Docket Number 020384-GU, the Bureau of Safety Gas Engineering staff was directed to examine and determine the appropriateness of the utility's meter test program, allocation of common plant, capital expenditure assumptions, appliance elevation program expenses, and environmental clean up expenses. This evaluation included an on-site inspection conducted at each division of Peoples Gas System during the period of August 16, 2002 through September 13, 2002.

The evaluations detected three findings where adjustments to the utility's rate proceedings may be necessary. These adjustments are related to common plant allocation, capital expenditure Assumptions, and meter test expenses. Each finding is discussed in detail later in this report.

RECOMMENDATIONS

The findings of this report should be entered into the record of the TECO-Peoples Gas System's Rate Case Proceedings, Docket Number 020384-GU. If the findings presented in this report represent accurate, fair and material adjustments, the Commission analysts should make the appropriate revisions to the TECO-Peoples Gas System's Minimum Filing Requirements (MFRs) calculations.

Memorandum

October 18, 2002

RE: **ENGINEERING EVALUATION / TECO-PEOPLES GAS RATE CASE - DOCKET
NUMBER 020384-GU**

DISCUSSION

The engineering evaluation consisted of an on-site field inspection and a record analysis to verify the utility's MFRs information related to common plant allocation, capital expenditure assumptions, meter testing, appliance elevation program expenses, and environmental clean up of the former manufactured gas plant sites. To assure completion in a timely manner, the evaluation was divided to staff engineers on a regional basis. Mr. Norman Witman, Engineer IV, was assigned the South Region which includes Miami, North Miami, Ft. Lauderdale, Palm Beach Gardens, and the South West Florida Divisions. Mr. Lovedale Peterside, Utility Systems Engineer, conducted the evaluation of the West Region including the Tampa, St. Petersburg, Sarasota, and Lakeland Divisions. Mr. Robert Trotter, Utility Systems Engineer, was assigned the North Region which consists of the Jacksonville, Ocala, and Panama City Divisions. I performed the evaluation of the Central Region, which includes the Orlando, Eustis, and Daytona Beach Divisions. These regional evaluations were completed by September 13, 2002. The information generated was compiled by each of the respective engineer and the findings presented in written memorandums, which are attached to this report as RWF 2 of 2, entitled "Engineering Field Audit." I was the lead engineer for this evaluation and compiled the findings presented as RWF 1 of 2 entitled "Engineer Evaluation."

The evaluations detected three findings where adjustments to the utility's rate proceedings may be necessary. These adjustments are related to common plant allocation, capital expenditure assumptions, and meter test expenses. The engineering evaluation of common plant allocation presented in Schedule B-5 determined variances in plant allocation that would result in a total reduction of \$201,827 in plant and a \$31,793 reduction in depreciation for the base test year calculations.

The evaluation of the capital expenditure assumptions shown on Schedule G-1, page 211, Accounts 376 and 376.02, determined that \$5,187,973 in capital main construction would not occur during the Test Year +1 period of calendar year 2002. Staff determined that the total \$2,576,590 in capital mains projects was completed prior to January 1, 2002 and would have been included in previous years' plant-in-service calculations. It was further determined that \$130,800 in proposed main construction was canceled, and no expenditures would be realized during calendar year 2002. Finally, an additional \$2,480,583 of main construction projects that were to take place during 2002 was postponed until calendar year 2003 and should not be considered in the Test Year +1 plant-in-service calculations.

An evaluation of the statistical meter sample program also determined that an adjustment of \$1,617,598 may be necessary to normalize nonrecurring meter test expenses shown in the operation and maintenance expenses included in Schedule C-5, Account 878, page 49 of the MFRs. These nonrecurring meter test expenses are the result of the statistical sample group failure to meet accuracy limit requirements and additional meter tests being required due to isolation meters being removed from service through a three-year accelerated change-out program.

Memorandum

October 18, 2002

RE: **ENGINEERING EVALUATION / TECO-PEOPLES GAS RATE CASE - DOCKET
NUMBER 020384-GU**

An explanation of each finding and other information generated by the evaluations is presented in this report. A table of content is attached to provide a summary of evaluation topics and the respective page location.

RWF
Attachments

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| <u>Adjustments Recommended</u> | <u>Assignment</u> | <u>MFRs Schedule</u> | <u>Page Number</u> |
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| Yes | Failed Meter Change Out Expense | C-5 | 56 |
| No | Meter Sampling Plan Compliance | NA | 79 |
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| No | Environmental Clean Up Expense | NA | 122 |
| No | Status of Periodic Meter Tests-Capacity 251cfh to 2500 cfh | I-3 | 147 |
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ALLOCATION OF COMMON PLANT

TECO-PEOPLES GAS SYSTEM
RATE CASE DOCKET NO. 020384-GU

Assignment:

Determine if there is any nonutility usage of utility facilities.

Findings:

A summary of staff recommended total adjustments to Common Plant Allocation Assumptions are listed below.

| <u>Account</u> | <u>Base Test Year</u> | | <u>Test Year +1</u> | | <u>Projected Test Year</u> | |
|----------------|-----------------------|---------------------|---------------------|---------------------|----------------------------|---------------------|
| | <u>Plant</u> | <u>Depreciation</u> | <u>Plant</u> | <u>Depreciation</u> | <u>Plant</u> | <u>Depreciation</u> |
| 374 | \$30,474 | NA | \$623,046 | NA | \$637,019 | NA |
| 375 | \$125,248 | \$24,217 | \$1,194,393 | \$51,160 | \$1,194,393 | \$51,160 |
| 390 | \$46,105 | \$7,576 | \$46,105 | \$7,576 | \$46,105 | \$7,576 |
| 390.02 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

Discussion:

The engineering staff of the Bureau of Gas Safety was assigned the task to verify common plant allocations of TECO-Peoples Gas System, as contained in its Minimum Filing Requirements (MFRs), Schedule B-5, pages 13-15 and Schedule G-1 pages 197-200 and pages 203-206.

The common plant allocation evaluations were conducted from August 16, 2002 through September 13, 2002. Each evaluation consisted of an on-site inspection of land and structures to verify the use and usefulness of each common plant item and to calculate an allocation between regulated and nonregulated utility operations of the facilities. The staff engineers submitted three individual evaluation reports that identify and discuss recommended adjustments to the common plant allocations. These reports are included with this memorandum as a separate folder entitled "Engineering Field Audit of Common Plant." Each recommended adjustment is discussed in these reports and allocation established based on square footage calculations. A summary of the staff findings which lists each recommended adjustment according to test year and line item number is provided on the following pages.

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SCHEDULE B-5, BASE TEST YEAR
STAFF RECOMMENDED ADJUSTMENTS
ACCOUNT 374, PAGES 13 & 14

~~Total Adjustments Account 374 \$30,474~~

Page 13

Line 4 - NMII-Land-Fuiford Plant, 15779 W. Dixie Highway, N. Miami Beach., Parcel 1

Staff recommended a \$1,534 adjustment due to nonutility usage of 4.0% of the property. A review of the company's response to Audit Request Number 14 indicates a lease exists with Heritage Propane Company at this location. Therefore the nonutility usage of the property is revenue producing and no adjustment to rate base is needed.

Line 9 - Land -Tampa Estuary Plant - 1300 North 13th Street, Parcel 1

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|------------------|
| \$37,828 | \$3,971 | \$41,797 | \$3,971 | 9.5% | Nonutility usage |

Line 10 - Land - Tampa Estuary Plant, South of Railroad, Parcel 2

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|------------------|
| \$348 | \$2,418 | \$2766 | \$2,418 | 87.4% | Nonutility usage |

Line 14 - Land -St. Petersburg - North Gate Station - 13800 62nd Street N., Parcel #3

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|------------------|
| \$273 | \$16,262 | \$16,535 | \$16,262 | 98.35% | Nonutility usage |

Line 21 - Orlando Land - Fairvilla Site, Highway 441

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|-------------------|
| \$0 | \$1,997 | \$1,997 | \$1,997 | 100 % | Non utility usage |

Line 22 - Orlando Land - Oak Hills @ Fiesta Lane & Durango Way

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|-------------------|
| \$0 | \$1,008 | \$1,008 | \$1,008 | 100 % | Not used & useful |

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SCHEDULE B-5,

BASE TEST YEAR

STAFF RECOMMENDED ADJUSTMENTS - ACCOUNT 374, PAGES 13 & 14

Line 24 - Eustis Land - Office Site, 1724 Kurt Street

Staff recommended a \$156 adjustment due to nonutility usage of 1.7% of the property. A review of the company's response to Audit Request Number 14 indicates a lease exists with Heritage Propane Company at this location. Therefore the nonutility usage of the property is revenue producing and no adjustment to rate base is needed.

Line 25 - Eustis Land - Industrial Park, Parcel 1

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|-------------------|
| \$0 | \$500 | \$500 | \$500 | 100% | Non utility usage |

Line 37 - Jacksonville Land - Phillips Highway Plant Property

Staff recommended a \$13,817 adjustment due to nonutility usage of 4.4% of the property. A review of the company's response to Audit Request Number 14 indicates a lease exists with Heritage Propane Company at this location. Therefore the nonutility usage of the property is revenue producing and no adjustment to rate base is needed.

Line 39 - Jacksonville Land - Doten S/D Regulator Station

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|------------------------|
| \$0 | \$538 | \$538 | \$538 | 100 % | Regulator Sta. Retired |

Line 41 - Land - Lakeland, Peachtree Plant Site-Parcel 1

Staff recommended a \$330 adjustment due to nonutility usage of 26.5% of the property. A review of the company's response to Audit Request Number 14 indicates a lease exists with Heritage Propane Company at this location. Therefore the nonutility usage of the property is revenue producing and no adjustment to rate base is needed.

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SCHEDULE B-5,

BASE TEST YEAR

STAFF RECOMMENDED ADJUSTMENTS - ACCOUNT 374, PAGES 13 & 14

Line 43 - Land - Daytona - Gate Station Site, Parcel 3

Staff recommended a \$1,038 adjustment due to nonutility usage of 23.6% of the property. A review of the company's response to Audit Request Number 14 indicates a lease exists with Heritage Propane Company at this location. Therefore the nonutility usage of the property is revenue producing and no adjustment to rate base is needed.

Page 14**Line 3 - Ocala Appraisal - 8th Avenue & 16th Street**

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|---------------------|
| \$0 | \$800 | \$800 | \$800 | 100 % | No purchase of land |

Line 4 - Ocala - Environmental Audit - Land

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|---------------------|
| \$0 | \$2,980 | \$2,980 | \$2,980 | 100 % | Improper accounting |

SCHEDULE B-5, BASE TEST YEAR
STAFF RECOMMENDED ADJUSTMENTS
ACCOUNT 375, PAGES 14 & 15

| | <u>Plant</u> | <u>Dépreciation</u> |
|---------------------------------------|------------------|---------------------|
| <u>Total Adjustments Account 375:</u> | <u>\$125,248</u> | <u>\$24,217</u> |

Page 14, Line 13 - NMI-Fulford West & Previous Office Accept as stated.

Note: These are two separate locations and both were sold in December 2001, at the end of the Historic Base Test Year.

Page 14, Line 18 - Tampa Office Building - Channelside and 13th Street

Staff recommended a \$143,789 adjustment due to nonutility usage of TECO Partners office space of 7.2% of the total square footage of the building. A review of the company's response to Audit Request Number 14 indicates a lease exists with TECO Partners that produced \$50,004 for calendar year 2001. Therefore the nonutility usage of the building is revenue producing, however, the lease revenues do not offset the entire proposed staff adjustment. It is therefore recommended that an adjustment of \$93,785 be removed from rate base to represent the difference between the lease revenues and the proposed staff adjustment.

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | <u>Adjustment</u> |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$1,903,277 | \$93,785 | \$1,997,062 | \$93,785 | \$366,151 | \$18,058 | \$384,209 | \$18,058 | 4.70% |

Page 14, Line 19 - Tampa Fire Training Facility

Staff recommends that the entire value of the training facility be disallowed from rate base. However, this training facility provides excellent training for fire department personnel which is a direct benefit to the rate payers of TECO-Peoples Gas System and the general public. The value of this facility has been allowed in previous rate case proceedings and should be allowed in rate base calculations. No adjustment to rate base is required.

Page 14, Line 21 - Tampa - Maintenance Building

Reason: Adjustment based on office building allocation.

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | <u>Adjustment</u> |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$12,128 | \$940 | \$13,068 | \$940 | \$4,537 | \$352 | \$4,889 | \$352 | 7.20% |

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SCHEDULE B-5

BASE TEST YEAR

STAFF RECOMMENDED ADJUSTMENTS, ACCOUNT 375, PAGES 14 & 15

Page 14, Line 32 - Triangle Office Building (Eustis)

Reason: Nonutility usage of office space.

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | <u>Adjustment</u> |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$467,746 | \$6,421 | \$474,167 | \$6,421 | \$102,013 | \$1,396 | \$103,409 | \$1,396 | 1.35% |

Page 14, Line 44 - Lakeland - Office Building - Kathleen Road

Reason: Nonutility usage of office space

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | <u>Adjustment</u> |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$505,945 | \$46,397 | \$552,432 | \$17,675 | \$107,275 | \$9,838 | \$117,113 | \$3,748 | 3.2% |

Page 15, Line 6 - Panama City Office Building - Maple Avenue

Reason: Nonutility usage of office space and area not used and useful.

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | <u>Adjustment</u> |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$74,456 | \$10,739 | \$85,195 | \$4,349 | \$6,239 | \$ 899 | \$7,138 | \$ 364 | 5.10% |

Page 15, Line 8 - Ocala Office Building - 33rd Avenue

Reason: Nonutility usage of office space.

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | <u>Adjustment</u> |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$52,026 | \$2,078 | \$54,104 | \$2,078 | \$7,560 | \$ 299 | \$7,859 | \$ 299 | 3.84% |

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SCHEDULE B-5, BASE TEST YEAR
STAFF RECOMMENDED ADJUSTMENTS
ACCOUNT 390, PAGES 15

Total Adjustments, Account 390:

Plant
\$46,105

Depreciation
\$7,576

Page 15, Line 11 - Panama City Division Office

Reason: Nonutility use of office space

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$640,410 | \$92,366 | \$732,776 | \$37,408 | \$103,338 | \$14,898 | \$118,236 | \$6,030 | 5.10% |

Page 15, Line 13 - Ocala Division Office

Reason: Nonutility use of office space

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$217,783 | \$8,697 | \$226,480 | \$8,697 | \$38,712 | \$1,546 | \$40,258 | \$1,546 | 3.84% |

SCHEDULE G-1, TEST YEAR + 1
STAFF RECOMMENDED ADJUSTMENTS
ACCOUNT 374, PAGES 197 & 198

Total Adjustments - Account 374: \$623,046

Page 197, Line 1 - South Florida Region Office

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|-------------------|
| \$0 | \$589,000 | \$589,000 | \$589,000 | 100% | Not used & useful |

Page 197, Line 4 - NMI-Land-Fulford Plant, 15779 W. Dixie Highway, N. Miami Bch.

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|------------------|
| \$36,817 | \$1,534 | \$38,351 | \$1,534 | 4.0% | Nonutility usage |

Page 197, Line 9 - Land -Tampa Estuary Plant - 1300 North 13th Street, Parcel 1

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|------------------|
| \$37,828 | \$3,971 | \$41,797 | \$3,971 | 9.5% | Nonutility usage |

Page 197, Line 10 - Land - Tampa Estuary Plant, South of Railroad, Parcel 2

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|------------------|
| \$348 | \$2,418 | \$2766 | \$2,418 | 87.4% | Nonutility usage |

Page 197, Line 14 - Land -St. Petersburg - North Gate Station - 13800 62nd Street N.

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|------------------|
| \$273 | \$16,262 | \$16,535 | \$16,262 | 98.35% | Nonutility usage |

Page 197, Line 21 - Land - Orlando (Fairvilla Site, Highway 441)

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|------------------|
| \$0 | \$1,997 | \$1,997 | \$1,997 | 100% | Nonutility usage |

Page 197, Line 22 - Land - Orlando (Oak Hills @ Fiesta & Durango Way)

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|---------------------|
| \$0 | \$1,008 | \$1,008 | \$1,008 | 100% | Not used ans useful |

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SCHEDULE G-1

TEST YEAR + 1

STAFF RECOMMENDED ADJUSTMENTS, ACCOUNT 374, PAGES 197 & 198

Page 197, Line 24 - Land - Eustis Division Office Site - 1724 Kurt Street

Staff recommended a \$156 adjustment due to nonutility usage of 1.7% of the property. A review of the company's response to Audit Request Number 14 indicates a lease exists with Heritage Propane Company at this location. Therefore the nonutility usage of the property is revenue producing and no adjustment to rate base is needed.

Page 197, Line 25 - Land - Eustis Industrial Park, Parcel 1

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|------------------|
| \$0 | \$500 | \$500 | \$500 | 100% | Nonutility usage |

Page 197, Line 36 - Land - Jacksonville - Pearl Plaza Regulator Station

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|---------------------|
| \$0 | \$1,000 | \$1,000 | \$1,000 | 100% | Not used and useful |

Page 197, Line 37 - Land - Jacksonville - Phillips Highway, Plant Property

Staff recommended a \$13,817 adjustment due to nonutility usage of 4.4% of the property. A review of the company's response to Audit Request Number 14 indicates a lease exists with Heritage Propane Company at this location. Therefore the nonutility usage of the property is revenue producing and no adjustment to rate base is needed.

Page 198, Line 2 - Land - Jacksonville -Doten S/D Regulator Station

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|---------------------|
| \$0 | \$538 | \$538 | \$538 | 100% | Not used and useful |

Page 198, Line 4 - Land - Lakeland, Peachtree Plant Site-Parcel 1

Staff recommended a \$330 adjustment due to nonutility usage of 26.5% of the property. A review of the company's response to Audit Request Number 14 indicates a lease exists with Heritage Propane Company at this location. Therefore the nonutility usage of the property is revenue producing and no adjustment to rate base is needed.

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SCHEDULE G-1

TEST YEAR + 1

STAFF RECOMMENDED ADJUSTMENTS, ACCOUNT 374, PAGES 197 & 198

Page 198, Line 6 - Land - Daytona - Gate Station Site, Parcel 3

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|------------------|
| \$3,355 | \$1,038 | \$4,393 | \$1,038 | 23.43% | Nonutility usage |

Page 198, Line 14 - Appraisal - Ocala - 8th Avenue and 16th Street

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|---------------------------|
| \$0 | \$800 | \$800 | \$800 | 100% | Did not purchase property |

Page 198, Line 15 - Ocala - Environmental Audit - Land

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|---|
| \$0 | \$2,980 | \$2,980 | \$2,980 | 100% | Non recurring expense Not a rate base item |

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SCHEDULE G-1, TEST YEAR + 1
STAFF RECOMMENDED ADJUSTMENTS
ACCOUNT 375, PAGES 198 & 199

| | <u>Plant</u> | <u>Depreciation</u> |
|-------------------------------|--------------|---------------------|
| Total Adjustments Account 375 | \$1,194,393 | \$51,160 |

Page 198, Line 24 - South Florida Region Office

Reason: Not used and useful

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | <u>Adjustment</u> |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$0 | \$1,069,145 | \$1,069,145 | \$1,069,145 | \$0 | \$26,878 | \$26,878 | \$26,878 | 100% |

Page 198, Line 29 - Tampa Office Building - Channelside and 13th Street

Staff recommended a \$143,789 adjustment due to nonutility usage of TECO Partners office space of 7.2% of the total square footage of the building. A review of the company's response to Audit Request Number 14 indicates a lease exists with TECO Partners that produced \$50,004 for calendar year 2001. Therefore the nonutility usage of the building is revenue producing, however, the lease revenues do not offset the entire proposed staff adjustment. It is therefore recommended that an adjustment of \$93,785 be removed from rate base to represent the difference between the lease revenues and the proposed staff adjustment.

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | <u>Adjustment</u> |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$1,903,277 | \$93,785 | \$1,997,062 | \$93,785 | \$366,151 | \$18,058 | \$384,209 | \$18,058 | 4.70% |

Page 198, Line 30 - Tampa Fire Training Facility

Staff recommends that the entire value of the training facility be disallowed from rate base. However, this training facility provides excellent training for fire department personnel which is a direct benefit to the rate payers of TECO-Peoples Gas System and the general public. The value of this facility has been allowed in previous rate case proceedings and should be allowed in rate base calculations. No adjustment to rate base is required.

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SCHEDULE G-1

TEST YEAR + 1

STAFF RECOMMENDED ADJUSTMENTS - ACCOUNT 375, PAGES 198 & 199

Page 198, Line 32 - Maintenance Building

Reason: Adjustment based on office building allocation.

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | <u>Adjustment</u> |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$12,128 | \$940 | \$13,068 | \$940 | \$4,537 | \$352 | \$4,889 | \$352 | 7.20% |

Page 199, Line 8 - Triangle Division Office Building - 1724 Kurt Street

Reason: Nonutility usage of office space

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | <u>Adjustment</u> |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$467,746 | \$6,421 | \$474,167 | \$6,421 | \$106,744 | \$1,461 | \$108,205 | \$1,461 | 1.35% |

Page 199, Line 20 - Lakeland Office Building - Kathleen Road

Reason: Nonutility usage of office space

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | <u>Adjustment</u> |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$505,945 | \$46,397 | \$552,432 | \$17,675 | \$107,275 | \$9,838 | \$117,113 | \$3,748 | 3.2% |

Page 199, Line 29 - Panama City Office Building - Maple Avenue

Reason: Nonutility usage of office space and area not used and useful.

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | <u>Adjustment</u> |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$74,456 | \$10,739 | \$85,195 | \$4,349 | \$6,239 | \$ 899 | \$7,138 | \$ 364 | 5.10% |

Page 199, Line 31 - Ocala Office Building - 33rd Avenue

Reason: Nonutility usage of office space.

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | <u>Adjustment</u> |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$52,026 | \$2,078 | \$54,104 | \$2,078 | \$7,560 | \$ 299 | \$7,859 | \$ 299 | 3.84% |

SCHEDULE G-1, TEST YEAR +1
STAFF RECOMMENDED ADJUSTMENTS
ACCOUNT 390, PAGE 199

| | | |
|---------------------------------------|--------------------------|--------------------------------|
| <u>Total Adjustments, Account 390</u> | <u>Plant</u> \$46,105 | <u>Depreciation</u> \$7,576 |
|---------------------------------------|--------------------------|--------------------------------|

Page 199, Line 35 - Panama City Division Office

Reason: Nonutility use of office space

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$640,410 | \$92,366 | \$732,776 | \$37,408 | \$103,338 | \$14,898 | \$118,236 | \$6,030 | 5.10% |

Page 199, Line 37- Ocala Division Office

Reason: Nonutility use of office space

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$217,783 | \$8,697 | \$226,480 | \$8,697 | \$38,712 | \$1,546 | \$40,258 | \$1,546 | 3.84% |

SCHEDULE G-1, PROJECTED TEST YEAR
STAFF RECOMMENDED ADJUSTMENTS
ACCOUNT 374, PAGES 203 & 204

Total Adjustments, Account 374: \$637,019

Page 203, Line 1 - South Florida Region Office

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|-------------------|
| \$0 | \$589,000 | \$589,000 | \$589,000 | 100% | Not used & useful |

Page 203, Line 4 - NMI-Land-Fulford Plant, 15779 W. Dixie Highway, N. Miami Bch.

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|-------------------|
| \$36,817 | \$1,534 | \$38,351 | \$1,534 | 4.0% | Non utility usage |

Page 203, Line 9 - Land -Tampa Estuary Plant - 1300 North 13th Street, Parcel 1

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|------------------|
| \$37,828 | \$3,971 | \$41,797 | \$3,971 | 9.5% | Nonutility usage |

Page 203, Line 10 - Land - Tampa Estuary Plant, South of Railroad, Parcel 2

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|------------------|
| \$348 | \$2,418 | \$2766 | \$2,418 | 87.4% | Nonutility usage |

Page 203, Line 14 - Land -St. Petersburg - North Gate Station - 13800 62nd Street N.

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|------------------|
| \$273 | \$16,262 | \$16,535 | \$16,262 | 98.35% | Nonutility usage |

Page 203, Line 21 - Land - Orlando (Fairvilla Site, Highway 441)

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|------------------|
| \$0 | \$1,997 | \$1,997 | \$1,997 | 100% | Nonutility usage |

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SCHEDULE G-1

PROJECTED TEST YEAR

STAFF RECOMMENDED ADJUSTMENTS - ACCOUNT 374, PAGES 203 & 204

Page 203, Line 22 - Land - Orlando (Oak Hills @ Fiesta & Durango Way)

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|---------------------|
| \$0 | \$1,008 | \$1,008 | \$1,008 | 100% | Not used and useful |

Page 203, Line 24 - Land - Eustis Division Office Site - 1724 Kurt Street

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|------------------|
| \$8,844 | \$156 | \$9,000 | \$156 | 1.74% | Nonutility usage |

Page 203, Line 25 - Land - Eustis Industrial Park, Parcel 1

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|------------------|
| \$0 | \$500 | \$500 | \$500 | 100% | Nonutility usage |

Page 203, Line 36 - Land - Jacksonville - Pearl Plaza Regulator Station

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|---------------------|
| \$0 | \$1,000 | \$1,000 | \$1,000 | 100% | Not used and useful |

Page 203, Line 37 - Land - Jacksonville - Phillips Highway, Plant Property

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|------------------|
| \$300,799 | \$13,817 | \$314,616 | \$13,817 | 4.39% | Nonutility usage |

Page 204, Line 2 - Land - Jacksonville - Doten S/D Regulator Station

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|---------------------|
| \$0 | \$538 | \$538 | \$538 | 100% | Not used and useful |

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SCHEDULE G-1

PROJECTED TEST YEAR

STAFF RECOMMENDED ADJUSTMENTS - ACCOUNT 374, PAGES 203 & 204

Page 198, Line 4 - Land - Lakeland, Peachtree Plant Site-Parcel 1

Staff recommended a \$330 adjustment due to nonutility usage of 26.5% of the property. A review of the company's response to Audit Request Number 14 indicates a lease exists with Heritage Propane Company at this location. Therefore the nonutility usage of the property is revenue producing and no adjustment to rate base is needed.

Page 204, Line 6 - Land - Daytona - Gate Station Site, Parcel 3

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|------------------|
| \$3,355 | \$1,038 | \$4,393 | \$1,038 | 23.43% | Nonutility usage |

Page 204, Line 14 - Appraisal - Ocala - 8th Avenue and 16th Street

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|---------------------------|
| \$0 | \$800 | \$800 | \$800 | 100% | Did not purchase property |

Page 204, Line 15 - Ocala - Environmental Audit - Land

| <u>Utility</u> | <u>Non-Utility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> | <u>Reason</u> |
|----------------|--------------------|--------------|-------------------|-------------------|---|
| \$0 | \$2,980 | \$2,980 | \$2,980 | 100% | Non recurring expense Not a rate base item |

SCHEDULE G-1, PROJECTED TEST YEAR
STAFF RECOMMENDED ADJUSTMENTS
ACCOUNT 375, PAGES 204 & 205

| <u>Total Adjustments, Account 375</u> | <u>Plant</u> | <u>Depreciation</u> |
|---------------------------------------|--------------|---------------------|
| | \$1,194,393 | \$51,160 |

Page 204, Line 24 - South Florida Region Office

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | <u>Adjustment</u> |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$0 | \$1,069,145 | \$1,069,145 | \$1,069,145 | \$0 | \$26,878 | \$26,878 | \$26,878 | 100% |

Page 204, Line 29 - Tampa Office Building - Channelside and 13th Street

Staff recommended a \$143,789 adjustment due to nonutility usage of TECO Partners office space of 7.2% of the total square footage of the building. A review of the company's response to Audit Request Number 14 indicates a lease exists with TECO Partners that produced \$50,004 for calendar year 2001. Therefore the nonutility usage of the building is revenue producing, however, the lease revenues do not offset the entire proposed staff adjustment. It is therefore recommended that an adjustment of \$93,785 be removed from rate base to represent the difference between the lease revenues and the proposed staff adjustment.

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | <u>Adjustment</u> |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$1,903,277 | \$93,785 | \$1,997,062 | \$93,785 | \$366,151 | \$18,058 | \$384,209 | \$18,058 | 4.70% |

Page 204, Line 30 - Tampa Fire Training Facility

Staff recommends that the entire value of the training facility be disallowed from rate base. However, this training facility provides excellent training for fire department personnel which is a direct benefit to the rate payers of TECO-Peoples Gas System and the general public. The value of this facility has been allowed in previous rate case proceedings and should be allowed in rate base calculations. No adjustment to rate base is required.

Page 204, Line 32 - Maintenance Building

Reason: Adjustment based on office building allocation.

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | <u>Adjustment</u> |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$12,128 | \$940 | \$13,068 | \$940 | \$4,537 | \$352 | \$4,889 | \$352 | 7.20% |

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SCHEDULE G-1

PROJECTED TEST YEAR

STAFF RECOMMENDED ADJUSTMENTS - ACCOUNT 375, PAGES 204 & 205

Page 205, Line 8 - Triangle Division Office Building - 1724 Kurt Street

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | <u>Adjustment</u> |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$467,746 | \$6,421 | \$474,167 | \$6,421 | \$106,744 | \$1,461 | \$108,205 | \$1,461 | 1.35% |

Page 205, Line 20 - Lakeland Office Building - Kathleen Road

Reason: Nonutility usage of office space

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | <u>Adjustment</u> |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$505,945 | \$46,397 | \$552,432 | \$17,675 | \$107,275 | \$9,838 | \$117,113 | \$3,748 | 3.2% |

Page 205, Line 29 - Panama City Office Building - Maple Avenue

Reason: Nonutility usage of office space and area not used and useful.

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | <u>Adjustment</u> |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$74,456 | \$10,739 | \$85,195 | \$4,349 | \$6,239 | \$ 899 | \$7,138 | \$ 364 | 5.10% |

Page 205, Line 31 - Ocala Office Building - 33rd Avenue

Reason: Nonutility usage of office space.

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | <u>Adjustment</u> |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$52,026 | \$2,078 | \$54,104 | \$2,078 | \$7,560 | \$ 299 | \$7,859 | \$ 299 | 3.84% |

- -

SCHEDULE G-1, PROJECTED TEST YEAR
STAFF RECOMMENDED ADJUSTMENTS
ACCOUNT 390, PAGE 205

| | | |
|--|--------------------------|--------------------------------|
| <u>Total Adjustments, Account 390:</u> | <u>Plant</u> \$46,105 | <u>Depreciation</u> \$7,576 |
|--|--------------------------|--------------------------------|

Page 205, Line 35 - Panama City Division Office

Reason: Nonutility use of office space

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$640,410 | \$92,366 | \$732,776 | \$37,408 | \$103,338 | \$14,898 | \$118,236 | \$6,030 | 5.10% |

Page 205, Line 37- Ocala Division Office

Reason: Nonutility use of office space

| <u>Plant</u> | | | | <u>Depreciation</u> | | | | |
|----------------|-------------------|--------------|-------------------|---------------------|-------------------|--------------|-------------------|-------------------|
| <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Utility</u> | <u>Nonutility</u> | <u>Total</u> | <u>Adjustment</u> | <u>Percentage</u> |
| \$217,783 | \$8,697 | \$226,480 | \$8,697 | \$38,712 | \$1,546 | \$40,258 | \$1,546 | 3.84% |

REVIEW OF CAPITAL MAIN ASSUMPTIONS

Test Year +1

TECO-PEOPLES GAS SYSTEM
RATE CASE -DOCKET NUMBER 020384-GU
SCHEDULE G-1, PAGE 211

Assignment:

Review capital expenditure assumptions for reasonableness and determine if any projects have been delayed or cancelled which would impact the Projected Test Year plant-in-service accumulated depreciation and depreciation expense.

Findings:

It is recommended that the \$35,549,977 in Capital Main Assumptions proposed by Peoples Gas System for the Test Year +1, shown in Account 376 and 376.02, Schedule G-1, page 211 be reduced by \$5,187,973 as follows:

| | Account 376.02 (Plastic) | Account 376 (Steel) |
|---|-----------------------------|------------------------|
| Capital main projects that were completed prior to CY 2002: | \$1,756,996 | \$ 819,594 |
| Capital main projects that have been cancelled: | \$ 126,640 | \$ 4,160 |
| Capital main projects that have been postponed until CY 2003: | <u>\$1,423,705</u> | <u>\$1,056,878</u> |
| Totals | \$3,307,341 | \$1,880,632 |

Discussion:

TECO-Peoples Gas System presented its capital plant addition assumptions for Test Year +1 in the Minimum Filing Requirements (MFRs), Schedule G-1, page 211. The engineering evaluation of this information consisted of a review of the capital main assumptions representing the total dollars shown in Accounts 376, 376.02, 380, and 380.02. The individual construction projects that comprise the total capital main assumptions were identified in the utility's response to staff Audit Request Number 11 attached as Exhibit 1. The response provides a detail of construction projects proposed Peoples Gas System for the Test Year +1, calendar year 2002. The response includes the budget categories of Revenue Mains, Main Replacements, Municipal Improvements, and Cathodic Protection. Also included were the service line accounts of Revenue Services and Service Replacement. The 2002 Capital Budget was the basis for the plant addition assumptions with capital mains totaling \$34,899,771. Exhibit 2 provides a listing of individual projects and costs set out by region. The budget information included both identifiable main projects totaling \$29,789,771 and estimated main expenditures derived from either historic trending or allocation of total program dollars in the amount of \$5,110,000. The staff's evaluation focused primarily on the individual construction projects identified by the utility in its response to the audit request. The objective of the evaluation was to determine if the capital main assumptions were reasonable and if any of the identified projects have been delayed or canceled and would impact the Projected Test Year plant-in-service accumulated depreciation and depreciation expense of its rate proceedings, Docket Number 020384-GU.

The staff evaluation determined that there were three situations where the proposed construction projects would not occur during calendar year 2002 and the related cost should not be included in the plant-in-service calculations. It was determined that 70 capital main projects were completed prior to January 1, 2002, and the related installation costs were booked in previous years. The evaluation also detected two projects had been canceled and no charges would result from these projects. It was further determined that 31 construction projects had been delayed and postponed until calendar year 2003. Each of the three situations would result in an impact on the Projected Test Year plant-in-service accumulated depreciation and depreciation expense. Listed below are the individual construction projects that will not take place during CY2002, and adjustments will be necessary to remove the related costs from the plant-in-service calculations.

CANCELED

| <u>Region</u> | <u>Description</u> | <u>Total Adjustment</u> | <u>Plastic</u> | <u>Steel</u> |
|---------------|--------------------------------------|-----------------------------|------------------|--------------|
| West | 52010065 Heritage Harbor | \$20,800 | \$16,640 | \$4,160 |
| Central | Bridgewater / Horizon West / Orlando | <u>\$110,000</u> | <u>\$110,000</u> | <u>\$0</u> |
| | | \$130,800 | \$126,640 | \$4,160 |

COMPLETED PRIOR TO CY 2002

| <u>Region</u> | <u>Description</u> | <u>Total Adjustment</u> | <u>Plastic</u> | <u>Steel</u> |
|---------------|---|-----------------------------|----------------|--------------|
| South | 51000007 Andrx Pharmaceuticals | \$389,000 | \$0 | \$389,000 |
| West | 52010022 River Pines Subdivision | \$16,000 | \$12,800 | \$3,200 |
| West | 52990100 Pinewalk | \$3,200 | \$2,560 | \$640 |
| West | 52990087 Centex & Bayshore | \$28,800 | \$23,040 | \$5,760 |
| West | 52010031 The Plantation @ Tara | \$4,800 | \$3,840 | \$960 |
| West | 52010054 Secluded Oaks, Sarasota | \$27,200 | \$21,760 | \$5,440 |
| West | 52990072 Garrison District Channel | \$67,500 | \$54,000 | \$13,500 |
| West | 52990067 Wesley Point SR 54 | \$24,000 | \$19,200 | \$4,800 |
| West | 52990063 Bloomingdale-Trails | \$11,200 | \$8,960 | \$2,240 |
| West | 52990052 Lake June Estates | \$6,400 | \$5,120 | \$1,280 |
| West | 52990026 Rivwer Crossing | \$4,000 | \$3,200 | \$800 |
| West | 52990021 Westchester | \$28,800 | \$23,040 | \$5,760 |
| West | 52980021 Meadowpointe 12-1 Parcel 15 | \$220,800 | \$176,640 | \$44,160 |
| West | 52990039 Carolwood Publix | \$30,800 | \$24,640 | \$6,160 |
| West | 52010055 The Enclave, Sarasota | \$3,200 | \$2,560 | \$640 |
| West | 52000024 Willow Brook, Sarasota | \$12,800 | \$10,240 | \$2,560 |
| West | 52970027 University "t & z" Y & Park | \$20,000 | \$16,000 | \$4,000 |
| West | 52980044 Lakewood Ranch | \$264,000 | \$211,200 | \$52,800 |
| West | 52980005 Blake Project | \$21,900 | \$17,520 | \$4,380 |
| North | 92-B-14 Spruce Creek | \$118,750 | \$118,750 | \$0 |
| West | South FL Main Replacement I, Lakeland | \$53,000 | \$34,980 | \$18,020 |
| West | Lakeland Regional Medical | \$7,100 | \$4,686 | \$2,414 |
| West | Cambridge Cove Apts / Lakeland 0870103005 | \$45,000 | \$45,000 | \$0 |
| West | Juice Bowl Products, Inc | \$28,000 | \$0 | \$28,000 |
| West | Publix, Shepard Rd., Lakeland | \$25,000 | \$25,000 | \$0 |
| West | 52980045 Hawks Harbor | \$3,200 | \$2,560 | \$640 |
| West | 52980009 Ellenton | \$26,600 | \$21,280 | \$5,320 |

| <u>Region</u> | <u>Description</u> | <u>Total Adjustment</u> | <u>Plastic</u> | <u>Steel</u> |
|---------------|--|-----------------------------|----------------|--------------|
| West | 52980023 Emerald Creek | \$24,000 | \$19,200 | \$4,800 |
| West | 52980037 The Hamptons | \$19,200 | \$15,300 | \$3,840 |
| West | 52990001 Venice Expansion | \$73,000 | \$58,400 | \$14,600 |
| West | 52001040 Portofino Project | \$4,800 | \$3,840 | \$960 |
| West | 52001014 Water Oak Braden River Rd. | \$24,000 | \$19,200 | \$4,800 |
| West | 52000077 Emerald Pointe, Longboat Key | \$3,200 | \$2,560 | \$640 |
| West | 52000076 Hudson Street, Sarasota | \$1,600 | \$1,280 | \$320 |
| West | 52000008 Hammock, Sarasota | \$9,600 | \$7,680 | \$1,920 |
| West | 52970050 Dade City Expansion | \$7,300 | \$5,840 | \$1,460 |
| West | 52990077 Bloomingdale Ridge | \$33,600 | \$26,880 | \$6,720 |
| West | 52970025 Lake Saint Charles | \$67,200 | \$53,760 | \$13,440 |
| West | 52001012 Milrennan / Pearson Rd | \$48,000 | \$38,400 | \$9,600 |
| West | 52010067 Baypointe Subdivision | \$800 | \$640 | \$160 |
| West | 52001027 Aston Gardens ACLF | \$7,300 | \$5,840 | \$1,460 |
| West | 52010006 Camelot Woods Ph 2 | \$28,900 | \$23,120 | \$5,780 |
| West | 52010076 The Oasis | \$23,300 | \$18,640 | \$4,660 |
| West | 52010059 Hurley Rd @ Bloomingdale Ave. | \$19,200 | \$15,360 | \$3,840 |
| West | 52010069 Cross Creek Section O, Phase 2 | \$15,200 | \$12,160 | \$3,040 |
| West | 52010035 West Hampton, Racetrack Rd | \$45,600 | \$36,480 | \$9,120 |
| West | 52010050 McMullen Loop Rd Riverview | \$24,000 | \$19,200 | \$4,800 |
| West | 5270053 Brandon East | \$38,400 | \$30,720 | \$7,680 |
| West | 52010028 Esperanza Bay Vista | \$1,600 | \$1,280 | \$320 |
| West | 52010027 5119 W Longfellow Ave. | \$800 | \$640 | \$160 |
| West | 52010058 Community Srvcs 3107 N 50th St. | \$31,000 | \$24,800 | \$6,200 |
| West | 52001013 Deerpark, Livingston Rd. | \$33,600 | \$26,880 | \$6,720 |
| West | 52970003 CR 581/ SR 54 (total buildout) | \$7,300 | \$5,840 | \$1,460 |
| West | 52010044 Beef O'Brady's | \$7,300 | \$5,840 | \$1,460 |
| West | 52980028 Westwood Lakes | \$16,900 | \$13,520 | \$3,380 |
| West | 52970051 SR 54 Willow Bend | \$52,800 | \$42,240 | \$10,560 |
| West | 52001026 Lumsden Pointe 206 Homes | \$60,800 | \$48,640 | \$12,160 |
| West | 52001007 The Pointe at Harbour Island | \$2,400 | \$1,920 | \$480 |
| West | 52001032 Bayshore Trails 56 Homes | \$9,600 | \$7,680 | \$1,920 |
| West | 52001034 Brandon Ridge I | \$24,000 | \$19,200 | \$4,800 |
| West | 52001030 Devonshire Lake Dr. | \$2,400 | \$1,920 | \$480 |
| West | 52001029 Tampa Palms Parcel 23 | \$14,400 | \$11,520 | \$2,880 |
| West | 52001037 3409 & 3411 San Luis St. | \$800 | \$640 | \$160 |
| West | 52001003 Somerset at Mulrennan & Hwy. 60 | \$98,500 | \$78,800 | \$19,700 |
| West | 52001002 Tampa Palms 15 & 16 | \$9,600 | \$7,680 | \$1,920 |
| West | 52001004 Oakstead, SR 54 | \$76,000 | \$60,800 | \$15,200 |
| West | 52001017 Danforth Place (Richmond Pl.) | \$19,200 | \$15,360 | \$3,840 |
| West | 52000071 Woodberry at Lakewood | \$30,400 | \$24,320 | \$6,080 |
| West | 52001016 Grand Oaks SR 54 | \$68,000 | \$54,400 | \$13,600 |
| | | \$2,576,650 | \$1,756,996 | \$819,594 |

POSTPONED UNTIL CY 2003

| Region | Description | Total Adjustment | Plastic | Steel |
|---------|---|---------------------|-----------------|-----------------|
| South | South Region's Allocation(Bare Steel Replace) | \$500,000 | \$330,000 | \$170,000 |
| North | Shores | \$30,000 | \$19,800 | \$10,200 |
| North | NE 9th Street & NE 14th Street | \$5,796 | \$3,825 | \$1,971 |
| North | 15 NE 12th Avenue | \$30,000 | \$19,800 | \$10,200 |
| North | NW 14th Street & Magnolia Avenue | \$13,854 | \$9,144 | \$4,710 |
| North | 15 Heatherbrook | \$150,000 | \$150,000 | \$0 |
| Central | Dodd Road / Orlando | \$75,000 | \$49,500 | \$25,500 |
| North | NE 12th Street | \$30,000 | \$23,650 | \$6,350 |
| North | SE 31st Street | \$7,818 | \$5,160 | \$2,658 |
| North | SHORES | \$50,000 | \$39,417 | \$10,583 |
| North | SE 24th Terrace | \$25,000 | \$19,708 | \$5,292 |
| Central | Reunion 545 / Orlando | \$175,000 | \$150,000 | \$25,000 |
| North | 54990293 Deerpath | \$13,541 | \$13,541 | \$0 |
| Central | Oviedo Extension / Orlando | \$400,000 | \$0 | \$400,000 |
| North | Fountain Subdivision | \$24,283 | \$24,283 | \$0 |
| North | 5th Street / Mc Duff Avenue | \$60,000 | \$39,600 | \$20,400 |
| North | 54990284 Heather Island Preserve | \$50,000 | \$50,000 | \$0 |
| North | 136A1-15 Ocala Western | \$77,476 | \$77,476 | \$0 |
| South | Biscayne Blvd. Aventura | \$155,600 | \$102,696 | \$52,904 |
| South | Miami Gate Station Upgrade | \$50,000 | \$39,417 | \$10,583 |
| South | Copans Road Backfeed | \$84,600 | \$66,693 | \$17,907 |
| South | SR A1A, Indian Creek Drive, Miami Beach | \$68,000 | \$44,880 | \$23,120 |
| South | SR A1A, Lighthouse Point, Offsets | \$80,000 | \$52,800 | \$27,200 |
| North | King & Mc Coy Creek | \$13,800 | \$13,800 | \$0 |
| North | 54990282 Golfview | \$10,000 | \$10,000 | \$0 |
| North | Cinderella Lane | \$15,000 | \$9,900 | \$5,100 |
| North | Murry Hill | \$25,000 | \$16,500 | \$8,500 |
| North | Hathaway Bridge Project | \$20,000 | \$13,200 | \$6,800 |
| North | 54001010 Summerton South Residential | \$5,815 | \$5,815 | \$0 |
| South | Asphalt Plant US 31, Fort Myers | \$200,000 | \$0 | \$200,000 |
| Central | US 27 Main Relocation | <u>\$35,000</u> | <u>\$23,100</u> | <u>\$11,900</u> |
| | | \$2,480,583 | \$1,423,705 | \$1,056,878 |

It is recommended that total dollars shown in Schedule G-1, page 211, Account 376-Mains Other Than Plastic be reduced by \$1,880,632 due to the above-listed steel projects that will not take place during calendar year 2002. Of this total, it was determined that of \$1,056,878 of the reduction have resulted from postponed projects and should be carried forward into the Projected Test Year plant-in-service calculations. Account 376.02 - Mains Plastic should be reduced by a total of \$3,307,341 due to the proposed projects that will not occur in CY 2002. Only \$1,423,705 of this total have resulted from projects that have been postponed until calendar year 2003 and should be carried forward into the Projected Test Year of 2003. These adjustments represent a total reduction in the Test Year +1 plant-in-service of \$5,187,973.

The Test Year +1 projected service line assumptions shown in Accounts 380 and 380.02, page 211 of Schedule G-1 were also reviewed and found to be reasonable. It appears that each service line assumption was developed using a known customer base on existing mains or on high probability main installations. No adjustments were identified through the evaluation process.

EXHIBIT 1

**RESPONSE TO STAFF AUDIT REQUEST NUMBER 11
CAPITAL MAIN ASSUMPTIONS
SCHEDULE G-1, PAGE 211**

Peoples Gas System
Florida Public Service Commission
Docket: 020384-GU-Rate Case
Request Number: 11

Please provide a detail of the individual construction projects included in the Monthly Plant Addition Summary...Accounts 376, 376.02, 380 and 380.02, page 211 of the MFRs. This detail should show a description or name of each construction project, total dollars associated with the project, and the month plant addition was included in the Monthly Plant Addition Summary. *[Note: Subsequent discussion with auditor determined that he desired both 2002 and 2003 information.]*

Please see attached detailed listing of Mains (376 and 376.02) and Services (380 and 380.02) for 2002 additions. Also, please see attached trend analysis of capital expenditures used in projection of 2003 expenditures. Finally, please refer to further explanations below.

Please note that the requested accounts comprise several budget line items. Specifically, the budget categories included in "Mains" are Revenue Mains, Main Replacements, Municipal Improvements, System Improvements, and Cathodic Protection. The line items included in "Services" are Revenue Services and Service Replacements. The detailed attachments provide information for all these budget categories.

For the year 2002, the Company used its capital budget as the basis for plant additions. Generally, detailed information by construction project is available for this year, at least to the extent that the project was known at the time the 2002 budget was prepared. In some cases, the annual budget for categories is based on either historical trending or an allocation of total program dollars (as in System Improvements), and therefore information may not be available on a project basis.

For the year 2003, a detailed trend analysis was performed for both revenue-producing and maintenance capital expenditures. This analysis was used as the basis for 2003 estimated capital expenditures. Only one specific project (\$3 million for Gulfstream-related mains) was added to the amounts determined in the trend analysis.

Finally, the audit request asked for specific months when project expenditures are estimated to occur. For the 2002 budget, the operating regions were asked to estimate their capital expenditures on a monthly basis. These estimates were used to form the capital budget and, accordingly, the monthly additions included in the MFRs for 2002. In the case of 2003, all expenditures were straight-lined throughout the year with the exception of vehicles, which are typically all purchased in the first quarter of an operating year.

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Budget 2002 Main Costs

| <u>Project with Description</u> | <u>Capital Mains '02</u> | <u>Plastic</u> | <u>Steel</u> |
|---|--------------------------|----------------|--------------|
| 51000007 Andrx Pharmaceuticals | \$ 389,000 | \$ - | \$ 389,000 |
| 51000010 Northwest Broward Expansion | 1,000,000 | 1,000,000 | - |
| 51990061 Big Sky North (a2) | 20,000 | 20,000 | - |
| 51000026 US1 & Jupiter | 462,000 | 462,000 | - |
| 51010018 Mirasol at Golf Digest | 621,000 | 621,000 | - |
| 51010023 The Cove | 11,600 | 11,600 | - |
| 51010024 Jupiter Creek | 11,800 | 11,800 | - |
| 51990068 Jupiter Creek | 9,600 | 9,600 | - |
| 51990119 Property Pines | 6,000 | 6,000 | - |
| 51000004 Fiddler's Creek | 1,200,000 | 1,200,000 | - |
| 51000017 The Brooks (shadow woods) | 250,000 | 250,000 | - |
| 51000019 Mediterra | 286,000 | 286,000 | - |
| 51000030 Tiburon, Collier County | 280,000 | 280,000 | - |
| 51000032 Gateway Development | 157,000 | 157,000 | - |
| 51010001 The Estuary at Grey Oaks | 160,000 | 160,000 | - |
| 51010002 Quail Woods Courtyards | 22,000 | 22,000 | - |
| 51010007 Miromar Lakes Development | 519,000 | 519,000 | - |
| 51010020 Rookery Pointe Development | 169,000 | 169,000 | - |
| 51010025 Sun City Development | 197,000 | 197,000 | - |
| 51980010 Naples / Ft Myers Expansion | 1,851,500 | 1,851,500 | - |
| 51980010 Naples / Ft Myers Expansion | 195,000 | 195,000 | - |
| Asphalt Plant - US31, Fort Myers | 200,000 | - | 200,000 |
| For Misc Revenue Mains | 500,000 | 500,000 | - |
| 52010044 Beef O'Brady's | 7,300 | 5,840 | 1,460 |
| 52010058 Community Svcs 3107 N 50th St | 31,000 | 24,800 | 6,200 |
| 52010003 Berkford Place | 24,100 | 19,280 | 4,820 |
| 52001011 Cory Lake Isles | 52,900 | 42,320 | 10,580 |
| 52990032 Van Dyke /Lakeshore Estates | 28,800 | 23,040 | 5,760 |
| 52010027 5119 W. LONGFELLOW AVE. | 800 | 640 | 160 |
| 52010028 ESPERANZA - BAY VISTA | 1,600 | 1,280 | 320 |
| 52010026 Bella Vista Subdivision | 19,200 | 15,360 | 3,840 |
| 52010034 West Park Village | 7,300 | 5,840 | 1,460 |
| 52980010 West Meadows (total) | 152,000 | 121,600 | 30,400 |
| 52010035 West Hampton, Racetrack Rd | 45,600 | 36,480 | 9,120 |
| 52010052 Waterchase, Racetrack Rd | 90,600 | 72,480 | 18,120 |
| 52010050 Mc Mullen Loop Rd.-Riverview | 24,000 | 19,200 | 4,800 |
| 52010067 BAYPOINTE SUBDIVISION | 800 | 640 | 160 |
| 52010069 Cross Creek Section O, Phase 2 | 15,200 | 12,160 | 3,040 |
| 52010059 Hurley Rd.@ Bloomingdale Ave. | 19,200 | 15,360 | 3,840 |
| 52010076 The Oasis | 23,300 | 18,640 | 4,660 |
| 52010081 Seven Oaks | 40,000 | 32,000 | 8,000 |
| 52010006 Camelot Woods Ph2 | 28,900 | 23,120 | 5,780 |
| 52010008 Mango Road and Lake Weeks | 179,600 | 143,680 | 35,920 |
| 52980017 Westchase (all) | 57,600 | 46,080 | 11,520 |
| 52001027 Aston Gardens ACLF | 7,300 | 5,840 | 1,460 |
| 52970003 CR581/SR54 (total buildout) | 7,300 | 5,840 | 1,460 |
| 52970053 Brandon East | 38,400 | 30,720 | 7,680 |
| 52980028 Westwood Lakes | 16,900 | 13,520 | 3,380 |
| 52970051 SR54 Willow Bend | 52,800 | 42,240 | 10,560 |

Budget 2002 Main Costs

| <u>Project with Description</u> | <u>Capital Mains '02</u> | <u>Plastic</u> | <u>Steel</u> |
|---|--------------------------|----------------|--------------|
| 52970006 Fish Hawk Ranch | 278,300 | 222,640 | 55,660 |
| 52001007 The Pointe at Harbour Island | 2,400 | 1,920 | 480 |
| 52001002 Tampa Palms 15 & 16 | 9,600 | 7,680 | 1,920 |
| 52001016 Grand Oaks, S. R. 54 | 68,000 | 54,400 | 13,600 |
| 52001017 Danforth Place, (Richmond Pl) | 19,200 | 15,360 | 3,840 |
| 52001004 Oakstead, SR 54 | 76,000 | 60,800 | 15,200 |
| 52001003 Somerset at Mulrennan & Hwy 60 | 98,500 | 78,800 | 19,700 |
| 52000071 Woodberry at Lakewood | 30,400 | 24,320 | 6,080 |
| 52001026 Lumsden Pointe-206 Homes | 60,800 | 48,640 | 12,160 |
| 52001029 Tampa Palms parcel 23 | 14,400 | 11,520 | 2,880 |
| 52001030 Devonshire Lake Dr | 2,400 | 1,920 | 480 |
| 52001034 Brandon Ridge I | 24,000 | 19,200 | 4,800 |
| 52001037 3409 & 3411 SAN LUIS ST. | 800 | 640 | 160 |
| 52001032 Bayshore Trails-56 Homes | 9,600 | 7,680 | 1,920 |
| 52001042 Olive Garden and Red Lobster | 62,000 | 49,600 | 12,400 |
| 52001013 Deerpark, Livingston Rd | 33,600 | 26,880 | 6,720 |
| 52001012 Mulrennan/Pearson Rd | 48,000 | 38,400 | 9,600 |
| 52970025 Lake Saint Charles | 67,200 | 53,760 | 13,440 |
| 52970019 Oak Grove (no gate now) | 67,200 | 53,760 | 13,440 |
| 52980023 Emerald Creek | 24,000 | 19,200 | 4,800 |
| 52980050 Arbor Greene (total) | 120,800 | 96,640 | 24,160 |
| 52970050 Dade City Expansion | 7,300 | 5,840 | 1,460 |
| 52990039 Carolwood Publix | 30,800 | 24,640 | 6,160 |
| 52980021 Meadowpointe 12-1 parcel 15 | 220,800 | 176,640 | 44,160 |
| 52990021 Westchester | 28,800 | 23,040 | 5,760 |
| 52990026 River Crossing | 4,000 | 3,200 | 800 |
| 52990052 Lake June Estates | 6,400 | 5,120 | 1,280 |
| 52990063 Bloomingdale Trails | 11,200 | 8,960 | 2,240 |
| 52990067 Wesley Point SR54 | 24,000 | 19,200 | 4,800 |
| 52990099 Saddlebrook Village | 19,200 | 15,360 | 3,840 |
| 52990077 Bloomingdale Ridge | 33,600 | 26,880 | 6,720 |
| 52990087 Centex & Bayshore | 28,800 | 23,040 | 5,760 |
| 52990100 Pinewalk | 3,200 | 2,560 | 640 |
| 52990072 Garrison District Channel | 67,500 | 54,000 | 13,500 |
| 52010010 Thurston Groves, 102nd Ave N | 30,400 | 24,320 | 6,080 |
| 52010071 South Cross Bayou Water Recl | 31,000 | 24,800 | 6,200 |
| 52980043 Maderia Beach Expansion | 74,800 | 59,840 | 14,960 |
| 52990028 Oakhurst | 8,000 | 6,400 | 1,600 |
| 52990088 Paradise Point Circle | 1,600 | 1,280 | 320 |
| 52010011 Lakeridge Falls - University | 57,700 | 46,160 | 11,540 |
| 52010022 River Pines Dubdivision | 16,000 | 12,800 | 3,200 |
| 52010025 Old Grove - Greenfield | 27,200 | 21,760 | 5,440 |
| 52010030 Greenbrook-Lakewood Ranch | 96,000 | 76,800 | 19,200 |
| 52010031 The Plantations @ Tara | 4,800 | 3,840 | 960 |
| 52010054 Secluded Oaks-Sarasota | 27,200 | 21,760 | 5,440 |
| 52010055 The Enclave-Sarasota | 3,200 | 2,560 | 640 |
| 52010065 Heritage Harbour | 20,800 | 16,640 | 4,160 |
| 52010066 Kenwood Park-University Park | 20,000 | 16,000 | 4,000 |
| 52010063 Englewood Project | 148,500 | 118,800 | 29,700 |

Budget 2002 Main Costs

| <u>Project with Description</u> | <u>Capital Mains '02</u> | <u>Plastic</u> | <u>Steel</u> |
|--|--------------------------|----------------|--------------|
| 52970027 University "T&Z" Y & Park | 20,000 | 16,000 | 4,000 |
| 52980044 Lakewood Ranch, (consolidate) | 264,000 | 211,200 | 52,800 |
| 52000023 Monte Verde in Prestancia | 1,600 | 1,280 | 320 |
| 52000024 Willow Brook - Sarasota | 12,800 | 10,240 | 2,560 |
| 52000008 Hammocks - Sarasota | 9,600 | 7,680 | 1,920 |
| 52990035 Waterleaf | 67,200 | 53,760 | 13,440 |
| 52000076 Hudson Street- Sarasota | 1,600 | 1,280 | 320 |
| 52000077 Emerald Pointe, Longboat Key | 3,200 | 2,560 | 640 |
| 52001014 Water Oak-Braden River Rd | 24,000 | 19,200 | 4,800 |
| 52001040 Portofino Project | 4,800 | 3,840 | 960 |
| 52001015 The Inlets-Pinnacle Dr | 9,600 | 7,680 | 1,920 |
| 52990001 Venice Expansion | 73,000 | 58,400 | 14,600 |
| 52980037 The Hamptons | 19,200 | 15,360 | 3,840 |
| 52980035 Riviera Dunes | 50,200 | 40,160 | 10,040 |
| 52980034 Rosdale Highlands (combined) | 19,200 | 15,360 | 3,840 |
| 52980009 Ellenton | 26,600 | 21,280 | 5,320 |
| 52980005 Blake Project | 21,900 | 17,520 | 4,380 |
| 52980045 Hawks Harbor | 3,200 | 2,560 | 640 |
| 52990013 River Club South | 14,400 | 11,520 | 2,880 |
| 52990036 Silver Oaks | 4,800 | 3,840 | 960 |
| 52990016 Villa Rosa- Sarasota | 9,600 | 7,680 | 1,920 |
| 52980042 Heron Creek North Port | 74,600 | 59,680 | 14,920 |
| 52990015 Bobcat Trail / Toledo Blade | 53,000 | 42,400 | 10,600 |
| 52000016 The Preserve at Fairway Oaks | 22,400 | 17,920 | 4,480 |
| 52970001 Pasco / Hernando Expansion | 443,400 | 354,720 | 88,680 |
| 52970009 Brooksville Expansion | 104,000 | 83,200 | 20,800 |
| Land O'Lakes | 450,000 | 360,000 | 90,000 |
| Englewood | 450,000 | 360,000 | 90,000 |
| East Manatee | 450,000 | 360,000 | 90,000 |
| Mango | 450,000 | 360,000 | 90,000 |
| New Misc | 450,000 | 360,000 | 90,000 |
| Connerton | 100,000 | 80,000 | 20,000 |
| UCF - Academic Villages | 15,000 | - | 15,000 |
| Super Target at Hunter's Creek | 10,000 | - | 10,000 |
| Thornton Rd. main installation | 15,000 | - | 15,000 |
| Custom Fabs, 109 5th St. | 10,000 | - | 10,000 |
| Orange County Animal Control | 15,000 | - | 15,000 |
| 2024 Wellfleet Ct./Auto Body | 10,000 | - | 10,000 |
| Sand Lake Pointe Apartments | 10,000 | 10,000 | - |
| The Waverly at Lake Eola | 25,000 | 25,000 | - |
| Perle Du Lac, Winter Park | 4,500 | 4,500 | - |
| 1300 Brookhaven Dr | 5,000 | 5,000 | - |
| 53000024, SAND LK RD & PHIL | 9,900 | - | 9,900 |
| 2550 MICHIGAN AVE | 8,800 | - | 8,800 |
| The Fountains Shopping Center | 5,000 | - | 5,000 |
| Central Ave Elementary School | 25,000 | - | 25,000 |
| Orange Tree Subdivision: US 27 | 30,000 | 30,000 | - |
| VALENCIA Woods Apartments | 15,000 | 15,000 | - |
| 53000026, 325 S ORANGE AVE | 17,500 | 17,500 | - |

Budget 2002 Main Costs

| <u>Project with Description</u> | <u>Capital Mains '02</u> | <u>Plastic</u> | <u>Steel</u> |
|--|--------------------------|----------------|--------------|
| CRESENT LAKE SUBDIVISION | 40,000 | 40,000 | - |
| Waterford Point Apartments | 23,000 | 23,000 | - |
| SUMMER BAY RESORT CLERMONT | 5,000 | 5,000 | - |
| WESTGATE TIMESHARE RESORT | 25,000 | 25,000 | - |
| ATRIA, RED BUG LAKE RD | 17,100 | - | 17,100 |
| 98-A-4 SE ORLANOD EXPANS | 450,000 | - | 450,000 |
| MCINERNEY FORD | 9,000 | - | 9,000 |
| ORLANDO INT'L AIRPORT | 7,500 | - | 7,500 |
| 53990136 LITTLE LAKE BRYAN | 10,000 | - | 10,000 |
| 53990137 217 BOSTON AVE | 10,000 | - | 10,000 |
| 8500 VINELAND RD-OUTLET MAL | 10,000 | - | 10,000 |
| THE PALMS COUNTRY CL | 30,000 | 30,000 | - |
| INDIAN CREEK | 30,000 | 30,000 | - |
| 53990041 GREATER GROVES 7-9 | 15,000 | 15,000 | - |
| Mossy Oak Subdivision | 2,500 | 2,500 | - |
| U.S. Nutraceuticals | 50,000 | - | 50,000 |
| Bridle Path Subdivision | 5,000 | 5,000 | - |
| Mission Inn: Howey in the Hill | 30,000 | 30,000 | - |
| Waterman Hopital Expansion | 75,000 | - | 75,000 |
| ROYAL HARBOR TAVARES | 30,000 | 30,000 | - |
| Publix, Shepherd Rd.Lakeland | 25,000 | 25,000 | - |
| Juice Bowl Products, Inc. | 28,000 | - | 28,000 |
| 337 Bill France Main Extension | 8,500 | 8,500 | - |
| 115 Main Street main extension | 4,500 | 4,500 | - |
| 1200 W. International Speedway | 8,500 | 8,500 | - |
| CRANE LAKES PH 2 | 10,000 | 10,000 | - |
| Salvation Army on LPGA Blvd. | 7,400 | 7,400 | - |
| CRANE LAKES PH I | 6,500 | 6,500 | - |
| ABERDEEN @ ORMOND BEACH | 30,000 | 30,000 | - |
| New Project 1 | 6,000 | 6,000 | - |
| Residence Inn Westwood | 21,000 | - | 21,000 |
| Baldwin Park NTC / Orl. | 100,000 | - | 100,000 |
| Reunion 545 / Orl. | 175,000 | 150,000 | 25,000 |
| Bridgewater / Horizon West / Orl. | 110,000 | 110,000 | - |
| Universal Blvd. OCCC / Orl. | 300,000 | - | 300,000 |
| Oviedo Extension / Orl. | 400,000 | - | 400,000 |
| Cambridge Cove Apts. / Lkld 0870103005 | 45,000 | 45,000 | - |
| Greater Grove Project | 45,000 | 30,000 | 15,000 |
| Orlando New Apts | 45,000 | 30,000 | 15,000 |
| Daytona Unknown | 50,000 | 25,000 | 25,000 |
| Eustis Unknown | 50,000 | 25,000 | 25,000 |
| Lakeland Unknown | 50,000 | 25,000 | 25,000 |
| Orlando Unknown | 175,000 | 150,000 | 25,000 |
| St. Johns Golf & Country Club | 125,000 | 125,000 | - |
| Southampton Golf Club | 75,000 | 75,000 | - |
| 54000008 MANDARIN EXP | 455,000 | 455,000 | - |
| SUPPLY MAIN-WORLD GOLF VLG | 300,000 | - | 300,000 |
| SUTTON6 LAKES | 100,000 | 100,000 | - |
| 54980004 Ridgemoor | 15,000 | 15,000 | - |

Budget 2002 Main Costs

| <u>Project with Description</u> | <u>Capital Mains '02</u> | <u>Plastic</u> | <u>Steel</u> |
|--------------------------------------|--------------------------|----------------|--------------|
| 54-069902 JAMES ISLAND | 25,000 | 25,000 | - |
| 54990023,CAMBRIDGE ESTATES | 100,000 | 100,000 | - |
| 54001010 Summerton South residential | 5,815 | 5,815 | - |
| 54010013 Belleview Extension | 423,636 | 300,000 | 123,636 |
| 54990251 Golden Ocala | 100,000 | 100,000 | - |
| 92-B-14 SPRUCE CREEK | 150,000 | 150,000 | - |
| 190-A-15 LADY LAKES-VILLAG | 1,400,000 | 1,300,000 | 100,000 |
| 54990274 Quail Meadows phase 2 | 10,000 | 10,000 | - |
| 54990282 Golfview | 10,000 | 10,000 | - |
| 136A1-15 OCALA WESTERN | 120,000 | 120,000 | - |
| 54990278 Victoria Station | 13,250 | 13,250 | - |
| 54990284 Heather Island Preserve | 50,000 | 50,000 | - |
| 54990293 Deerpath | 13,541 | 13,541 | - |
| KING & MCCOYS CREEK | 13,800 | 13,800 | - |
| DALTON WOODS | 23,922 | 23,922 | - |
| ANTHONY RD-WINN DIXIE | 14,062 | 14,062 | - |
| FOUNTAIN SUBD | 24,283 | 24,283 | - |
| Palencia | 350,000 | 350,000 | - |
| Misc. Short Main Ext. -06 | 750,000 | 750,000 | - |
| Misc.Short Main Ext. - 14 | 500,000 | 500,000 | - |
| Pier Park | 125,000 | 125,000 | - |
| Palmetto Trace | 64,000 | 64,000 | - |
| 15...MISC. MAIN | 150,000 | 150,000 | - |
| 15..BOYD DEV. | 200,000 | 200,000 | - |
| 15..AUTUMN RIDGE | 50,000 | 50,000 | - |
| 15...HEATHBROOK | 150,000 | 150,000 | - |
| Gulfstream | 3,000,000 | - | 3,000,000 |
| Total New Mains | \$ 27,079,409 | \$ 19,830,393 | \$ 7,249,016 |

| | | | |
|---|---------|---------|---------|
| NE 9ST & NE 14 ST | 5,796 | 3,825 | 1,971 |
| Beaver St Bare Stl | 300,000 | 198,000 | 102,000 |
| Cinderella Lane | 15,000 | 9,900 | 5,100 |
| Forest Ave | 15,000 | 9,900 | 5,100 |
| 15.. NE 12TH AVE | 30,000 | 19,800 | 10,200 |
| 15...SHORES | 30,000 | 19,800 | 10,200 |
| Virginia Ave. Main Replacement | 8,000 | 5,280 | 2,720 |
| Lakeland Regional Medical | 7,100 | 4,686 | 2,414 |
| Ridgewood Main Replacement / Daytona | 75,000 | 49,500 | 25,500 |
| South FL Main Replacement 0870104002 / Lkld | 53,000 | 34,980 | 18,020 |
| Lakeland Bypass Replacement | 55,000 | 36,300 | 18,700 |
| Delany & Gore / Orl | 40,000 | 26,400 | 13,600 |
| Tangerine Place / Orl | 50,000 | 33,000 | 17,000 |
| Edgewater & Par / Orl. | 75,000 | 49,500 | 25,500 |
| Tampa | 300,000 | 198,000 | 102,000 |
| St. Petersburg | 300,000 | 198,000 | 102,000 |
| Sarasota | 200,000 | 132,000 | 68,000 |
| BRIDGE B/PALM IS & HIBISCUS | 30,500 | 20,130 | 10,370 |

Budget 2002 Main Costs

| <u>Project with Description</u> | <u>Capital Mains '02</u> | <u>Plastic</u> | <u>Steel</u> |
|--|--------------------------|----------------|--------------|
| South Region's Allocation CY02 | 800,000 | 528,000 | 272,000 |
| Total Main Replacements | \$ 2,389,396 | \$ 1,577,001 | \$ 812,395 |
| Riverland Village Ph-2, Ft. Lauderdale | 220,000 | 145,200 | 74,800 |
| Biscayne Blvd, Aventura | 155,600 | 102,696 | 52,904 |
| Msc. Projects | 100,000 | 66,000 | 34,000 |
| SR A1A, Lighthouse Point, Offsets | 80,000 | 52,800 | 27,200 |
| Riverland Village - Phase I | 76,600 | 50,556 | 26,044 |
| SR A1A (Indian Crk Dr), Miami Beach | 68,000 | 44,880 | 23,120 |
| Sunrise Blvd. (5) Offsets | 60,000 | 39,600 | 20,400 |
| N.W. 6 Ave, Pompano, Offsets | 37,500 | 24,750 | 12,750 |
| 02-Misc | 270,000 | 178,200 | 91,800 |
| FDOT US-41 McIntosh/SR-681 | 200,000 | 132,000 | 68,000 |
| Municipal - Siesta Key Project | 100,000 | 66,000 | 34,000 |
| 03- Misc | 72,000 | 47,520 | 24,480 |
| 11-Misc | 68,000 | 44,880 | 23,120 |
| Collier Parkway Road Widening | 55,000 | 36,300 | 18,700 |
| 20th St./ Crosstown Expressway | 50,000 | 33,000 | 17,000 |
| Windhorst Ave. @ Highview Ave. | 30,000 | 19,800 | 10,200 |
| Delaware & Arizona | 30,000 | 19,800 | 10,200 |
| 63rd Ave Municipal Rd Project | 30,000 | 19,800 | 10,200 |
| US 19 & TOUCAN TR HUDSON | 25,000 | 16,500 | 8,500 |
| Countyline Rd & Oakgrove Blvd | 20,000 | 13,200 | 6,800 |
| HORATIO ST AND WILLOW AVE-COT | 20,000 | 13,200 | 6,800 |
| BRYAN DAIRY & 66 ST | 20,000 | 13,200 | 6,800 |
| 65th St. & 78th A/N - Pinellas | 20,000 | 13,200 | 6,800 |
| Nova Road Port Orange | 150,000 | 99,000 | 51,000 |
| SR441 Taftvineland | 150,000 | 99,000 | 51,000 |
| SR 426 (Aloma Ave.) Relocation | 100,000 | 66,000 | 34,000 |
| SR 545 / Orl | 100,000 | 66,000 | 34,000 |
| Alafaya Trail & Muculloch | 100,000 | 66,000 | 34,000 |
| SR192 Michigan | 85,000 | 56,100 | 28,900 |
| Dodd Road / Orl. | 75,000 | 49,500 | 25,500 |
| Silver Star Road & Gate Sta. | 60,000 | 39,600 | 20,400 |
| CR 545 Main Relocation | 40,000 | 26,400 | 13,600 |
| US 27 Main relocation | 35,000 | 23,100 | 11,900 |
| Nova Road Ormond Beach | 25,000 | 16,500 | 8,500 |
| INGRAM AND MYRTLE RELOCATION | 20,700 | 13,662 | 7,038 |
| International Dr. & SR 528 | 20,100 | 13,266 | 6,834 |
| SR 530 B/BONNETT & SR 535 | 15,000 | 9,900 | 5,100 |
| SR 500 (US 441) Main Relocate | 15,000 | 9,900 | 5,100 |
| Bay Street Main Replacement | 15,000 | 9,900 | 5,100 |
| Central Blvd. at Mills | 14,000 | 9,240 | 4,760 |
| GRIFFIN ROAD PROJECT | 8,000 | 5,280 | 2,720 |
| LANE AVE | 250,000 | 165,000 | 85,000 |
| San Juan Reloc | 150,000 | 99,000 | 51,000 |
| SW 20th Street | 150,000 | 99,000 | 51,000 |
| SW 31st Street | 150,000 | 99,000 | 51,000 |

Budget 2002 Main Costs

| <u>Project with Description</u> | <u>Capital Mains '02</u> | <u>Plastic</u> | <u>Steel</u> |
|---|--------------------------|----------------|--------------|
| Beach Blvd | 75,000 | 49,500 | 25,500 |
| 5TH ST /MCDUFF AVE | 60,000 | 39,600 | 20,400 |
| Airport Rd | 40,000 | 26,400 | 13,600 |
| Oak St | 36,000 | 23,760 | 12,240 |
| Point Meadows Dr. | 30,000 | 19,800 | 10,200 |
| MURRY HILL | 25,000 | 16,500 | 8,500 |
| MLK Blvd | 20,000 | 13,200 | 6,800 |
| Hath Bridge Proj | 20,000 | 13,200 | 6,800 |
| NW 14 ST & MAGNOLIA AVE | 13,854 | 9,144 | 4,710 |
| DERPATH3 | 8,194 | 5,408 | 2,786 |
| SE 31ST STREET | 7,818 | 5,160 | 2,658 |
| Total Municipal Improvements | \$ 3,871,366 | \$ 2,555,102 | \$ 1,316,264 |
| Shores | 50,000 | 39,417 | 10,583 |
| NE 12th Street | 30,000 | 23,650 | 6,350 |
| Westside Ind. Park | 30,000 | 23,650 | 6,350 |
| SE 24TH Terrace | 25,000 | 19,708 | 5,292 |
| Myrtle Ave Backfeed | 15,000 | 11,825 | 3,175 |
| Orlando Unknown | 100,000 | 78,833 | 21,167 |
| Daytona Unknown | 50,000 | 39,417 | 10,583 |
| Lakeland Unknown | 50,000 | 39,417 | 10,583 |
| Eustis Unknown | 50,000 | 39,417 | 10,583 |
| Millenia Blvd & Oakridge rd ex | 25,000 | 19,708 | 5,292 |
| 53990132,6161 JONES AVE | 25,000 | 19,708 | 5,292 |
| 02-Dale Mabry | 300,000 | 236,500 | 63,500 |
| 11- Siesta Key | 125,000 | 98,542 | 26,458 |
| 02-Culbreath | 100,000 | 78,833 | 21,167 |
| 03- US 19 - Pasco | 100,000 | 78,833 | 21,167 |
| 02-Misc | 50,000 | 39,417 | 10,583 |
| 03- Misc | 25,000 | 19,708 | 5,292 |
| Las Olas Blvd @ ICWW | 112,500 | 88,687 | 23,813 |
| Collins Ave, Bal Harbour | 112,500 | 88,687 | 23,813 |
| Copans Road Backfeed | 84,600 | 66,693 | 17,907 |
| Davie Blvd & New River | 50,000 | 39,417 | 10,583 |
| Miami Gate Station Upgrade | 50,000 | 39,417 | 10,583 |
| Total Distribution System Improvements | \$ 1,559,600 | \$ 1,229,484 | \$ 330,116 |
| Goldenrod, Woodlands & Silver Star Rectifiers / Orl | 5,000 | - | 5,000 |
| (2) Rectifier locations in Lakeland. | 5,200 | - | 5,200 |
| CP-54 | 50,000 | - | 50,000 |
| General C.P. Requirements | 75,000 | - | 75,000 |
| MIsc | 120,000 | - | 120,000 |
| Total Cathodic Protection | \$ 255,200 | \$ - | \$ 255,200 |
| Miscellaneous | \$ 395,005 | \$ 395,005 | \$ - |
| Total All 37600 and 37602 | \$ 35,549,976 | \$ 25,586,985 | \$ 9,962,991 |

Budget 2002 Service Line Costs

| <u>Project with Description</u> | <u>Total Service Cost</u> | <u>Plastic</u> | <u>Steel</u> |
|--|---------------------------|----------------|--------------|
| 54990262 Villages (conservative) | \$ 1,170,799 | \$ 1,054,471 | \$ 116,329 |
| 51000010 Northwest Broward Expansion | 220,716 | 198,786 | 21,930 |
| 52000015 South Hillsborough | 215,423 | 194,019 | 21,404 |
| 52980044 Lakewood Ranch, (consolidate) | 174,667 | 157,313 | 17,355 |
| 52970006 Fish Hawk Ranch | 159,847 | 143,965 | 15,882 |
| 52980021 Meadowpointe 12-1 parcel 15 | 146,085 | 131,570 | 14,515 |
| 53990034 Falcon Trace Apartments | 133,382 | 120,130 | 13,253 |
| 51000004 Fiddler's Creek | 125,443 | 112,979 | 12,464 |
| 54980251 Spruce Creek | 105,859 | 95,341 | 10,518 |
| 51990061 Big Sky North (a2) | 100,566 | 90,574 | 9,992 |
| 51010019 Tarpon Bay Development | 100,566 | 90,574 | 9,992 |
| 52980010 West Meadows (total) | 100,566 | 90,574 | 9,992 |
| 52980050 Arbor Greene (total) | 79,923 | 71,982 | 7,941 |
| 54001005 St. Johns Golf & Country Club | 79,394 | 71,506 | 7,888 |
| 54970003 Sutton Lakes (total buildout) | 74,101 | 66,739 | 7,363 |
| 52010030 Greenbrook-Lakewood Ranch | 63,515 | 57,205 | 6,311 |
| 51000017 The Brooks (shadow woods) | 62,457 | 56,251 | 6,206 |
| 52001003 Somerset at Mulrennan & Hwy 60 | 60,869 | 54,821 | 6,048 |
| 53000009 Orange Tree Subdivision | 60,869 | 54,821 | 6,048 |
| 51000019 Mediterra | 56,105 | 50,531 | 5,575 |
| 54990258 Top of the World | 52,929 | 47,670 | 5,259 |
| 52001004 Oakstead, SR 54 | 50,283 | 45,287 | 4,996 |
| 54001006 Southampton Golf Club | 47,637 | 42,903 | 4,733 |
| 51000030 Tiburon, Collier County | 46,578 | 41,950 | 4,628 |
| 52001016 Grand Oaks, S. R. 54 | 44,990 | 40,520 | 4,470 |
| 52970025 Lake Saint Charles | 44,461 | 40,043 | 4,418 |
| 52970019 Oak Grove (no gate now) | 44,461 | 40,043 | 4,418 |
| 52990035 Waterleaf | 44,461 | 40,043 | 4,418 |
| 53990043 Indian Creek (Sandhill Road) -- | 42,344 | 38,136 | 4,207 |
| 52980042 Heron Creek North Port | 40,756 | 36,706 | 4,049 |
| 52001026 Lumsden Pointe-206 Homes | 40,226 | 36,230 | 3,997 |
| 52980017 Westchase (all) | 38,109 | 34,323 | 3,786 |
| 51010012 Village 14, Pembroke Falls | 37,051 | 33,369 | 3,681 |
| 51010020 Rookery Pointe Development | 35,463 | 31,939 | 3,524 |
| 51001006 Murdock Circle Apartments | 34,933 | 31,463 | 3,471 |
| 52970051 SR54 Willow Bend | 34,933 | 31,463 | 3,471 |
| 53990093 The Preserves @ Windsong | 34,933 | 31,463 | 3,471 |
| 52010011 Lakeridge Falls - University | 33,875 | 30,509 | 3,366 |
| 52010008 Mango Road and Lake Weeks | 32,816 | 29,556 | 3,261 |
| 51010006 Gulf Harbour Development | 31,758 | 28,602 | 3,155 |
| 51010018 Mirasol at Golf Digest | 31,758 | 28,602 | 3,155 |
| 52001012 Mulrennan/Pearson Rd | 31,758 | 28,602 | 3,155 |
| 54990004 James Island | 31,758 | 28,602 | 3,155 |
| 54970001 World Golf Village (lp to ng 2 | 31,758 | 28,602 | 3,155 |
| 52001011 Cory Lake Isles | 30,699 | 27,649 | 3,050 |
| 52010035 West Hamptom, Racetrack Rd | 30,170 | 27,172 | 2,998 |
| 53990061 Ormand Beach (total) | --- 29,111 | 26,219 | 2,892 |

Budget 2002 Service Line Costs

| <u>Project with Description</u> | <u>Total Service Cost</u> | <u>Plastic</u> | <u>Steel</u> |
|--|---------------------------|----------------|--------------|
| 53990081 Southeast Orlando | 29,111 | 26,219 | 2,892 |
| 51000026 US1 & Jupiter | 28,582 | 25,742 | 2,840 |
| 51000032 Gateway Development | 27,523 | 24,789 | 2,735 |
| 52970001 Pasco / Hernando Expansion | 26,994 | 24,312 | 2,682 |
| 52990015 Bobcat Trail / Toledo Blade | 26,465 | 23,835 | 2,629 |
| 53990018 Carillon Lakes | 26,465 | 23,835 | 2,629 |
| 53990073 Royal Harbor (Pringle) | 26,465 | 23,835 | 2,629 |
| 52970053 Brandon East | 25,406 | 22,882 | 2,524 |
| 54990023 Cambridge Estates | 25,406 | 22,882 | 2,524 |
| 54001001 New Berlin Road Extension | 25,406 | 22,882 | 2,524 |
| 51990050 West Bay Club | 23,289 | 20,975 | 2,314 |
| 51010001 The Estuary at Grey Oakes | 22,230 | 20,022 | 2,209 |
| 52990077 Bloomingdale Ridge | 22,230 | 20,022 | 2,209 |
| 52001013 Deerpark, Livingston Rd | 22,230 | 20,022 | 2,209 |
| 52970015 Fairway Oaks (phase 3) | 22,230 | 20,022 | 2,209 |
| 53990025 Crane Lakes | 21,701 | 19,545 | 2,156 |
| 53000042 Hampton Park, Orange | 21,172 | 19,068 | 2,104 |
| 53990106 Weston Hills (total) | 21,172 | 19,068 | 2,104 |
| 52010010 Thurston Groves, 102nd Ave N | 20,113 | 18,115 | 1,998 |
| 52000071 Woodberry at Lakewood | 20,113 | 18,115 | 1,998 |
| 52990087 Centex & Bayshore | 19,055 | 17,161 | 1,893 |
| 52990032 Van Dyke /Lakeshore Estates | 19,055 | 17,161 | 1,893 |
| 52990021 Westchester | 19,055 | 17,161 | 1,893 |
| 54990035 North Creek / Amelia View | 19,055 | 17,161 | 1,893 |
| 53990031 Eastwood, (all) | 18,525 | 16,685 | 1,841 |
| 52010025 Old Grove - Greenfield | 17,996 | 16,208 | 1,788 |
| 52980025 Riverglen | 17,996 | 16,208 | 1,788 |
| 52010054 Secluded Oaks-Sarasota | 17,996 | 16,208 | 1,788 |
| 51990011 BallenIsles | 16,408 | 14,778 | 1,630 |
| 51990019 Martin County Expansion | 15,879 | 14,301 | 1,578 |
| 52001034 Brandon Ridge I | 15,879 | 14,301 | 1,578 |
| 52980023 Emerald Creek | 15,879 | 14,301 | 1,578 |
| 52970012 Hickory Lakes | 15,879 | 14,301 | 1,578 |
| 52010050 Mc Mullen Loop Rd.-Riverview | 15,879 | 14,301 | 1,578 |
| 52001014 Water Oak-Braden River Rd | 15,879 | 14,301 | 1,578 |
| 52990067 Wesley Point SR54 | 15,879 | 14,301 | 1,578 |
| 53990026 Crescent Lakes | 15,879 | 14,301 | 1,578 |
| 52010006 Camelot Woods Ph2 | 14,820 | 13,348 | 1,473 |
| 52000016 The Preserve at Fairway Oaks | 14,820 | 13,348 | 1,473 |
| 53000058 Viscaya Subdivision | 14,291 | 12,871 | 1,420 |
| 52010063 Englewood Project | 13,762 | 12,394 | 1,367 |
| 52000042 East Manatee 6" Steel | 13,232 | 11,918 | 1,315 |
| 52010066 Kenwood Park-University Park | 13,232 | 11,918 | 1,315 |
| 52980035 Riviera Dunes | 13,232 | 11,918 | 1,315 |
| 52970027 University "T&Z" Y & Park | 13,232 | 11,918 | 1,315 |
| 53000050 The Reserve at Cypress Point | 13,232 | 11,918 | 1,315 |
| 52001017 Danforth Place, (Richmond Pl) | 12,703 | 11,441 | 1,262 |

Budget 2002 Service Line Costs

| <u>Project with Description</u> | <u>Total Service Cost</u> | <u>Plastic</u> | <u>Steel</u> |
|---|---------------------------|----------------|--------------|
| 52010059 Hurley Rd.@ Bloomingdale Ave. | 12,703 | 11,441 | 1,262 |
| 52980034 Rosdale Highlands (combined) | 12,703 | 11,441 | 1,262 |
| 52990099 Saddlebrook Village | 12,703 | 11,441 | 1,262 |
| 52980037 The Hamptons | 12,703 | 11,441 | 1,262 |
| 52980026 Valrico Grove | 12,703 | 11,441 | 1,262 |
| 53990054 LPGA, Jubilee phase 1&2 | 12,703 | 11,441 | 1,262 |
| 54970002 Mayport Expansion | 12,703 | 11,441 | 1,262 |
| 52010003 Berkford Place | 11,644 | 10,488 | 1,157 |
| 52010076 The Oasis | 11,115 | 10,011 | 1,104 |
| 51010002 Quail Woods Courtyards | 10,586 | 9,534 | 1,052 |
| 52010022 River Pines Dubdivision | 10,586 | 9,534 | 1,052 |
| 53000066 LAUREL VALLEY IN THE PRESERVES | 10,586 | 9,534 | 1,052 |
| 53001005 Mission Inn: Howey in the Hill | 10,586 | 9,534 | 1,052 |
| 53990084 Stonehurst | 10,586 | 9,534 | 1,052 |
| 54990255 Lake Diamond Country Club | 10,586 | 9,534 | 1,052 |
| 54000008 Mandarin Expansion | 10,586 | 9,534 | 1,052 |
| 52010069 Cross Creek Section O, Phase 2 | 10,057 | 9,057 | 999 |
| 54001010 Summerton South residential | 10,057 | 9,057 | 999 |
| 52990013 River Club South | 9,527 | 8,581 | 947 |
| 52001029 Tampa Palms parcel 23 | 9,527 | 8,581 | 947 |
| 52980009 Ellenton | 8,998 | 8,104 | 894 |
| 52000024 Willow Brook - Sarasota | 8,469 | 7,627 | 841 |
| 52990063 Bloomingdale Trails | 7,410 | 6,674 | 736 |
| 51990126 Cloisters on the Bay | 6,881 | 6,197 | 684 |
| 52980028 Westwood Lakes | 6,881 | 6,197 | 684 |
| 51990016 Egret Landing area a,b,c | 6,352 | 5,720 | 631 |
| 52001032 Bayshore Trails-56 Homes | 6,352 | 5,720 | 631 |
| 52000008 Hammocks - Sarasota | 6,352 | 5,720 | 631 |
| 52001002 Tampa Palms 15 & 16 | 6,352 | 5,720 | 631 |
| 52001015 The Inlets-Pinnacle Dr | 6,352 | 5,720 | 631 |
| 52990016 Villa Rosa- Sarasota | 6,352 | 5,720 | 631 |
| 53001009 COUNTRY CLUB OAKS SUBDIV. | 6,352 | 5,720 | 631 |
| 53990123 Waterview Subdivision | 6,352 | 5,720 | 631 |
| 52970009 Brooksville Expansion | 5,822 | 5,244 | 578 |
| 51990029 Island Estates | 5,293 | 4,767 | 526 |
| 51010023 The Cove | 5,293 | 4,767 | 526 |
| 52990028 Oakhurst | 5,293 | 4,767 | 526 |
| 52990001 Venice Expansion | 5,293 | 4,767 | 526 |
| 53990015 Bright Water Place | 5,293 | 4,767 | 526 |
| 53990153 Silver Creek Port Orange | 5,293 | 4,767 | 526 |
| 54990264 Laurel Woods | 5,293 | 4,767 | 526 |
| 51990077 The Bears Club, Jupiter | 4,764 | 4,290 | 473 |
| 52980022 Richmond Place (combine) | 4,764 | 4,290 | 473 |
| 52990052 Lake June Estates | 4,234 | 3,814 | 421 |
| 54001004 Tierra Verde (The Glades) | 4,234 | 3,814 | 421 |
| 52980002 Lakeview Village #2 Sect. F & | 3,705 | 3,337 | 368 |
| 52980043 Maderia Beach Expansion | 3,705 | 3,337 | 368 |

Budget 2002 Service Line Costs

| <u>Project with Description</u> | <u>Total Service Cost</u> | <u>Plastic</u> | <u>Steel</u> |
|---|---------------------------|----------------|--------------|
| 52990072 Garrison District Channel | 3,176 | 2,860 | 316 |
| 52001040 Portofino Project | 3,176 | 2,860 | 316 |
| 52990036 Silver Oaks | 3,176 | 2,860 | 316 |
| 52010031 The Plantations @ Tara | 3,176 | 2,860 | 316 |
| 52970054 301 / 54 / Zephyrhills | 3,176 | 2,860 | 316 |
| 53990065 Pennsylvannia Place | 3,176 | 2,860 | 316 |
| 53990134 The Milenia Project: Conroy & | 3,176 | 2,860 | 316 |
| 53001012 Winter Park Pointe | 3,176 | 2,860 | 316 |
| 54980003 Baker County Expansion | 3,176 | 2,860 | 316 |
| 54990251 Golden Ocala | 3,176 | 2,860 | 316 |
| 54001011 THE LANDINGS OFF OF HWY 390 | 3,176 | 2,860 | 316 |
| 51990001 I75 Broward Expansion | 2,646 | 2,384 | 263 |
| 52990026 River Crossing | 2,646 | 2,384 | 263 |
| 53010034 LAKE ADAIR PLACE | 2,646 | 2,384 | 263 |
| 53990091 The Park @ Wolf Branch | 2,646 | 2,384 | 263 |
| 54990256 Deer Path | 2,646 | 2,384 | 263 |
| 54990293 Deerpath | 2,646 | 2,384 | 263 |
| 54990269 Lemonwood 2 | 2,646 | 2,384 | 263 |
| 54990270 Silver Meadows Central (murphy | 2,646 | 2,384 | 263 |
| 54990257 South Point | 2,646 | 2,384 | 263 |
| 52000077 Emerald Pointe, Longboat Key | 2,117 | 1,907 | 210 |
| 52980045 Hawks Harbor | 2,117 | 1,907 | 210 |
| 52990100 Pinewalk | 2,117 | 1,907 | 210 |
| 52010055 The Enclave-Sarasota | 2,117 | 1,907 | 210 |
| 53990140 Gipson Green Subdivision | 2,117 | 1,907 | 210 |
| 53990090 The Palms Country Club Resort | 2,117 | 1,907 | 210 |
| 54990283 Diamond Crest | 2,117 | 1,907 | 210 |
| 54990561 Preserve on the Bay | 2,117 | 1,907 | 210 |
| 51990119 Prosperity Pines | 1,588 | 1,430 | 158 |
| 52980005 Blake Project | 1,588 | 1,430 | 158 |
| 52970004 Citrus Park Mall | 1,588 | 1,430 | 158 |
| 52001030 Devonshire Lake Dr | 1,588 | 1,430 | 158 |
| 52970033 Preston Woods (bsf) | 1,588 | 1,430 | 158 |
| 52001007 The Pointe at Harbour Island | 1,588 | 1,430 | 158 |
| 53990013 Biscayne Heights | 1,588 | 1,430 | 158 |
| 53990071 Red Bug Loop & Acadia Woods | 1,588 | 1,430 | 158 |
| 53000017 The Preserve at Interlachen | 1,588 | 1,430 | 158 |
| 53990105 Westgate Resort | 1,588 | 1,430 | 158 |
| 54990532 Finistere Subdivision | 1,588 | 1,430 | 158 |
| 54990562 Magnolia Meadows | 1,588 | 1,430 | 158 |
| 54990289 Oak Leaf | 1,588 | 1,430 | 158 |
| 54010014 Run new 2" main line for Texas | 1,588 | 1,430 | 158 |
| 54990537 S Jan Drive | 1,588 | 1,430 | 158 |
| 54001008 S. Bertha Ave. | 1,588 | 1,430 | 158 |
| 51000005 Albertson's Plaza, Pembroke Pi | 1,059 | 953 | 105 |
| 52010028 ESPERANZA - BAY VISTA | 1,059 | 953 | 105 |
| 52980060 Havana Heights | 1,059 | 953 | 105 |

Budget 2002 Service Line Costs

| <u>Project with Description</u> | <u>Total Service Cost</u> | <u>Plastic</u> | <u>Steel</u> |
|---|---------------------------|----------------|--------------|
| 2000076 Hudson Street- Sarasota | 1,059 | 953 | 105 |
| 52000023 Monte Verde in Prestancia | 1,059 | 953 | 105 |
| 2990034 North Creek | 1,059 | 953 | 105 |
| 2970039 Old Oak | 1,059 | 953 | 105 |
| 52990088 Paradise Point Circle | 1,059 | 953 | 105 |
| 2970044 SR52 - US19 to Little Road | 1,059 | 953 | 105 |
| 3010009 Alafaya Tr. at Lake Underhill | 1,059 | 953 | 105 |
| 53990108 Festival Bay Mall | 1,059 | 953 | 105 |
| 53001006 The Fountains Shopping Center | 1,059 | 953 | 105 |
| 3010011 115 Main Street main extension | 1,059 | 953 | 105 |
| 53010014 1200 W. International Speedway | 1,059 | 953 | 105 |
| 53010004 337 Bill France Main Extension | 1,059 | 953 | 105 |
| 4990535 Lullwater Drive | 1,059 | 953 | 105 |
| 54010022 Moonlight Bay Dr | 1,059 | 953 | 105 |
| 54010006 Sewanee St. main line exst. | 1,059 | 953 | 105 |
| 4990254 Shalamar | 1,059 | 953 | 105 |
| 4990554 Summerwood Phase 2 | 1,059 | 953 | 105 |
| 54990555 Woodrun | 1,059 | 953 | 105 |
| 1990076 Broward County Correctional Fa | 529 | 477 | 53 |
| 1980001 Broward County Detention | 529 | 477 | 53 |
| 51010005 Jupiter Park of Commerce | 529 | 477 | 53 |
| 2001027 Aston Gardens ACLF | 529 | 477 | 53 |
| 2010067 BAYPOINTE SUBDIVISION | 529 | 477 | 53 |
| 52010044 Beef O'Brady's | 529 | 477 | 53 |
| 52970043 Brookside | 529 | 477 | 53 |
| 2010001 Commerce Park | 529 | 477 | 53 |
| 52010058 Community Svcs 3107 N 50th St | 529 | 477 | 53 |
| 52970003 CR581/SR54 (total buildout) | 529 | 477 | 53 |
| 2970050 Dade City Expansion | 529 | 477 | 53 |
| 52010007 Moffitt Cancer Center | 529 | 477 | 53 |
| 52010071 South Cross Bayou Water Recl | 529 | 477 | 53 |
| 2010034 West Park Village | 529 | 477 | 53 |
| 2001037 3409 & 3411 SAN LUIS ST. | 529 | 477 | 53 |
| 52010027 5119 W. LONGFELLOW AVE. | 529 | 477 | 53 |
| 3010046 Agri-Starts Inc. Extension | 529 | 477 | 53 |
| 3990121 Best Western Airport Inn - 810 | 529 | 477 | 53 |
| 53000007 Bridle Path: Mt. Dora | 529 | 477 | 53 |
| 3990023 City of Orlando | 529 | 477 | 53 |
| 3010033 Del Verde Way Main Extension | 529 | 477 | 53 |
| 53990047 International Festival | 529 | 477 | 53 |
| 53000054 Orange County Correctional | 529 | 477 | 53 |
| 3000024 Plaza Venezia | 529 | 477 | 53 |
| 53000023 Publix 1910 N. John Young Pkwy | 529 | 477 | 53 |
| 53001015 Publix main extension | 529 | 477 | 53 |
| 3990113 The Villas at Summer Bay | 529 | 477 | 53 |
| 53990096 Tuck's Knoll S/D | 529 | 477 | 53 |
| 53010045 U.S. Nutraceuticals | 529 | 477 | 53 |

Analysis of Revenue Capital

| | Budget 2002 | Actual 2001 | Actual 2000 | Actual 1999 | Actual 1998 | 5-Yr Avg. 98-02 |
|------------------------------|----------------|----------------|----------------|----------------|----------------|--------------------|
| Revenue Mains | \$ 27,079,409 | \$ 33,014,610 | \$ 43,435,580 | \$ 41,254,824 | \$ 24,811,312 | \$ 33,919,147 |
| Revenue Services | 8,550,753 | 12,430,463 | 12,084,822 | 9,539,294 | 6,600,443 | 9,841,155 |
| Meters | 2,719,211 | 3,304,621 | 3,572,548 | 2,578,777 | 1,115,810 | 2,658,194 |
| Meter Install | - | - | - | - | - | - |
| Regulators | 636,185 | 686,490 | 559,666 | 570,057 | 479,468 | 586,373 |
| Meter/Reg. Install - Res. | 1,801,995 | 2,447,242 | 1,849,135 | 1,640,178 | 1,211,361 | 1,789,982 |
| Meter/Reg. Install - Comm. | 714,650 | 1,332,217 | 1,076,180 | 805,486 | 646,259 | 914,958 |
| Industrial Installations | 304,950 | 423,795 | 342,607 | 579,188 | 335,147 | 397,137 |
| Alternative Fueling Stations | 10,000 | (1,379) | 11,554 | 8,855 | - | 5,806 |
| Meas. Reg. Sta. Equipment | 1,419,318 | 748,649 | 1,466,766 | 958,590 | 513,694 | 1,021,403 |
| Major Projects | - | 20,051 | 60,276 | 61,231 | 2,608,715 | 550,054 |
| Miscellaneous | - | 497 | (112,615) | 2,594,828 | 2,452,249 | 986,992 |
| Total Revenue Producing | \$ 43,236,470 | \$ 54,407,255 | \$ 64,346,521 | \$ 60,591,308 | \$ 40,774,458 | \$ 52,671,202 |

EXTRAORDINARY EXPENSES

Division 16 : SW FL

| | | | | | | |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Revenue Mains | | 15,932,298 | 19,362,540 | 17,563,304 | 956,036 | |
| Revenue Services | | 2,303,716 | 1,403,774 | 88,797 | - | |
| Regulators | | 112,813 | 27,976 | 3,763 | - | |
| Meter/Reg. Install - Res. | | 170,177 | 16,477 | 21,375 | - | |
| Meter/Reg. Install - Comm. | | 255,704 | 118,022 | 11,780 | - | |
| Meas. Reg. Sta. Equipment | | 197,305 | 325,846 | (152,215) | 251,819 | |
| Miscellaneous | | - | - | (1,336,636) | 1,341,737 | |
| Adjusted Revenue Producing | \$ 43,236,470 | \$ 38,474,957 | \$ 44,983,980 | \$ 43,028,004 | \$ 39,818,422 | \$ 41,908,367 |

(adjusted for italicized items).

Revenue Capital Net of Div. 16 Revenue Mains

| | | | | | | |
|------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Revenue Mains | \$ 27,079,409 | \$ 17,082,311 | \$ 24,073,040 | \$ 23,691,520 | \$ 23,855,276 | \$ 23,156,311 |
| Revenue Services | 8,550,753 | 12,430,463 | 12,084,822 | 9,539,294 | 6,600,443 | 9,841,155 |
| Meters | 2,719,211 | 3,304,621 | 3,572,548 | 2,578,777 | 1,115,810 | 2,658,194 |
| Meter Install | - | - | - | - | - | - |
| Regulators | 636,185 | 686,490 | 559,666 | 570,057 | 479,468 | 586,373 |
| Meter/Reg. Install - Res. | 1,801,995 | 2,447,242 | 1,849,135 | 1,640,178 | 1,211,361 | 1,789,982 |
| Meter/Reg. Install - Comm. | 714,650 | 1,332,217 | 1,076,180 | 805,486 | 646,259 | 914,958 |
| Industrial Installations | 304,950 | 423,795 | 342,607 | 579,188 | 335,147 | 397,137 |
| Alternative Fueling Stations | 10,000 | (1,379) | 11,554 | 8,855 | - | 5,806 |
| Meas. Reg. Sta. Equipment | 1,419,318 | 748,649 | 1,466,766 | 958,590 | 513,694 | 1,021,403 |
| Major Projects | - | 20,051 | 60,276 | 61,231 | 2,608,715 | 550,054 |
| Miscellaneous | - | 497 | (112,615) | 2,594,828 | 2,452,249 | 986,992 |
| Total Revenue Producing | \$ 43,236,470 | \$ 38,474,957 | \$ 44,983,980 | \$ 43,028,004 | \$ 39,818,422 | \$ 41,908,367 |

| | Budget 2002 | Actual 2001 | Actual 2000 | Actual 1999 | Actual 1998 | 5-Yr Avg. 98-02 |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|--------------------|
| Service Replacements | \$ 691,050 | \$ 819,314 | \$ 611,916 | \$ 524,211 | \$ 378,404 | \$ 604,979 |
| Main Replacements | 2,389,396 | 959,529 | 842,076 | 803,638 | 1,252,729 | 1,249,474 |
| System Improvements | 1,559,601 | 1,532,359 | 1,928,438 | 1,258,053 | 1,624,800 | 1,580,650 |
| Municipal Improvements | 3,871,371 | 4,399,298 | 2,240,913 | 2,903,906 | 1,833,061 | 3,049,510 |
| Cathodic Protection | 255,200 | 310,876 | 257,582 | 194,519 | 263,445 | 256,324 |
| Transportation Vehicles | 2,388,009 | 8,192,932 | 5,444,613 | 1,269,112 | 936,943 | 3,646,322 |
| Communication Equipment | 287,500 | 1,333,515 | 325,591 | 935,245 | 1,138,543 | 804,079 |
| Office Equipment | 2,471,112 | 1,757,394 | 3,229,512 | 3,631,820 | 6,194,977 | 3,456,963 |
| Tools & Shop Equipment | 487,100 | 231,978 | 339,811 | 139,990 | 162,908 | 272,357 |
| Power Operated Equipment | 362,600 | 112,065 | 82,907 | 36,318 | 343,795 | 187,537 |
| Testing/Meas. Equipment | 791,400 | 214,432 | 435,985 | 110,155 | 143,627 | 339,120 |
| Franchise Acquisitions | - | - | - | - | - | - |
| Improvements to Property | 1,578,300 | 3,150,443 | 3,385,005 | 1,741,122 | 171,325 | 2,005,239 |
| Improvements to Leased Property | - | 10,827 | - | 1,040 | 4,449 | 3,263 |
| Special System Upgrade | - | - | - | - | - | - |
| Misc. Maintenance | 395,000 | 473,037 | 127,129 | 580,796 | 507,058 | 416,604 |
| Reimbursable Constr. - Net | - | 804,518 | (2,010,409) | 2,573,138 | 222,050 | 317,860 |
| Removal Costs | 1,608,000 | (4,975,326) | 1,664,169 | 1,419,340 | 1,122,881 | 167,813 |
| Total Maintenance/Removal | \$ 19,135,639 | \$ 19,326,192 | \$ 18,905,236 | \$ 18,122,403 | \$ 16,300,995 | \$ 18,358,093 |
| Check (s/b zero) | - | - | - | - | - | - |

EXTRAORDINARY EXPENSES

| | | | | | | |
|---------------------------------------|---------------|----------------|---------------|---------------|---------------|---------------|
| Transportation Vehicles | | \$ 6,120,643 | \$ 3,832,354 | | | |
| Interim Airplane S/11 (Div. 90) | | 722,161 | 3,201,120 | | | |
| New Airplane Bravo (Div. 90) | | 5,398,482 | 631,234 | | | |
| Removal Costs | | \$ (5,945,929) | | | | |
| Airplane Removal (Div. 90) | | (4,170,000) | | | | |
| Building Removal (Div. 01) | | (1,775,929) | | | | |
| Office Equipment (Div. 90) | | | \$ 3,213,288 | \$ 5,152,494 | | |
| Intellipoint | | | 253,215 | | | |
| Gas Mgt. System | | | 1,078,050 | | | |
| Centralized SCADA | | | 581,489 | | | |
| Meter Reading Repl Project | | | 309,013 | | | |
| GOFR Data Network | | | | 125,746 | | |
| Service Order Auto. Sys. | | | 699,575 | 2,043,248 | | |
| PC & Laptop Upgrade | | | 194,818 | 1,581,217 | | |
| Upgrade Network Servers | | | 118,228 | 1,402,263 | | |
| Improvements to Property | \$ 1,152,500 | \$ 2,711,597 | \$ 1,873,575 | \$ 789,109 | | |
| N. Miami Local Ops Coconut Creek (01) | | 411,406 | 507,387 | | | |
| South Region Office Sunrise (01) | 1,152,500 | 865,495 | | | | |
| SW FL on Enterprise (16) | | 1,000,333 | | | | |
| Ft. Myers Yard (18) | | 67,270 | | | | |
| Palm Beach Operations Facility (13) | | 367,093 | 293,124 | | | |
| Sarasota Operations Building (11) | | | 1,073,064 | 243,303 | | |
| Daytona Div. Office (09) | | | | 540,806 | | |
| Municipal Improvements | | \$ 2,755,030 | | | | |
| Riverland Village (01) | | 152,780 | | | | |
| Collins Ave Reconstruction (01) | | 80,729 | | | | |
| Powerline Road Gov't Improv (01) | | 93,639 | | | | |
| Collier Parkway Road Widening (02) | | 87,293 | | | | |
| S.R. 54 - DOT (02) | | 180,233 | | | | |
| CR 545 Main Relocation (04) | | 102,549 | | | | |
| Bennet Road Relocation (04) | | 78,379 | | | | |
| SR 426 (Aloma Ave) Relocation (04) | | 91,995 | | | | |
| Lake Underhill Road Project (04) | | 112,401 | | | | |
| Holden Heights replacement (04) | | 148,123 | | | | |
| SR 500 (US 441) Main Relocate (05) | | 271,211 | | | | |
| San Juan Relocation (06) | | 98,287 | | | | |
| Blanding Blvd @ Cedar (06) | | 197,783 | | | | |
| Fouraker Rd Relocation (06) | | 221,389 | | | | |
| 63rd Ave Municipal Rd Project (11) | | 267,075 | | | | |
| Municipal - Clarke Rd (11) | | 161,036 | | | | |
| San Carlos at US 41 (18) | | 410,058 | | | | |
| Misc. Maintenance | | \$ 62,320 | \$ 186,231 | \$ 484,202 | | |
| Network Modeling Svcs. | | 62,320 | 192,275 | 276,098 | | |
| Mapping & Gas Dist System | | | (6,044) | 207,204 | | |
| Testing/Measuring Equipment | \$ 300,000 | | | | | |
| Adjusted Maintenance/Removal | \$ 17,683,139 | \$ 16,439,881 | \$ 13,199,307 | \$ 17,333,294 | \$ 16,300,995 | \$ 16,191,323 |
| (adjusted for italicized items) | | | | | | |

Maintenance Capital Net of Adjustments

| | | | | | | |
|---------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Service Replacements | \$ 691,050 | \$ 819,314 | \$ 611,916 | \$ 524,211 | \$ 378,404 | \$ 604,979 |
| Main Replacements | 2,389,396 | 959,529 | 842,076 | 803,638 | 1,252,729 | 1,249,474 |
| System Improvements | 1,559,601 | 1,532,359 | 1,928,438 | 1,258,053 | 1,624,800 | 1,580,650 |
| Municipal Improvements | 3,871,371 | 4,399,298 | 2,240,913 | 2,903,906 | 1,833,061 | 3,049,510 |
| Cathodic Protection | 255,200 | 310,876 | 257,582 | 194,519 | 263,445 | 256,324 |
| Transportation Vehicles | 2,388,009 | 2,072,289 | 1,612,259 | 1,269,112 | 936,943 | 1,655,722 |
| Communication Equipment | 287,500 | 1,333,515 | 325,591 | 935,245 | 1,138,543 | 804,079 |
| Office Equipment | 2,471,112 | 1,757,394 | 3,229,512 | 3,631,820 | 6,194,977 | 3,456,963 |
| Tools & Shop Equipment | 487,100 | 231,978 | 339,811 | 139,990 | 162,908 | 272,357 |
| Power Operated Equipment | 362,600 | 112,065 | 82,907 | 36,318 | 343,795 | 187,537 |
| Testing/Meas. Equipment | 491,400 | 214,432 | 435,985 | 110,155 | 143,627 | 279,120 |
| Franchise Acquisitions | - | - | - | - | - | - |
| Improvements to Property | 425,800 | 438,846 | 1,511,430 | 952,013 | 171,325 | 699,883 |
| Improvements to Leased Property | - | 10,827 | - | 1,040 | 4,449 | 3,263 |
| Special System Upgrade | - | - | - | - | - | - |
| Misc. Maintenance | 395,000 | 473,037 | 127,129 | 580,796 | 507,058 | 416,604 |
| Reimbursable Constr. - Net | - | 804,518 | (2,010,409) | 2,573,138 | 222,050 | 317,860 |
| Removal Costs | 1,608,000 | 970,603 | 1,664,169 | 1,419,340 | 1,122,881 | 1,356,999 |
| Total Maintenance/Removal | \$ 17,683,139 | \$ 16,439,881 | \$ 13,199,307 | \$ 17,333,294 | \$ 16,300,995 | \$ 16,191,323 |

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Frank Sivard UTILITY: TECO-Peoples Gas System

AUDIT MANAGER: Joe Rohrbacher PREPARED BY: Roger W. Fletcher

REQUEST NUMBER: 11 DATE OF REQUEST: 8/07/02 (2:00 PM 8/6/02)

AUDIT PURPOSE: TECO Gas Rate Case - Docket No. 020384-GU

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 8/08/02
 REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: ☐ INCIDENT TO AN INQUIRY
☒ OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

Please provide a detail of the individual construction projects included in the Monthly Plant Addition Summary, Schedule G-1, Lines 4, 5, 10, and 11, Accounts 376, 376.02, 380, and 380.02, page 211 of the Minimum Filing Requirements (MFRs). This detail should show a description or name of each construction project, total dollars associated with the project, and the month plant addition was included in the Monthly Plant Addition Summary.

TO: AUDIT MANAGER

DATE: 8/12/02

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY: _____
- (3) ☐ AND IN MY OPINION, ITEM(S) _____ IS (ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.
- (4) ☐ THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

J. Paul Higgins
 (SIGNATURE AND TITLE OF RESPONDENT)

Distribution: Original: Utility (for completion and return to Auditor)
 Copy: Audit File

EXHIBIT 2

**CAPITAL MAIN ASSUMPTIONS
LISTED BY REGION
SCHEDULE G-1, PAGE 211**

SOUTHERN REGION
BUDGET 2002 MAIN COST

| <u>Project with Description</u> | <u>Capital Mains '02</u> |
|---|--------------------------|
| 1 51000007 Andrx Pharmaceuticals | \$389,000 |
| 2 51000010 Northwest Broward Expansion | 1,000,000 |
| 3 51990061 Big Sky North (a2) | 20,000 |
| 4 51000026 US1 & Jupiter | 462,000 |
| 5 51010018 Mirasol at Golf Digest | 621,000 |
| 6 51010023 The Cove | 11,600 |
| 7 51010024 Jupiter Creek | 11,800 |
| 8 51990068 Jupiter Creek | 9,600 |
| 9 51990119 Prosperity Pines | 6,000 |
| 10 51000004 Fiddler's Creek | 1,200,000 |
| 11 51000017 The Brooks (shadow woods) | 250,000 |
| 12 51000019 Mediterra | 286,000 |
| 13 51000030 Tiburon, Collier County | 280,000 |
| 14 51000032 Gateway Development | 157,000 |
| 15 51010001 The Estuary at Grey Oakes | 160,000 |
| 16 51010002 Quail Woods Courtyards | 22,000 |
| 17 51010007 Miromar Lakes Development | 519,000 |
| 18 51010020 Rookery Pointe Development | 169,000 |
| 19 51010025 Sun City Development | 197,000 |
| 20 51980010 Naples / Ft Myers Expansion | 1,851,500 |
| 21 51980010 Naples / Ft Myers Expansion | 195,000 |
| 22 Asphalt Plant - US31, Fort Myers | 200,000 |
| 23 For Misc Revenue Mains | 500,000 |
| 24 South Region's Allocation CY02 | 800,000 |
| 25 Riverland Village Ph-2, Ft. Lauderdale | 220,000 |
| 26 Biscayne Blvd, Aventura | 155,600 |
| 27 Msc. Projects | 100,000 |
| 28 SR A1A, Lighthouse Point, Offsets | 80,000 |
| 29 Pier Park | 125,000 |
| 30 Riverland Village - Phase 1 | 76,600 |
| 31 SR A1A (Indian Crk Dr), Miami Beach | 68,000 |
| 32 Bridge B / Palm Is. & Hibiscus | 30,500 |
| 33 Sunrise Blvd. (5) Offsets | 60,000 |
| 34 N.W. 6 Ave, Pompano, Offsets | 37,500 |
| 35 Las Olas Blvd @ ICWW | 112,500 |
| 36 Collins Ave, Bal Harbour | 112,500 |
| 37 Copans Road Backfeed | 84,600 |
| 38 Davie Blvd & New River | 50,000 |
| 39 Miami Gate Station Upgrade | <u>50,000</u> |
| | \$10,680,300 |

NORTHERN REGION
BUDGET 2002 MAIN COST

| <u>Project with Description</u> | <u>Capital Mains '02</u> |
|--|--------------------------|
| 1 St. Johns Golf & Country Club | \$125,000 |
| 2 Southampton Golf Club | \$75,000 |
| 3 54000008 MANDARIN EXP | \$455,000 |
| 4 SUPPLY MAIN-WORLD GOLF VLG | \$300,000 |
| 5 SUTTON6 LAKES | \$100,000 |
| 6 54980004 Ridgemoor | \$15,000 |
| 7 54-069902 JAMES ISLAND | \$25,000 |
| 8 54990023,CAMBRIDGE ESTATES | \$100,000 |
| 9 54001010 Summerton South residential | \$5,815 |
| 10 54010013 Belleview Extension | \$423,636 |
| 11 54990251 Golden Ocala | \$100,000 |
| 12 92-B-14 SPRUCE CREEK | \$150,000 |
| 13 190-A-15 LADY LAKES-VILLAG | \$1,400,000 |
| 14 54990274 Quail Meadows phase 2 | \$10,000 |
| 15 54990282 Golfview | \$10,000 |
| 16 136A1-15 OCALA WESTERN | \$120,000 |
| 17 54990278 Victoria Station | \$13,250 |
| 18 54990284 Heather Island Preserve | \$50,000 |
| 19 54990293 Deerpath | \$13,541 |
| 20 KING & MCCOYS CREEK | \$13,800 |
| 21 DALTON WOODS | \$23,922 |
| 22 PALMETTO TRACE | \$64,000 |
| 23 ANTHONY RD-WINN DIXIE | \$14,062 |
| 24 FOUNTAIN SUBD | \$24,283 |
| 25 Palencia | \$350,000 |
| 26 Misc. Short Main Ext. -06 | \$750,000 |
| 27 15...MISC. MAIN | \$150,000 |
| 28 15..BOYD DEV. | \$200,000 |
| 29 15..AUTUMN RIDGE | \$50,000 |
| 30 15...HEATHBROOK | \$150,000 |
| 31 NE 9ST & NE 14 ST | \$5,796 |
| 32 SW 20th STREET | \$150,000 |
| 33 SW 30th STREET | \$150,000 |
| 34 Beaver St Bare Stl | \$300,000 |
| 35 Cinderella Lane | \$15,000 |
| 36 15.. NE 12TH AVE | \$30,000 |
| 37 15...SHORES | \$30,000 |
| 38 LANE AVE | \$250,000 |
| 39 Beach Blvd. | \$75,000 |
| 40 San Juan Reloc | \$150,000 |
| 41 5TH ST /MCDUFF AVE | \$60,000 |
| 42 Airport Rd | \$40,000 |
| 43 Oak Street | \$36,000 |
| 44 Point Meadows Dr. | \$30,000 |
| 45 MURRY HILL | \$25,000 |
| 46 MLK Blvd | \$20,000 |
| 47 Westside Ind. Pk. | \$30,000 |
| 48 Hath Bridge Proj | \$20,000 |
| 49 Misc. Short Main Ext. -14 | \$500,000 |
| 50 NW 14 ST & MAGNOLIA AVE | \$13,854 |
| 51 DERPETH3 | \$8,194 |
| 52 SE 31ST STREET | \$7,818 |
| 53 Shores | \$50,000 |
| 54 NE 12th Street | \$30,000 |
| 55 SE 24TH Terrace | <u>\$25,000</u> |
| | \$7,332,971 |

CENTRAL REGION
BUDGET 2002 MAIN COST

| <u>Project with Description</u> | <u>Capital Mains '02</u> |
|-----------------------------------|--------------------------|
| 1 UCF - Academic Villages | \$15,000 |
| 2 Super Target at Hunter's Creek | \$10,000 |
| 3 Thornton Rd. main installation | \$15,000 |
| 4 Custom Fabs, 109 5th St. | \$10,000 |
| 5 Orange County Animal Control | \$15,000 |
| 6 2024 Wellfleet Ct./Auto Body | \$10,000 |
| 7 Sand Lake Pointe Apartments | \$10,000 |
| 8 The Waverly at Lake Eola | \$25,000 |
| 9 Perle Du Lac, Winter Park | \$4,500 |
| 10 1300 Brookhaven Dr | \$5,000 |
| 11 53000024, SAND LK RD & PHIL | \$9,900 |
| 12 2550 MICHIGAN AVE | \$8,800 |
| 13 The Fountains Shopping Center | \$5,000 |
| 14 Central Ave Elementary School | \$25,000 |
| 15 Orange Tree Subdivision: US 27 | \$30,000 |
| 16 VALENCIA Woods Apartments | \$15,000 |
| 17 53000026, 325 S ORANGE AVE | \$17,500 |
| 18 CRESENT LAKE SUBDIVISION | \$40,000 |
| 19 Waterford Point Apartments | \$23,000 |
| 20 SUMMER BAY RESORT CLERMONT | \$5,000 |
| 21 WESTGATE TIMESHARE RESORT | \$25,000 |
| 22 ATRIA, RED BUG LAKE RD | \$17,100 |
| 23 98-A-4 SE ORLANOD EXPANS | \$450,000 |
| 24 MCINERNEY FORD | \$9,000 |
| 25 ORLANDO INT'L AIRPORT | \$7,500 |
| 26 53990136 LITTLE LAKE BRYAN | \$10,000 |
| 27 53990137 217 BOSTON AVE | \$10,000 |
| 28 8500 VINELAND RD-OUTLET MAL | \$10,000 |
| 29 THE PALMS COUNTRY CL | \$30,000 |
| 30 Forest Ave | \$15,000 |
| 31 INDIAN CREEK | \$30,000 |
| 32 INGRAM AND MYRTLE RELOCATION | \$20,700 |
| 33 53990041 GREATER GROVES 7-9 | \$15,000 |
| 34 Myrtle Ave. Backfeed | \$15,000 |
| 35 Mossy Oak Subdivision | \$2,500 |
| 36 GRIFFIN ROAD PROJECT | \$8,000 |
| 37 U.S. Nutraceuticals | \$50,000 |
| 38 Bridle Path Subdivision | \$5,000 |
| 39 Mission Inn: Howey in the Hill | \$30,000 |
| 40 Waterman Hopital Expansion | \$75,000 |
| 41 ROYAL HARBOR TAVARES | \$30,000 |
| 42 337 Bill France Main Extension | \$8,500 |
| 43 115 Main Street main extension | \$4,500 |
| 44 1200 W. International Speedway | \$8,500 |
| 45 CRANE LAKES PH 2 | \$10,000 |
| 46 Salvation Army on LPGA Blvd. | \$7,400 |

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| | |
|---|------------------|
| 47 CRANE LAKES PH I | \$6,500 |
| 48 ABERDEEN @ ORMOND BEACH | \$30,000 |
| 49 Virginia Ave Main Replacement | \$8,000 |
| 50 Residence Inn Westwood | \$21,000 |
| 51 Baldwin Park NTC / Orl. | \$100,000 |
| 52 Reunion 545 / Orl. | \$175,000 |
| 53 Bridgewater / Horizon West / Orl. | \$110,000 |
| 54 Universal Blvd. OCCC / Orl. | \$300,000 |
| 55 Oviedo Extension / Orl. | \$400,000 |
| 56 Greater Grove Project | \$45,000 |
| 57 New Project 1 | \$6,000 |
| 58 Orlando New Apts | \$45,000 |
| 59 Daytona Unknown | \$50,000 |
| 60 Eustis Unknown | \$50,000 |
| 61 <u>Orlando Unknown</u> | <u>\$175,000</u> |
| 62 Ridgewood Main Replacement / Daytona | \$75,000 |
| 63 Delany & Gore / Orl | \$40,000 |
| 64 Tangerine Place / Orl | \$50,000 |
| 65 Edgewater & Par / Orl. | \$75,000 |
| 66 Nova Road Port Orange | \$150,000 |
| 67 SR441 Taftvineland | \$150,000 |
| 68 SR 426 (Aloma Ave.) Relocation | \$100,000 |
| 69 SR 545 / Orl | \$100,000 |
| 70 Alafaya Trail & Muculloch | \$100,000 |
| 71 SR192 Michigan | \$85,000 |
| 72 Dodd Road / Orl. | \$75,000 |
| 73 Silver Star Road & Gate Sta. | \$60,000 |
| 74 CR 545 Main Relocation | \$40,000 |
| 75 US 27 Main relocation | \$35,000 |
| 76 Nova Road Ormond Beach | \$25,000 |
| 77 International Dr. & SR 528 | \$20,100 |
| 78 SR 530 B/BONNETT & SR 535 | \$15,000 |
| 79 SR 500 (US 441) Main Relocate | \$15,000 |
| 80 Bay Street Main Replacement | \$15,000 |
| 81 Central Blvd. at Mills | \$14,000 |
| 82 Orlando Unknown | \$100,000 |
| 83 Daytona Unknown | \$50,000 |
| 84 Eustis Unknown | \$50,000 |
| 85 Millenia Blvd & Oakridge rd ex | \$25,000 |
| 86 53990132,6161 JONES AVE | <u>\$25,000</u> |
| | \$4,213,000 |

WEST REGION
BUDGET 2002 MAIN COST

| <u>Project with Description</u> | <u>Capital Mains '02</u> |
|--|--------------------------|
| 1 52010044 Beef O'Brady's | 7,300 |
| 2 52010058 Community Srvcs 3107 N 50th St | 31,000 |
| 3 52010003 Berkford Place | 24,100 |
| 4 52001011 Cory Lake Isles | 52,900 |
| 5 52990032 Van Dyke /Lakeshore Estates | 28,800 |
| 6 52010027 5119 W. LONGFELLOW AVE. | 800 |
| 7 52010028 ESPERANZA - BAY VISTA | 1,600 |
| 8 52010026 Bella Vista Subdivision | 19,200 |
| 9 52010034 West Park Village | 7,300 |
| 10 52980010 West Meadows (total) | 152,000 |
| 11 52010035 West Hampton, Racetrack Rd | 45,600 |
| 12 52010052 Waterchase, Racetrack Rd | 90,600 |
| 13 52010050 Mc Mullen Loop Rd.-Riverview | 24,000 |
| 14 52010067 BAYPOINTE SUBDIVISION | 800 |
| 15 52010069 Cross Creek Section O, Phase 2 | 15,200 |
| 16 52010059 Hurley Rd.@ Bloomingdale Ave. | 19,200 |
| 17 52010076 The Oasis | 23,300 |
| 18 52010081 Seven Oaks | 40,000 |
| 19 52010006 Camelot Woods Ph2 | 28,900 |
| 20 52010008 Mango Road and Lake Weeks | 179,600 |
| 21 52980017 Westchase (all) | 57,600 |
| 22 52001027 Aston Gardens ACLF | 7,300 |
| 23 52970003 CR581/SR54 (total buildout) | 7,300 |
| 24 52970053 Brandon East | 38,400 |
| 25 52980028 Westwood Lakes | 16,900 |
| 26 52970051 SR54 Willow Bend | 52,800 |
| 27 52970006 Fish Hawk Ranch | 278,300 |
| 28 52001007 The Pointe at Harbour Island | 2,400 |
| 29 52001002 Tampa Palms 15 & 16 | 9,600 |
| 30 52001016 Grand Oaks, S. R. 54 | 68,000 |
| 31 52001017 Danforth Place, (Richmond Pl) | 19,200 |
| 32 52001004 Oakstead, SR 54 | 76,000 |
| 33 52001003 Somerset at Mulrennan & Hwy 60 | 98,500 |
| 34 52000071 Woodberry at Lakewood | 30,400 |
| 35 52001026 Lumsden Pointe-206 Homes | 60,800 |
| 36 52001029 Tampa Palms parcel 23 | 14,400 |
| 37 52001030 Devonshire Lake Dr | 2,400 |
| 38 52001034 Brandon Ridge I | 24,000 |
| 39 52001037 3409 & 3411 SAN LUIS ST. | 800 |
| 40 52001032 Bayshore Trails-56 Homes | 9,600 |
| 41 52001042 Olive Garden and Red Lobster | 62,000 |
| 42 52001013 Deerpark, Livingston Rd | 33,600 |
| 43 52001012 Mulrennan/Pearson Rd | 48,000 |
| 44 52970025 Lake Saint Charles | 67,200 |
| 45 52970019 Oak Grove (no gate now) | 67,200 |
| 46 52980023 Emerald Creek | 24,000 |

| | | | |
|----|----------|-------------------------------|---------|
| 47 | 52980050 | Arbor Greene (total) | 120,800 |
| 48 | 52970050 | Dade City Expansion | 7,300 |
| 49 | 52990039 | Carolwood Publix | 30,800 |
| 50 | 52980021 | Meadowpointe 12-1 parcel 15 | 220,800 |
| 51 | 52990021 | Westchester | 28,800 |
| 52 | 52990026 | River Crossing | 4,000 |
| 53 | 52990052 | Lake June Estates | 6,400 |
| 54 | 52990063 | Bloomington Trails | 11,200 |
| 55 | 52990067 | Wesley Point SR54 | 24,000 |
| 56 | 52990099 | Saddlebrook Village | 19,200 |
| 57 | 52990077 | Bloomington Ridge | 33,600 |
| 58 | 52990087 | Centex & Bayshore | 28,800 |
| 59 | 52990100 | Pinewalk | 3,200 |
| 60 | 52990072 | Garrison District Channel | 67,500 |
| 61 | 52010010 | Thurston Groves, 102nd Ave N | 30,400 |
| 62 | 52010071 | South Cross Bayou Water Recl | 31,000 |
| 63 | 52980043 | Maderia Beach Expansion | 74,800 |
| 64 | 52990028 | Oakhurst | 8,000 |
| 65 | 52990088 | Paradise Point Circle | 1,600 |
| 66 | 52010011 | Lakeridge Falls - University | 57,700 |
| 67 | 52010022 | River Pines Dubdivision | 16,000 |
| 68 | 52010025 | Old Grove - Greenfield | 27,200 |
| 69 | 52010030 | Greenbrook-Lakewood Ranch | 96,000 |
| 70 | 52010031 | The Plantations @ Tara | 4,800 |
| 71 | 52010054 | Secluded Oaks-Sarasota | 27,200 |
| 72 | 52010055 | The Enclave-Sarasota | 3,200 |
| 73 | 52010065 | Heritage Harbour | 20,800 |
| 74 | 52010066 | Kenwood Park-University Park | 20,000 |
| 75 | 52010063 | Englewood Project | 148,500 |
| 76 | 52970027 | University "T&Z" Y & Park | 20,000 |
| 77 | 52980044 | Lakewood Ranch, (consolidate) | 264,000 |
| 78 | 52000023 | Monte Verde in Prestancia | 1,600 |
| 79 | 52000024 | Willow Brook - Sarasota | 12,800 |
| 80 | 52000008 | Hammocks - Sarasota | 9,600 |
| 81 | 52990035 | Waterleaf | 67,200 |
| 82 | 52000076 | Hudson Street- Sarasota | 1,600 |
| 83 | 52000077 | Emerald Pointe, Longboat Key | 3,200 |
| 84 | 52001014 | Water Oak-Braden River Rd | 24,000 |
| 85 | 52001040 | Portofino Project | 4,800 |
| 86 | 52001015 | The Inlets-Pinnacle Dr | 9,600 |
| 87 | 52990001 | Venice Expansion | 73,000 |
| 88 | 52980037 | The Hamptons | 19,200 |
| 89 | 52980035 | Riviera Dunes | 50,200 |
| 90 | 52980034 | Rosdale Highlands (combined) | 19,200 |
| 91 | 52980009 | Ellenton | 26,600 |
| 92 | 52980005 | Blake Project | 21,900 |
| 93 | 52980045 | Hawks Harbor | 3,200 |
| 94 | 52990013 | River Club South | 14,400 |
| 95 | 52990036 | Silver Oaks | 4,800 |
| 96 | 52990016 | Villa Rosa- Sarasota | 9,600 |
| 97 | 52980042 | Heron Creek North Port | 74,600 |

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| | | | |
|-----|----------|---|---------------|
| 98 | 52990015 | Bobcat Trail / Toledo Blade | 53,000 |
| 99 | 52000016 | The Preserve at Fairway Oaks | 22,400 |
| 100 | 52970001 | Pasco / Hernando Expansion | 443,400 |
| 101 | 52970009 | Brooksville Expansion | 104,000 |
| 102 | | Land O'Lakes | 450,000 |
| 103 | | Englewood | 450,000 |
| 104 | | East Manatee | 450,000 |
| 105 | | Mango | 450,000 |
| 106 | | New Misc | 450,000 |
| 107 | | Connerton | 100,000 |
| 108 | | Publix, Shepherd Rd.Lakeland | 25,000 |
| 109 | | Juice Bowl Products, Inc. | 28,000 |
| 110 | | Lakeland Unknown | 50,000 |
| 111 | | Gulfstream | 3,000,000 |
| 112 | | Lakeland Regional Medical | 7,100 |
| 113 | | South FL Main Replacement 0870104002 / Lkld | 53,000 |
| 114 | | Lakeland Bypass Replacement | 55,000 |
| 115 | | Tampa | 300,000 |
| 116 | | St. Petersburg | 300,000 |
| 117 | | Sarasota | 200,000 |
| 118 | | 02-Misc | 270,000 |
| 119 | | FDOT US-41 McIntosh/SR-681 | 200,000 |
| 120 | | Municipal - Siesta Key Project | 100,000 |
| 121 | | 03- Misc | 72,000 |
| 122 | | 11-Misc | 68,000 |
| 123 | | Collier Parkway Road Widening | 55,000 |
| 124 | | 20th St./ Crosstown Expressway | 50,000 |
| 125 | | Windhorst Ave. @ Highview Ave. | 30,000 |
| 126 | | Cambridge Cove Apts. / Lkld 0870103005 | 45,000 |
| 127 | | Delaware & Arizona | 30,000 |
| 128 | | 63rd Ave Municipal Rd Project | 30,000 |
| 129 | | US 19 & TOUCAN TR HUDSON | 25,000 |
| 130 | | Countyline Rd & Oakgrove Blvd | 20,000 |
| 131 | | HORATIO ST AND WILLOW AVE-COT | 20,000 |
| 132 | | BRYAN DAIRY & 66 ST | 20,000 |
| 133 | | 65th St. & 78th A/N - Pinellas | 20,000 |
| 134 | | Lakeland Unknown | 50,000 |
| 135 | | 02-Dale Mabry | 300,000 |
| 136 | | 11- Siesta Key | 125,000 |
| 137 | | 02-Culbreath | 100,000 |
| 138 | | 03- US 19 - Pasco | 100,000 |
| 139 | | 02-Misc | 50,000 |
| 140 | | 03- Misc | <u>25,000</u> |
| | | | 12,673,500 |

REGION TOTALS
PROJECTED CAPITAL MAIN EXPENDITURES

| | |
|--|---------------------|
| South Region | \$10,680,300 |
| North Region | \$7,332,971 |
| Central Region | \$4,213,000 |
| West Region | <u>\$12,673,500</u> |
| | \$34,899,771 |
| Projected Cathodic Protection Expenditures | <u>+ \$650,206</u> |
| Total reconciles with MFRs, Schedule G-1 page 21, Accounts 376 & 376.02 totals. | \$35,549,977 |

Total of highlighted trended estimates and allocations equals \$5,110,000.

| | |
|--------------------------|----------------------|
| Total Mains | \$34,899,771 |
| Trended Estimates | <u>- \$5,110,000</u> |
| Total Identifiable Mains | \$29,789,771 |

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FAILED METER CHANGE-OUT EXPENSES

TECO-PEOPLES GAS SYSTEM
RATE CASE - DOCKET NO. 020384-GU

Assignment :

Verify if the costs associated with failed meter change out are reasonable.

Findings :

An adjustment should be made to the Operation and Maintenance Expenses shown on page 49 of the MFRs, Schedule C-5, Line 12, Account Number 878. This adjustment is needed to normalize nonrecurring meter installation, removal and testing expenses that have resulted from the meter sampling plan test failures. If the statistical sample would have met accuracy requirements, only 315 meters would have had to be tested per year during the Base Test Year period. As a result of the failure of the statistical sample, in the Base Test Year period, TECO-Peoples Gas System tested a total of 19,927 meters at a total expense of \$1,643,489. If the statistical sample would have passed, the normal expenses resulting from the removal, testing and installation of the 315 meters would have been \$25,981. The nonrecurring expenses in the amount of \$1,617,598 should be normalized to spread the expense over the appropriate period of time.

It is further recommended that adjustments be made to the Test Year + 1 and Projected Test Year net income calculations shown on page 232 of the MFRs, Schedule G-2, lines 11 and 12, Account Number 878.

Discussion :

On December 23, 1997, TECO-Peoples Gas System petitioned the Florida Public Service Commission to enter into a statistical meter sampling program, per Commission Rule 25-7.064(1), F.A.C. The approved Meter Sampling Plan attached as Exhibit 1, requires a meter sample size of 315 meters to be tested each calendar year. If this sample group of 315 meters are tested and found to be within acceptable the accuracy limits, no further meter testing would be required that year. However, if the sample group fails, system personnel are required to identify and isolate, according to a predetermined set of criteria, the meters that caused the sample failure.

Since the initiation of the meter sampling program in 1998, each year the statistical sample group has failed to meet accuracy requirements, and system personnel were required to conduct further analysis of the failed meters to establish isolation groups to be removed from service over a three-year period. The number of meters that were changed out and tested as the result of the failure to meet accuracy requirements are shown below according to calendar year totals.

| | | |
|-------------|---|--------|
| 1999 | - | 7,491 |
| 2000 | - | 18,498 |
| 2001 | - | 19,927 |
| 2002 (July) | - | 13,756 |

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Peoples Gas System Rate Case

Docket No. 020384-GU

RE: Failed Meter Change-Out Expenses

Each of the meters in excess of 315 meters, on an annual basis, represents a nonrecurring expense for the labor and materials associated with removal and testing of the old meter and the installation of a new meter. The chart shown below provides a detail of actual and projected expenses associated with the meter change-out program for the failed isolation meters.

SUMMARY CHART

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | |
|---------|-------------------------------|--|--------------|-----------------------------|--------------|--------------------------|--------------|---|
| | # of Meters Changed-out | Change- out Installation Expense | Unit Cost | Meter Removal Expense | Unit Cost | Meter Test Expense | Unit Cost | |
| 1999 | 7,491 | \$ 604,809 | \$ 80.74 | NA | ---- | \$ 44,946 | \$ 6.00 | A |
| 2000 | 18,498 | \$ 1,024,604 | \$ 55.39 | \$ 536,072 | \$ 28.00 | \$ 110,988 | \$ 6.00 | B |
| 2001 | 19,927 | \$ 1,255,909 | \$ 63.03 | \$ 268,018 | \$ 13.45 | \$ 119,562 | \$ 6.00 | C |
| 2002 | 22,040 | \$ 1,217,049 | \$ 55.22 | \$ 169,047 | \$ 7.67 | \$ 134,444 | \$ 6.10 | D |
| 2003 | 17,500 | \$ 966,367 | \$ 55.22 | \$ 134,225 | \$ 7.67 | \$ 112,000 | \$ 6.40* | E |
| 2004 | 12,040 | \$ 664,860 | \$ 55.22 | \$ 92,346 | \$ 7.67 | \$ 79,368 | \$ 6.59* | F |
| 2005 | 3,500 | \$ 193,273 | \$ 55.22 | \$ 26,845 | \$ 7.67 | \$ 23,764 | \$ 6.79* | G |
| 2006 | 3,500 | \$ 193,273 | \$ 55.22 | \$ 26,845 | \$ 7.67 | \$ 24,477 | \$ 6.99* | H |
| Future+ | 315 | \$ 17,394 | \$ 55.22 | \$ 2,416 | \$ 7.67 | \$ 2,265 | \$ 7.19* | I |

* 2.9% annual increase meter test unit cost per meter test contract

+ Assuming meter sample passes in CY 2003

The numbers of Meter Change-outs, shown in Column 1, were obtained from the "Capital Meter Change- Outs (Failed Family Installation and Removal Costs)" information provided by system engineering. (Exhibit 2 - See totals of meters in highlighted column.)

The Meter Change-out Installation Expense calculations, shown in Column 2, were also provided by the Engineering Department of TECO-Peoples Gas System. See "Capital Meter Change-Out (Failed Family Meters Installation & Removal)" sheets attached as Exhibit 2. This information details the calculations of the change-out meter installation expenses for each calendar year.

Unit Costs, shown in Column 3, were calculated by dividing the annual change-out installation expenses, shown in column 2, by the number of change-out meters in Column 1.

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Peoples Gas System Rate Case

Docket No. 020384-GU

RE: Failed Meter Change-Out Expenses

The Removal Expenses, shown in Column 4, were calculated from data included in Exhibit 3 entitled "Removal Costs Associated with Capital Change-outs." This exhibit details the total expense for all types of meter removal per calendar year as shown in the Utility's Ledger, Account Number 01xx80005500, (xx indicated the division number). This information was provided by the utility.

Unit Costs, shown in Column 5, were calculated by dividing the annual meter removal expenses, shown in Column 4, by the number of change-out meters in Column 1.

The Meter Test Expense, shown in Column 6, was provided by the utility in staff Audit Request Number 13, attached as Exhibit 4.

Unit Costs, shown in Column 7, were calculated by dividing the annual meter expenses, shown in Column 6, by the number of change-out meters in Column 1.

Sum of unit costs for installation, removal & testing:

| <u>Calendar Year</u> | <u>Total Unit Cost</u> | |
|----------------------|------------------------|----------------------------------|
| 2000 | \$ 89.39 | |
| 2001 | \$ 82.48 | (\$63.03+\$13.45+\$6.00) - Row C |
| 2002 | \$ 68.99 | |
| 2003 | \$ 69.29 | |
| 2004 | \$ 69.48 | |
| 2005 | \$ 69.68 | |
| 2006 | \$ 69.88 | |
| 2007 & beyond | \$ 70.08 | |

The total unit costs for calendar year 2001 are used in the recommended historic base year adjustment calculations below.

Recommended Historic Base Year Adjustment

The nonrecurring expense adjustment related to the meter change-out of failed isolation group was calculated to be \$1,617,598. This figure was calculated as follows:

Total Change Out Meters Total Unit Cost

19,927 x \$ 82.48 = \$1,643,579 - Total expenses of failed meters

315 x \$ 82.48 = - \$ 25,981 - Total calculated expenses if statistical sample would have met accuracy requirements.

Recommended Adjustment - \$1,617,598

EXHIBIT 1

Commissioners:
JULIA L. JOHNSON, CHAIRMAN
SUSAN F. CLARK
J. TERRY DEASON
JOE GARCIA
DIANE K. KIESLING



ORLANDO DISTRICT OFFICE
HURSTON NORTH TOWER
SUITE N512
400 WEST ROBINSON STREET
ORLANDO, FL 32801-1775
PHONE (407) 245-0846
FACSIMILE (407) 317-7336

Public Service Commission

December 23, 1997

Mr. Francis J. Sivard
Vice President-Accounting
Peoples Gas System
Teco Energy, Inc.
111 Madison Street
P.O. Box 2562
Tampa, Florida 33601-2562

Re: Request To Adopt Statistical Meter Sampling Plan

Dear Mr. Sivard:

On October 16, 1997, the Bureau of Gas Regulation received a written request from Mr. Michael E. Farmer, P.E., Director of Engineering and Environmental Services of Peoples Gas System, Inc. for approval to enter into a statistical meter test program as provided by Commission Rule Chapter 25-7.064(1). Included in this request was a copy of the proposed Statistical Sampling Plan for our review.

On November 4, 1997, Mr. Roger Fletcher and Mr. Lovedale Peterside of the Commission staff met with system officials to discuss, in detail, the technical requirements of the proposed Statistical Sampling Plan. As the result of the meeting, staff suggested minor revisions be made to the proposed plan and system officials concurred. On November 17, 1997, a revised plan was submitted to the Commission staff for consideration. A review of the revised plan finds that it better represents elements the Commission staff feel are necessary for the statistical analysis of in-service meters.

The Bureau of Gas Regulation, by this letter, issues approval for Peoples Gas System to begin a statistical analysis of in-service meters with a rated capacity of 250 cubic feet per hour or less, measured at the manufacturer's specifications for one-half inch pressure differential. The testing program may include meters tested during calendar year 1998 and must be performed in accordance with the revised Statistical Sampling Plan submitted to the Bureau of Gas Regulation on November 17, 1997. A copy of the approved plan and Mr. Fletcher's report are attached for your information and to complete your file.

Two limitations are placed on this approval. (1) All meters tested in accordance with this Statistical Sampling Plan are to be identified through random statistical methods, and no meters are to be included that have been returned from service due to normal or routine change-out activities.

Francis J. Sivard
Page 2
December 23, 1997

(2) All operating divisions including Panama City and Ocala are to adopt the requirements of the approved Statistical Sampling Plan by December 31, 1998.

If there are any questions concerning the approval of the statistical sampling plan or the meter test results reporting requirements, you may contact Mr. Roger Fletcher at (407) 317-7341 or call me at (850) 413-6642.

Sincerely,

Cheryl R. Bulecza-Banks, Chief
Bureau of Gas Regulation

CRBB:rwf
Enclosures

cc: Joseph D. Jenkins, Director, Division of Electric and Gas
Robert L. Trapp, Assistant Director, Division of Electric and Gas
C. Edward Mills, Supervisor of Gas Engineering and Safety, Bureau of Gas Regulation
Roger Fletcher, Utility Systems Engineer, Bureau of Gas Regulation
Michael E. Farmer, P.E., Director of Engineering and Environmental Services, Peoples Gas System

Peoples Gas

Meter Sampling Plan

**Prepared by
System Engineering**

A. General

This sampling plan details the process by which Peoples Gas will use statistical sampling and testing of meters to verify the overall accuracy of the meters. This sampling plan conforms to Florida Administrative Code per Chapter 25-7.064, Periodic Meter Test. All positive displacement meters with capacities of 250 (275) cubic feet per hour or less (measured at the manufacturers specification for one-half inch pressure differential) may remain in continuous service and be included in the Sampling Plan. The Sampling Plan uses military standard statistical sampling techniques to identify how many meters will be removed from the field and tested to verify they satisfy meter accuracy as defined in Florida Administrative Code per Chapter 25-7-063, Meter Accuracy at Installation. Those meters to be tested under the plan will be removed from service and tested within the calendar year identified in the sample, including any isolation groups. The sampled meters will be tested for accuracy, the results analyzed and the analysis reported by February 11 of the next calendar year.

B. Meters to be tested

1. Normal Sampling

The initial sample size will be determined from the American National Standard - Sampling Procedures and Tables for Inspection by Attributes (ANSI/ASQC Z1.4-1993) utilizing the Single Sampling Plan. General Inspection Level 1 will be used to determine batch size code letter. The AQL will be selected based on Sample Size Code Letters. Meters to be changed out will be selected on a random basis in the following order of priorities:

1. Meters removed for routine change out. 40%
This group must have been in service for more than five (5) years.
Of the meters in service, each manufacture shall represent at least 5% of the total sample size.
2. Meters that have been installed the longest. 30%
3. Meters recording greatest gas usage since install date. 30%

Example:

Table I - *Sample Size Code Letters*

Batch size: 150,001 – 500,000

General Inspection Level I indicates code letter "M"

Table II-A - Single Sampling Plans for Normal Inspection (Master Table)

Code letter "M" indicates Sample Size = 315

AQL at four (4) is:

Acceptance number - 21

Rejection number - 22

If results show that 21 or less of the meters tested are not within accuracy limits as prescribed by Florida Administrative Code, Chapter 25-7.063, no additional sampling is required until the following year. If 22 or more meters tested are not within accuracy limits, further analysis will be made to determine if the problem can be isolated to a particular subgroup of meters.

2. Isolation Plan

- a. Identification of an isolated group may be by any combination of the following characteristics:
 1. Length of time in service.
 2. Age.
 3. Manufacturer.
 4. Materials.
 5. Same geographic location in the system.
 6. Number of times repaired, set, or removed.
 7. If identification or isolation is not possible, all meters in the group will be scheduled for accelerated changeout.
- b. Isolated groups will be separated from the normal sampling plan and scheduled for testing per Section 3 Testing of Isolated Groups.
- c. A re-examination of the test results will be made of the remaining meters after elimination of the isolated group to permit subsequent application of the Normal Sampling procedure.

3. Testing of Isolated Groups

A new sample of no less than 50 meters of an isolated group will be taken within six (6) months after identification.

- a. If the results show that 85% or more are within accuracy limits, the isolated group will be recombined with the normal sampling plan and isolation will be discontinued.
- b. If the results show that 65% to 84% are within accuracy limits, the isolated group will be reevaluated per Section 4 Accelerated Change-out Plan.
- c. If the results show that less than 65% are within accuracy limits, the balance of the isolated group will be scheduled for complete change-out within three (3) years.

4. Accelerated Change-out Plan

A new sample of no less than 50 meters of an isolated group will be taken within six (6) months after identification. If the results of the tests of any two consecutive groups of these meters show that 85% or more are within the prescribed proof limits, the remaining isolated meters will be recombined with the normal sampling plan.

C. Meters Not Included in Sampling Analysis:

Meters removed for any of the following criteria will not be included in the Sampling Analysis Plan.

1. Meters that do not register, unless part of the sample group.
2. Meters that do not pass gas, unless part of the sample group.
3. Meters removed for special tests.
4. Meters removed for noise complaints.
5. Meters removed due to customer complaints.
6. Meters that have been subjected an outside force that could cause some type of undisclosed damage.

D. Employee Training

Operating personnel will receive additional training in proper handling and storage of meters to insure accurate test results

TABLE I—Sample size code letters

(See 9.2 and 9.3)

| Lot or batch size | | | Special inspection levels | | | | General inspection levels | | |
|-------------------|-----|--------|---------------------------|-----|-----|-----|---------------------------|----|-----|
| | | | S-1 | S-2 | S-3 | S-4 | I | II | III |
| 2 | to | 8 | A | A | A | A | A | A | B |
| 9 | to | 15 | A | A | A | A | A | B | C |
| 16 | to | 25 | A | A | B | B | B | C | D |
| 26 | to | 50 | A | B | B | C | C | D | E |
| 51 | to | 90 | B | B | C | C | C | E | F |
| 91 | to | 150 | B | B | C | D | D | F | G |
| 151 | to | 280 | B | C | D | E | E | G | H |
| 281 | to | 500 | B | C | D | E | F | H | J |
| 501 | to | 1200 | C | C | E | F | G | J | K |
| 1201 | to | 3200 | C | D | E | G | H | K | L |
| 3201 | to | 10000 | C | D | F | G | J | L | M |
| 10001 | to | 35000 | C | D | F | H | K | M | N |
| 35001 | to | 150000 | D | E | G | J | L | N | P |
| 150001 | to | 500000 | D | E | G | J | <u>M</u> | P | Q |
| 500001 | and | over | D | E | H | K | N | Q | R |

Table II-A—Single sampling plans for normal inspection (Master table)

(See 9.4 and 9.5)

| Sample size code letter | Sample size | Acceptable Quality Levels (normal inspection) | | | | | | | | | | | | | | | | | | | | | | | | | | |
|-------------------------|-------------|---|-------|-------|-------|-------|------|------|------|------|------|-----|-----|-----|-----|-----|------|----|----|----|----|-----|-----|-----|-----|-----|------|----|
| | | 0.010 | 0.015 | 0.025 | 0.040 | 0.065 | 0.10 | 0.15 | 0.25 | 0.40 | 0.65 | 1.0 | 1.5 | 2.5 | 4.0 | 6.5 | 10.0 | 15 | 25 | 40 | 65 | 100 | 150 | 250 | 400 | 650 | 1000 | |
| | | Ac | Re | Ac | Re | Ac | Re | Ac | Re | Ac | Re | Ac | Re | Ac | Re | Ac | Re | Ac | Re | Ac | Re | Ac | Re | Ac | Re | Ac | Re | Ac |
| A | 2 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B | 3 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| C | 5 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| D | 8 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E | 13 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| F | 20 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| G | 32 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| H | 50 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| J | 80 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| K | 125 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| L | 200 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| M | 315 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| N | 500 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| P | 800 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Q | 1250 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| R | 2000 | | | | | | | | | | | | | | | | | | | | | | | | | | | |

↓ = Use first sampling plan below arrow. If sample size equals, or exceeds, lot or batch size, do 100 percent inspection.
 ↑ = Use first sampling plan above arrow.
 Ac = Acceptance number.
 Re = Rejection number.

SINGLE
NORMAL
PLANS

EXHIBIT 2

Capital Meter Change-outs (Failed family met Installation & Removal Costs

INCLUDES 01-01-02 THRU 07-31-02

| Division | Capital Changeout | Meter Set Off | Meter set Off/new service | Meter set On | Meter set On/new service |
|---------------|-------------------|---------------|---------------------------|--------------|--------------------------|
| 1 | 3738 | 98 | 363 | 184 | 338 |
| 2 | 1175 | 21 | 2350 | 197 | 314 |
| 3 | 1060 | 4 | 56 | 58 | 250 |
| 4 | 3050 | 8 | 845 | 13 | 142 |
| 5 | 232 | 2 | 38 | 7 | 62 |
| 6 | 1870 | 7 | 78 | 22 | 514 |
| 7 | 1314 | 23 | 45 | 93 | 64 |
| 8 | 445 | 5 | 252 | 9 | 24 |
| 9 | 395 | 1 | 16 | 36 | 150 |
| 10 | 47 | 0 | 1 | 3 | 4 |
| 11 | 281 | 4 | 965 | 14 | 466 |
| 13 | 148 | 0 | 119 | 3 | 112 |
| 14 | 0 | 2 | 86 | 12 | 88 |
| 15 | 50 | 2 | 1200 | 7 | 160 |
| 16 | 0 | 0 | 346 | 2 | 200 |
| TOTALS | 13756 | 177 | 6760 | 660 | 2888 |

Total units 24241 (13756+177+6780+660+2888)

Total \$ acct 066 \$1,338,611 From Account - 01xx70006600
(xx indicates division code)

Unit Cost/installation \$55.22 (\$1338611 / 24241)

YTD Total expense for capital change out \$759,619

Projected 2002 expenses based on approximately 22040 change-outs \$1,217,070 (22040 x \$55.22)
Amount shown on staff summary

Removal costs (2002 projected) \$169,047 Costs based on total removal cost divided by total removals, times total capital change-outs

Projected 2003 expenses based on approximately 17500 change outs \$966,367 Costs based on 2002 projected unit cost times 2003 changeout projections (17500 x \$55.22)

Removal costs (2003 projected) \$134,225 Costs based on total removal cost divided by total removals, times total capital change-outs

Projected 2004 expenses based on approximately 12040 change-outs \$664,860.21 Costs based on 2002 projected unit cost times 2004 changeout projections (12040 x \$55.22)

Removal costs (2004 projected) \$92,346.80 Costs based on total removal cost divided by total removals, times total capital change-outs

Projected 2005 expenses based on
approximately 3500 change-outs

\$193,273.32 Costs based on 2002 projected unit cost
times 2005 changeout projections
(3500 x \$55.22)

Removal costs (2005 projected)

\$26,845.00 Costs based on total removal cost divided by
total removals, times total
capital change-outs

Projected 2006 expenses based on
approximately 3500 change-outs

\$193,273.32 Costs based on 2002 projected unit cost
times 2006 changeout projections
(3500 x \$55.22)

Removal costs (2006 projected)

\$26,845.00 Costs based on total removal cost divided by
total removals, times total
capital change-outs

Note: This model projected based on assumption of passing sample in 2003.

09/12/02

Capital Meter Change-outs (Failed family meters)

Installation & Removal Costs

01/01/2001 THRU 12/31/2001

| Division | Capital Changeout | Meter Set Off | Meter set Off/new service | Meter set On | Meter set On/new service |
|---|----------------------|------------------|------------------------------|-----------------|--|
| 1 | 5784 | 98 | 365 | 474 | 737 |
| 2 | 612 | 25 | 4184 | 258 | 907 |
| 3 | 311 | 24 | 115 | 125 | 260 |
| 4 | 4408 | 16 | 2141 | 22 | 340 |
| 5 | 574 | 4 | 45 | 17 | 80 |
| 6 | 1164 | 10 | 222 | 99 | 783 |
| 7 | 2138 | 39 | 63 | 240 | 187 |
| 8 | 776 | 4 | 83 | 20 | 4 |
| 9 | 925 | 3 | 38 | 23 | 400 |
| 10 | 119 | 1 | 1 | 4 | 1 |
| 11 | 306 | 13 | 1469 | 20 | 406 |
| 13 | 110 | 2 | 171 | 9 | 130 |
| 14 | 0 | 4 | 151 | 25 | 161 |
| 15 | 0 | 1 | 2444 | 21 | 298 |
| 16 | 0 | 2 | 613 | 1 | 467 |
| TOTALS | 19927 | 246 | 12105 | 1358 | 5161 |
| Total units | | | | 38797 | (19927+246+12105+1358+5161) |
| Total \$ | | | | \$2,445,201 | From Account - 01xx70006600 |
| Unit Cost/installation | | | | \$63.03 | (\$2445201 / 38797) |
| Total expense for change out installation | | | | \$1,255,909 | Amount shown on staff summary |
| Removal costs | | | | \$268,018 | Costs based on total removal cost divided by total removals, times total cap change-outs |

09/12/02

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Capital Meter Change-outs (Failed family meters)

Installation & Removal Costs

01/01/2000 THRU 12/31/2000

| Division | Capital Changeouts | Meter Set | | Meter set | | Meter set | |
|---|-----------------------|-----------|-----------------|-------------|---|-----------|----------------|
| | | Off | Off/new service | On | On/new service | On | On/new service |
| 1 | 6452 | 123 | 437 | 567 | 518 | | |
| 2 | 223 | 32 | 2777 | 325 | 1367 | | |
| 3 | 4101 | 26 | 82 | 135 | 239 | | |
| 4 | 2910 | 19 | 2486 | 55 | 537 | | |
| 5 | 445 | 7 | 59 | 23 | 71 | | |
| 6 | 2575 | 11 | 427 | 125 | 431 | | |
| 7 | 798 | 53 | 108 | 431 | 159 | | |
| 8 | 117 | 2 | 106 | 23 | 19 | | |
| 9 | 706 | 2 | 52 | 52 | 347 | | |
| 10 | 29 | 0 | 5 | 5 | 5 | | |
| 11 | 339 | 15 | 1231 | 26 | 424 | | |
| 13 | 3 | 5 | 253 | 14 | 145 | | |
| 14 | 0 | 1 | 6 | 9 | 17 | | |
| 15 | 0 | 2 | 112 | 4 | 39 | | |
| TOTALS | 18498 | 298 | 8141 | 1794 | 4318 | | |
| Total units | | | | 33049 | (18498+298+8141+1794+4318) | | |
| Total \$ | | | | \$1,830,554 | From Account - 01xx70006600 | | |
| Unit Cost/installation | | | | \$125.80 | (\$1830554 / 33049) | | |
| Total expense for change out installation | | | | \$2,327,097 | Amount shown on staff summary | | |
| Removal costs | | | | \$536,072 | Costs based on total removal cost divided by total removals, times total cap change-outs. | | |

09/12/02

Capital Meter Change-outs (Failed family meters)

Installation & Removal Costs

01/01/1999 THRU 12/31/1999

| Division | Capital Changeout | Meter Set Off | Meter set Off/new service | Meter set On | Meter set On/new service |
|----------|----------------------|------------------|------------------------------|-----------------|-----------------------------|
| 1 | 3769 | 88 | 315 | 449 | 596 |
| 2 | 0 | 18 | 2064 | 223 | 1445 |
| 3 | 442 | 17 | 141 | 83 | 246 |
| 4 | 1558 | 10 | 1666 | 36 | 1890 |
| 5 | 386 | 2 | 23 | 37 | 41 |
| 6 | 0 | 14 | 253 | 106 | 255 |
| 7 | 968 | 44 | 37 | 338 | 107 |
| 8 | 0 | 2 | 275 | 7 | 10 |
| 9 | 368 | 0 | 25 | 33 | 251 |
| 10 | 0 | 0 | 1 | 4 | 2 |
| 11 | 0 | 5 | 928 | 13 | 390 |
| 13 | 0 | 3 | 99 | 9 | 222 |
| TOTALS | 7491 | 203 | 5827 | 1338 | 5455 |

| | | |
|---|-------------|-------------------------------|
| Total units | 20314 | (7491+203+5827+1338+5455) |
| Total \$ | \$1,640,113 | From Account - 01xx70006600 |
| Unit Cost/installation | \$80.74 | (\$1640113 / 20314) |
| Total expense for change out installation | \$604,809 | Amount shown on staff summary |
| Removal costs | N/A | |

EXHIBIT 3

September 25, 2002

Mr. Roger Fletcher
Utility Systems Engineer, Electric and Gas
Florida Public Service Commission
Hurst North Tower, Suite N512
400 West Robinson Street
Orlando, Florida 32801-1775

Re: Meter removal costs

Dear Roger,

Per our discussion on Tuesday, September 24, regarding the clarification of the removal costs associated with Capital Change-outs, the removal costs data represents the expense associated with the physical removal of the meter in the change out process. The data provided total expenses charged to the account representing the removal of meters and the associated number of meters removed. This unit cost times the number listed under the Capital Change-out column on my spreadsheet equals the removal cost. I have corrected the other spreadsheets and attached them.

If further information is required, please call me at 813-228-4540.

Sincerely,

Keith C. Martin
Director of Engineering Services

Cc: Bruce Narzissenfeld, Controller

--

Removal Costs Associated With Capital Changeouts

Meter Removal Expenses (All Types of Removals)

| <u>PERIOD</u> | <u>UNITS REMOVED</u> | <u>TOTAL DOLLARS</u> | <u>UNIT COST*</u> |
|---------------|----------------------|----------------------|-------------------|
| FY 1999 | NA | \$ 146,109 | NA |
| FY 2000 | 12,926 | \$ 374,543 | \$ 28.98 |
| FY 2001 | 42,677 | \$ 574,380 | \$ 13.46 |
| FY 2002 YTD | 16,684 | \$ 127,912 | \$ 7.67 |

* Unit Cost obtained by dividing Total Dollars by Units Removed.

To calculate the removal costs associated with the change out of the failed meter groups, multiply the Unit Costs shown above by the number of meters removed due to capital changed out.

| <u>PERIOD</u> | <u>CAPITAL CHANGE OUTS</u> | <u>UNIT COST</u> | <u>TOTAL EXPENSE</u> |
|---------------|----------------------------|------------------|----------------------|
| 1999 | 7,491 | NA | NA |
| 2000 | 18,498 | \$ 28.98 | \$ 536,072* |
| 2001 | 19,927 | \$ 13.45 | \$ 268,018* |
| 2002 | 22,040 | \$ 7.67 | \$ 169,047* |
| 2003 | 17,500 | \$ 7.67 | \$ 134,225* |
| 2004 | 12,040 | \$ 7.67 | \$ 92,346* |
| 2005 | 3,500 | \$ 7.67 | \$ 26,845* |
| 2006 | 3,500 | \$ 7.67 | \$ 26,845* |
| Future | 315 | \$ 7.67 | \$ 2,416* |

* Total dollars shown on the staff's Summary Chart (Column 4 - Meter Removal Expense)

--

EXHIBIT 4

--

Peoples Gas System
Accelerated Changeout Testing
Audit Request #13

| <u>Year</u> | <u>Number Units Changed Out</u> | <u>Mtr Testing Expense</u> |
|----------------|-------------------------------------|--------------------------------|
| 1999 | 7491 | \$ 44,946.00 |
| 2000 | 18498 | \$ 110,988.00 |
| 2001 | 19927 | \$ 119,562.00 |
| 2002 thru 7/31 | 13756 | \$ 83,911.60 |
| 2002 Projected | 22040 | \$ 134,444.00 |
| 2003 Projected | 17500 | \$ 112,000.00 |
| 2004 Projected | 12040 | \$ 79,367.68 |
| 2005 Projected | 3500 | \$ 23,764.16 |
| 2006 Projected | 3500 | \$ 24,477.08 |

****Note: All 200 Class meters tested under Accelerated Changeout Program
This model projected based on assumption of passing sample in 2003.**

EXHIBIT 1

Commissioners:
JULIA L. JOHNSON, CHAIRMAN
SUSAN F. CLARK
J. TERRY DEASON
JOE GARCIA
DIANE K. KIESLING



ORLANDO DISTRICT OFFICE
HURSTON NORTH TOWER
SUITE N512
400 WEST ROBINSON STREET
ORLANDO, FL 32801-1775
PHONE (407) 245-0846
FACSIMILE (407) 317-7336

Public Service Commission

December 23, 1997

Mr. Francis J. Sivard
Vice President-Accounting
Peoples Gas System
Teco Energy, Inc.
111 Madison Street
P.O. Box 2562
Tampa, Florida 33601-2562

Re: Request To Adopt Statistical Meter Sampling Plan

Dear Mr. Sivard:

On October 16, 1997, the Bureau of Gas Regulation received a written request from Mr. Michael E. Farmer, P.E., Director of Engineering and Environmental Services of Peoples Gas System, Inc. for approval to enter into a statistical meter test program as provided by Commission Rule Chapter 25-7.064(1). Included in this request was a copy of the proposed Statistical Sampling Plan for our review.

On November 4, 1997, Mr. Roger Fletcher and Mr. Lovedale Peterside of the Commission staff met with system officials to discuss, in detail, the technical requirements of the proposed Statistical Sampling Plan. As the result of the meeting, staff suggested minor revisions be made to the proposed plan and system officials concurred. On November 17, 1997, a revised plan was submitted to the Commission staff for consideration. A review of the revised plan finds that it better represents elements the Commission staff feel are necessary for the statistical analysis of in-service meters.

The Bureau of Gas Regulation, by this letter, issues approval for Peoples Gas System to begin a statistical analysis of in-service meters with a rated capacity of 250 cubic feet per hour or less, measured at the manufacturer's specifications for one-half inch pressure differential. The testing program may include meters tested during calendar year 1998 and must be performed in accordance with the revised Statistical Sampling Plan submitted to the Bureau of Gas Regulation on November 17, 1997. A copy of the approved plan and Mr. Fletcher's report are attached for your information and to complete your file.

Two limitations are placed on this approval. (1) All meters tested in accordance with this Statistical Sampling Plan are to be identified through random statistical methods, and no meters are to be included that have been returned from service due to normal or routine change-out activities.

Francis J. Sivard
Page 2
December 23, 1997

(2) All operating divisions including Panama City and Ocala are to adopt the requirements of the approved Statistical Sampling Plan by December 31, 1998.

If there are any questions concerning the approval of the statistical sampling plan or the meter test results reporting requirements, you may contact Mr. Roger Fletcher at (407) 317-7341 or call me at (850) 413-6642.

Sincerely,

Cheryl R. Bulecza-Banks. Chief
Bureau of Gas Regulation

CRBB:rwf
Enclosures

cc: Joseph D. Jenkins, Director, Division of Electric and Gas
Robert L. Trapp, Assistant Director, Division of Electric and Gas
C. Edward Mills, Supervisor of Gas Engineering and Safety, Bureau of Gas Regulation
Roger Fletcher, Utility Systems Engineer, Bureau of Gas Regulation
Michael E. Farmer, P.E., Director of Engineering and Environmental Services, Peoples Gas System

Peoples Gas

Meter Sampling Plan

Prepared by
System Engineering

A. General

This sampling plan details the process by which Peoples Gas will use statistical sampling and testing of meters to verify the overall accuracy of the meters. This sampling plan conforms to Florida Administrative Code per Chapter 25-7.064, Periodic Meter Test. All positive displacement meters with capacities of 250 (275) cubic feet per hour or less (measured at the manufacturers specification for one-half inch pressure differential) may remain in continuous service and be included in the Sampling Plan. The Sampling Plan uses military standard statistical sampling techniques to identify how many meters will be removed from the field and tested to verify they satisfy meter accuracy as defined in Florida Administrative Code per Chapter 25-7-063, Meter Accuracy at Installation. Those meters to be tested under the plan will be removed from service and tested within the calendar year identified in the sample, including any isolation groups. The sampled meters will be tested for accuracy, the results analyzed and the analysis reported by February 11 of the next calendar year.

B. Meters to be tested

1. Normal Sampling

The initial sample size will be determined from the American National Standard - Sampling Procedures and Tables for Inspection by Attributes (ANSI/ASQC Z1.4-1993) utilizing the Single Sampling Plan. General Inspection Level I will be used to determine batch size code letter. The AQL will be selected based on Sample Size Code Letters. Meters to be changed out will be selected on a random basis in the following order of priorities:

1. Meters removed for routine change out. 40%
This group must have been in service for more than five (5) years.
Of the meters in service, each manufacture shall represent at least 5% of the total sample size.
2. Meters that have been installed the longest. 30%
3. Meters recording greatest gas usage since install date. 30%

Example:

Table I - *Sample Size Code Letters*

Batch size: 150,001 - 500,000

General Inspection Level I indicates code letter "M"

Table II-A - Single Sampling Plans for Normal Inspection (Master Table)

Code letter "M" indicates Sample Size = 315

AQL at four (4) is:

Acceptance number - 21

Rejection number - 22

If results show that 21 or less of the meters tested are not within accuracy limits as prescribed by Florida Administrative Code, Chapter 25-7.063, no additional sampling is required until the following year. If 22 or more meters tested are not within accuracy limits, further analysis will be made to determine if the problem can be isolated to a particular subgroup of meters.

2. Isolation Plan

- a. Identification of an isolated group may be by any combination of the following characteristics:
 1. Length of time in service.
 2. Age.
 3. Manufacturer.
 4. Materials.
 5. Same geographic location in the system.
 6. Number of times repaired, set, or removed.
 7. If identification or isolation is not possible, all meters in the group will be scheduled for accelerated changeout.
- b. Isolated groups will be separated from the normal sampling plan and scheduled for testing per Section 3 Testing of Isolated Groups.
- c. A re-examination of the test results will be made of the remaining meters after elimination of the isolated group to permit subsequent application of the Normal Sampling procedure.

3. Testing of Isolated Groups

A new sample of no less than 50 meters of an isolated group will be taken within six (6) months after identification.

- a. If the results show that 85% or more are within accuracy limits, the isolated group will be recombined with the normal sampling plan and isolation will be discontinued.
- b. If the results show that 65% to 84% are within accuracy limits, the isolated group will be reevaluated per Section 4 Accelerated Change-out Plan.
- c. If the results show that less than 65% are within accuracy limits, the balance of the isolated group will be scheduled for complete change-out within three (3) years.

4. Accelerated Change-out Plan

A new sample of no less than 50 meters of an isolated group will be taken within six (6) months after identification. If the results of the tests of any two consecutive groups of these meters show that 85% or more are within the prescribed proof limits, the remaining isolated meters will be recombined with the normal sampling plan.

C. Meters Not Included in Sampling Analysis:

Meters removed for any of the following criteria will not be included in the Sampling Analysis Plan.

1. Meters that do not register, unless part of the sample group.
2. Meters that do not pass gas, unless part of the sample group.
3. Meters removed for special tests.
4. Meters removed for noise complaints.
5. Meters removed due to customer complaints.
6. Meters that have been subjected an outside force that could cause some type of undisclosed damage.

D. Employee Training

Operating personnel will receive additional training in proper handling and storage of meters to insure accurate test results

TABLE I—Sample size code letters

(See 9.2 and 9.3)

| Lot or batch size | | | Special inspection levels | | | | General inspection levels | | |
|-------------------|-----|--------|---------------------------|-----|-----|-----|---------------------------|----|-----|
| | | | S-1 | S-2 | S-3 | S-4 | I | II | III |
| 2 | to | 8 | A | A | A | A | A | A | B |
| 9 | to | 15 | A | A | A | A | A | B | C |
| 16 | to | 25 | A | A | B | B | B | C | D |
| 26 | to | 50 | A | B | B | C | C | D | E |
| 51 | to | 90 | B | B | C | C | C | E | F |
| 91 | to | 150 | B | B | C | D | D | F | G |
| 151 | to | 280 | B | C | D | E | E | G | H |
| 281 | to | 500 | B | C | D | E | F | H | J |
| 501 | to | 1200 | C | C | E | F | G | J | K |
| 1201 | to | 3200 | C | D | E | G | H | K | L |
| 3201 | to | 10000 | C | D | F | G | J | L | M |
| 10001 | to | 35000 | C | D | F | H | K | M | N |
| 35001 | to | 150000 | D | E | G | J | L | N | P |
| 150001 | to | 500000 | D | E | G | J | M | P | Q |
| 500001 | and | over | D | E | H | K | N | Q | R |

Table II-A—Single sampling plans for normal inspection (Master table)

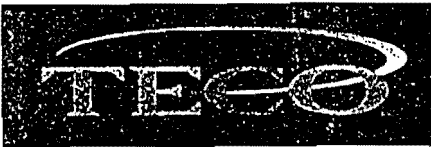
(See 9.4 and 9.5)

| Sample size code letter | Sample size | Acceptable Quality Levels (normal inspection) | | | | | | | | | | | | | | | | | | | | | | | | | |
|-------------------------|-------------|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | 0.010 | 0.015 | 0.025 | 0.040 | 0.065 | 0.10 | 0.15 | 0.25 | 0.40 | 0.65 | 1.0 | 1.5 | 2.5 | 4.0 | 6.5 | 10% | 15 | 25 | 40 | 65 | 100 | 150 | 250 | 400 | 650 | 1000 |
| | | Ac Re | Ac Re | Ac Re | Ac Re | Ac Re | Ac Re | Ac Re | Ac Re | Ac Re | Ac Re | Ac Re | Ac Re | Ac Re | Ac Re | Ac Re | Ac Re | Ac Re | Ac Re | Ac Re | Ac Re | Ac Re | Ac Re | Ac Re | Ac Re | Ac Re | Ac Re |
| A | 2 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B | 3 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| C | 5 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| D | 8 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E | 13 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| F | 20 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| G | 32 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| H | 50 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| J | 80 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| K | 125 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| L | 200 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| M | 315 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| N | 500 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| P | 800 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Q | 1250 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| R | 2000 | | | | | | | | | | | | | | | | | | | | | | | | | | |

↓ = Use first sampling plan below arrow. If sample size equals, or exceeds, lot or batch size, do 100 percent inspection.
 ↑ = Use first sampling plan above arrow.
 Ac = Acceptance number.
 Re = Rejection number.

SINGLE
NORMAL
PLANS

EXHIBIT 2



PEOPLES GAS

September 27, 2002

Mr. Roger Fletcher
Utility Systems Engineer, Electric and Gas
Florida Public Service Commission
Hurstons North Tower, Suite N512
400 West Robinson Street
Orlando, Florida 32801-1775

Re: Meter Sampling Plan Test Results

Dear Roger,

We have completed a preliminary evaluation of test on the meters identified in the 2002 sample plan. Of the meters sampled, 30 of the 315 meters were not within our prescribed accuracy limits. The Plan states that if 22 meters do not meet the accuracy limits, we must further determine if the problem can be limited to a particular subgroup of meters. We have completed this analysis and tentatively identified the following isolation groups:

1. All RHI and RHS (Rockwell 200 Class meters), representing approximately 5000 meters.

Although our plan allows for further testing to reduce the number of isolation groups, we have elected to include them all as Accelerated Change-out Plan meters such that they will be removed over the next three (3) years. These meters will not be included in the algorithm in identifying meters for next years Meter Sampling Plan population. Should you have any questions concerning this report, please contact me.

Sincerely,

Keith C. Martin,

--



January 31, 2002

Mr. C. Edward Mills
 Florida Public Service Commission
 Capital Circle Office Center
 2540 Shumard Oak Boulevard
 Tallahassee, Florida 32399-0850

Re. Meter Sampling Plan Test Results

Mr. Mills:

We have evaluated the results of the sample test on the meters identified in the 2001 sample plan. Of the meters sampled, 50 were found to be outside the accuracy limits prescribed in our plan. We have identified two problem groups.

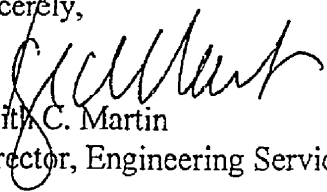
1. All RD (Rockwell 175-200 class meters) company wide, representing approximately 21,500 meters.
2. All SD and SH (Sprague 175 and 250 class meters) company wide, representing approximately 6,100 meters.

Although our plan allows for further testing to reduce the number of isolation groups, we have elected to include them all as Accelerated Change-Out Plan meters such that they will all be removed over the next three (3) years. These meters will not be included in the random selection algorithm in identifying meters for this years Meter Sampling Plan population.

We are again confident that this plan is accomplishing our goal of identifying and targeting those meters that most need to be removed from our system.

Please do not hesitate to contact me should any questions occur.

Sincerely,


 Keith C. Martin
 Director, Engineering Services

cc: Roger Fletcher

RECEIVED

FEB 07 2002

Florida Public Service Commission
 Division of Auditing and Safety



February 9, 2001

Mr. C. Edward Mills
 Florida Public Service Commission
 Capital Circle Office Center
 2540 Shumard Oak Boulevard
 Tallahassee, Florida 32399-0850

Re. Meter Sampling Plan Test Results

Mr. Mills:

We have evaluated the results of the sample test on the meters identified in the 2000 sample plan. Of the meters sampled, 55 were found to be outside the accuracy limits prescribed in our plan. We have identified three problem groups.

1. All AD (American 175 class meters) purchased prior to 1974, representing approximately 10,200 meters.
2. All RC (Rockwell 150 class meters) company wide, representing approximately 6,600 meters.
3. All RH (Rockwell 250 class meters) purchased prior to 1970, representing approximately 3,500 meters.

Although our plan allows for further testing to reduce the number of isolation groups, we have elected to include them all as Accelerated Change-Out Plan meters such that they will all be removed over the next three (3) years. These meters will not be included in the random selection algorithm in identifying meters for this years Meter Sampling Plan population.

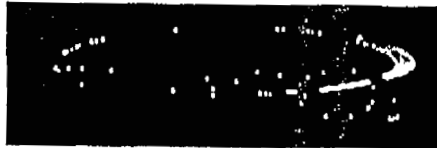
We are again confident that this plan is accomplishing our goal of identifying and targeting those meters that most need to be removed from our system.

Please do not hesitate to contact me should any questions occur.

Sincerely,

Keith C. Martin
 Director, Engineering Services

cc: Roger Fletcher



PEOPLES GAS

October 9, 2002

Mr. Roger Fletcher
 Utility Systems Engineer, Electric and Gas
 Florida Public Service Commission
 Hurston North Tower, Suite N512
 400 West Robinson Street
 Orlando, Florida 32801-1775

Re: Meter Sampling Plan Test Results – 1999 Sample


Dear Roger,

We evaluated the results of the sample test on the meters identified in the 1999 sample plan. Of the meters sampled, 34 were found to be outside the accuracy limits prescribed in our plan. We identified four problem groups.

1. All RD (Rockwell 175 Class meters) purchased prior to 1971, representing approximately 3450 meters.
2. All TD (Sprague 175 Class meters) purchased prior to 1971, representing approximately 9000 meters.
3. All AD (American 175 Class meters) in Division 06, purchased prior to 1971, representing 5500 meters.
4. All RHP (Rockwell 250 Class meters) in Division 11, purchased in 1981, 1982 or 1983, representing 320 meters.

Although our plan allowed for further testing to reduce the number of isolation groups, we elected to include them as Accelerated Change-out Plan meters such that they are removed over the three-year period of 2000-2002. These meters were not included in the random selection algorithm in identifying meters for the following years Meter Sampling Plan population. Please contact me if you have any questions on this or any subsequent years information.

Sincerely,


 Keith C. Martin,
 Director, Engineering Services



November 16, 1998

Mr. C. Edward Mills
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Meter Sampling Plan Test Results

Dear Ed:

We have evaluated the results of the first year of our Meter Sampling Plan. Of the meters sampled, 54 of the 315 were not within our prescribed accuracy limits. The Plan states that if 22 meters do not meet the accuracy limits, we must further determine if the problem can be limited to a particular subgroup of meters. We have completed this analysis and arrived at the following isolation groups:

1. All RC (Rockwell 150 Class meters) in North Miami and Orlando Divisions, purchased prior to 1965 and installed after 1994, representing approximately 9,200 meters.
2. All RD (Rockwell 175 Class meters) in North Miami and Miami Divisions, purchased prior to 1965 and installed after 1994, representing approximately 4,300 meters.
3. All AD (American 175 Class meter) in St. Petersburg, Orlando, Eustis and Miami Divisions, purchased prior to 1975 and installed after 1994, representing approximately 11,800 meters.
4. All TD (Cast Iron Sprague 175 Class meters) in Daytona Division, purchased prior to 1965 and installed after 1994, representing approximately 2,800 meters.

Although our plan allows for further testing to reduce the number of isolation groups, we have elected to include them all as Accelerated Change-out Plan meters such that they will all be removed over the next three (3) years. These meters will not be included in the random selection algorithm in identifying meters for next years Meter Sampling Plan population.

We are confident that this plan is accomplishing our goal of identifying and targeting those meters that most need to be removed from our system.

Please do not hesitate to contact me should any questions occur.

Sincerely,

Michael E. Farmer, PE
Director - Engineering and Technical Services

EXHIBIT 3

PEOPLES GAS SYSTEM

REPORT-ID: CSRPCOB2-01

COMPANY-01

1998 ACCELERATED CHANGE-OUT RECAP

RUN DATE: 08/06/02

PAGE: 1

| DIVISION | 1 9 9 8 | | | 2 0 0 0 | | | 2 0 0 1 | | | DIV TOTAL | | |
|---------------|-----------|-----------|---------|-----------|-----------|---------|-----------|-----------|---------|-----------|-----------|---------|
| | SCHEDULED | COMPLETED | % TOTAL | SCHEDULED | COMPLETED | % TOTAL | SCHEDULED | COMPLETED | % TOTAL | SCHEDULED | COMPLETED | % TOTAL |
| (01) N. MIAMI | 3,942 | 3,942 | 100.0 | 3,948 | 3,948 | 100.0 | 3,949 | 3,949 | 100.0 | 11,839 | 11,839 | 100.0 |
| (03) ST. PETE | 703 | 703 | 100.0 | 705 | 705 | 100.0 | 712 | 712 | 100.0 | 2,120 | 2,120 | 100.0 |
| (04) ORLANDO | 2,239 | 2,238 | 99.9 | 2,222 | 2,219 | 99.8 | 2,231 | 2,230 | 99.9 | 6,692 | 6,687 | 99.9 |
| (05) EUSTIS | 345 | 345 | 100.0 | 362 | 362 | 100.0 | 349 | 349 | 100.0 | 1,056 | 1,056 | 100.0 |
| (07) MIAMI | 1,155 | 1,155 | 100.0 | 1,166 | 1,166 | 100.0 | 1,150 | 1,150 | 100.0 | 3,471 | 3,471 | 100.0 |
| (09) DAYTONA | 563 | 563 | 100.0 | 565 | 565 | 100.0 | 584 | 584 | 100.0 | 1,712 | 1,712 | 100.0 |
| COMPANY TOTAL | 8,947 | 8,946 | 99.9 | 8,968 | 8,965 | 99.9 | 8,975 | 8,974 | 99.9 | 26,890 | 26,885 | 99.9 |

PEOPLES GAS SYSTEM

REPORT-ID: CSRPCOB2-01

COMPANY-01

1999 ACCELERATED CHANGE-OUT RECAP

RUN DATE: 08/06/02

PAGE: 2

| DIVISION | 2 0 0 0 | | | 2 0 0 1 | | | 2 0 0 2 | | | DIV TOTAL | | |
|----------------|-----------|-----------|---------|-----------|-----------|---------|-----------|-----------|---------|-----------|-----------|---------|
| | SCHEDULED | COMPLETED | % TOTAL | SCHEDULED | COMPLETED | % TOTAL | SCHEDULED | COMPLETED | % TOTAL | SCHEDULED | COMPLETED | % TOTAL |
| (01) N. MIAMI | 660 | 660 | 100.0 | 665 | 665 | 100.0 | 672 | 672 | 100.0 | 1,997 | 1,997 | 100.0 |
| (02) TAMPA | 153 | 153 | 100.0 | 155 | 149 | 96.1 | 150 | 135 | 90.0 | 458 | 437 | 95.4 |
| (03) ST. PETE | 1,877 | 1,804 | 96.1 | 1,851 | 1,772 | 95.7 | 1,856 | 1,780 | 95.9 | 5,584 | 5,356 | 95.9 |
| (04) ORLANDO | 669 | 659 | 98.5 | 679 | 660 | 97.2 | 686 | 674 | 98.2 | 2,034 | 1,993 | 97.9 |
| (05) EUSTIS | 221 | 221 | 100.0 | 216 | 216 | 100.0 | 219 | 218 | 99.5 | 656 | 655 | 99.8 |
| (06) JAX | 2,039 | 1,985 | 97.3 | 2,050 | 1,825 | 89.0 | 2,036 | 1,682 | 82.6 | 6,125 | 5,492 | 89.6 |
| (07) MIAMI | 24 | 24 | 100.0 | 29 | 29 | 100.0 | 25 | 25 | 100.0 | 78 | 78 | 100.0 |
| (08) LAKE LAND | 112 | 87 | 77.6 | 110 | 77 | 70.0 | 111 | 78 | 70.2 | 333 | 242 | 72.6 |
| (09) DAYTONA | 210 | 209 | 99.5 | 207 | 203 | 98.0 | 213 | 207 | 97.1 | 630 | 619 | 98.2 |
| (10) AVON PARK | 18 | 18 | 100.0 | 18 | 18 | 100.0 | 18 | 15 | 83.3 | 54 | 51 | 94.4 |
| (11) SARASOTA | 103 | 103 | 100.0 | 103 | 97 | 94.1 | 98 | 56 | 57.1 | 304 | 256 | 84.2 |
| (13) PBG | 0 | 0 | 0.0 | 2 | 2 | 100.0 | 1 | 1 | 100.0 | 3 | 3 | 100.0 |
| COMPANY TOTAL | 6,086 | 5,923 | 97.3 | 6,085 | 5,713 | 93.8 | 6,085 | 5,543 | 91.0 | 18,256 | 17,179 | 94.1 |

REPORT-ID: CSRPCOB2-01
COMPANY-01

PEOPLES GAS SYSTEM

2000 ACCELERATED CHANGE-OUT RECAP

RUN DATE: 08/06/02
PAGE: 3

| DIVISION | 2 0 0 1 | | | 2 0 0 2 | | | 2 0 0 3 | | | DIV TOTAL | | |
|---------------|-----------|-----------|---------|-----------|-----------|---------|-----------|-----------|---------|-----------|-----------|---------|
| | SCHEDULED | COMPLETED | % TOTAL | SCHEDULED | COMPLETED | % TOTAL | SCHEDULED | COMPLETED | % TOTAL | SCHEDULED | COMPLETED | % TOTAL |
| (1) N. MIAMI | 1,832 | 1,750 | 95.5 | 1,828 | 1,720 | 94.0 | 1,822 | 1,734 | 95.1 | 5,482 | 5,204 | 94.9 |
| (2) TAMPA | 558 | 332 | 59.4 | 565 | 258 | 45.6 | 580 | 208 | 35.8 | 1,703 | 798 | 46.8 |
| (3) ST. PETE | 476 | 199 | 41.8 | 484 | 186 | 38.4 | 478 | 168 | 35.1 | 1,438 | 553 | 38.4 |
| (4) ORLANDO | 1,537 | 849 | 55.2 | 1,545 | 855 | 55.3 | 1,536 | 849 | 55.2 | 4,618 | 2,553 | 55.2 |
| (5) EUSTIS | 27 | 9 | 33.3 | 22 | 8 | 36.3 | 30 | 10 | 33.3 | 79 | 27 | 34.1 |
| (6) JAX | 169 | 150 | 88.7 | 175 | 142 | 81.1 | 171 | 66 | 38.5 | 515 | 358 | 69.5 |
| (7) MIAMI | 895 | 730 | 81.5 | 901 | 712 | 79.0 | 890 | 728 | 81.7 | 2,686 | 2,170 | 80.7 |
| (8) LAKELAND | 953 | 474 | 49.7 | 927 | 417 | 44.9 | 943 | 318 | 33.7 | 2,823 | 1,209 | 42.8 |
| (9) DAYTONA | 67 | 65 | 97.0 | 66 | 64 | 96.9 | 65 | 65 | 100.0 | 198 | 194 | 97.9 |
| (0) AVON PARK | 0 | 0 | 0.0 | 3 | 2 | 66.6 | 0 | 0 | 0.0 | 3 | 2 | 66.6 |
| (1) SARASOTA | 188 | 139 | 73.9 | 183 | 58 | 31.6 | 191 | 42 | 21.9 | 562 | 239 | 42.5 |
| (3) PBG | 36 | 36 | 100.0 | 39 | 39 | 100.0 | 32 | 32 | 100.0 | 107 | 107 | 100.0 |
| COMPANY TOTAL | 6,738 | 4,733 | 70.2 | 6,738 | 4,461 | 66.2 | 6,738 | 4,220 | 62.6 | 20,214 | 13,414 | 66.3 |

REPORT-ID: CSRPCOB2-01
COMPANY-01

PEOPLES GAS SYSTEM

2001 ACCELERATED CHANGE-OUT RECAP

RUN DATE: 08/06/02
PAGE: 4

| DIVISION | 2 0 0 2 | | | 2 0 0 3 | | | 2 0 0 4 | | | DIV TOTAL | | |
|----------------|-----------|-----------|---------|-----------|-----------|---------|-----------|-----------|---------|-----------|-----------|---------|
| | SCHEDULED | COMPLETED | % TOTAL | SCHEDULED | COMPLETED | % TOTAL | SCHEDULED | COMPLETED | % TOTAL | SCHEDULED | COMPLETED | % TOTAL |
| (01) N. MIAMI | 2,350 | 428 | 18.2 | 2,334 | 449 | 19.2 | 2,354 | 478 | 20.3 | 7,038 | 1,355 | 19.2 |
| (02) TAMPA | 1,691 | 500 | 29.5 | 1,699 | 238 | 14.0 | 1,628 | 206 | 12.6 | 5,018 | 944 | 18.8 |
| (03) ST. PETE | 1,651 | 243 | 14.7 | 1,653 | 191 | 11.5 | 1,673 | 208 | 12.4 | 4,977 | 642 | 12.8 |
| (04) ORLANDO | 1,365 | 374 | 27.3 | 1,382 | 379 | 27.4 | 1,381 | 367 | 26.5 | 4,128 | 1,120 | 27.1 |
| (05) EUSTIS | 172 | 27 | 15.6 | 166 | 26 | 15.6 | 177 | 33 | 18.6 | 515 | 86 | 16.6 |
| (06) JAX | 487 | 375 | 77.0 | 480 | 41 | 8.5 | 491 | 40 | 8.1 | 1,458 | 456 | 31.2 |
| (07) MIAMI | 320 | 57 | 17.8 | 322 | 62 | 19.2 | 326 | 71 | 21.7 | 968 | 190 | 19.6 |
| (08) LAKELAND | 54 | 20 | 37.0 | 58 | 14 | 24.1 | 66 | 7 | 10.6 | 178 | 41 | 23.0 |
| (09) DAYTONA | 304 | 81 | 26.6 | 299 | 79 | 26.4 | 297 | 73 | 24.5 | 900 | 233 | 25.8 |
| (10) AVON PARK | 55 | 24 | 43.6 | 49 | 7 | 14.2 | 55 | 8 | 14.5 | 159 | 39 | 24.5 |
| (11) SARASOTA | 303 | 104 | 34.3 | 310 | 24 | 7.7 | 295 | 24 | 8.1 | 908 | 152 | 16.7 |
| (13) PBG | 454 | 43 | 9.4 | 453 | 60 | 13.2 | 462 | 49 | 10.6 | 1,369 | 152 | 11.1 |
| COMPANY TOTAL | 9,206 | 2,276 | 24.7 | 9,205 | 1,570 | 17.0 | 9,205 | 1,564 | 16.9 | 27,616 | 5,410 | 19.5 |

EVALUATION OF METER TEST CONTRACTS

TECO-PEOPLES GAS SYSTEM
RATE CASE - DOCKET 020384-GU

Assignment :

Determine if there is any duplication of meter test service work being performed since the Company is outsourcing the work to North America. Review contract the Company has with North America.

Findings:

There are no duplication of meter test services. No adjustments will be necessary. The contract with North American Service Group was reviewed. No adjustments will be necessary as a result of this review.

Discussion:

During the historic test year period (calendar year 2001), TECO-Peoples Gas System had contracts with two separate meter test facilities, (1) North American Service Group and (2) Precision Meter Testing. The contract with Precision Meter Testing was strictly to test customer complaint meters. The contract allows a maximum of 300 meters a month to be tested at Precision's facility in Tampa, Florida. During the historic test year, a total of 129 customer complaint meters were tested at this facility. The purpose of the contract with Precision Meter Testing is to assure prompt meter testing and response to customer complaints. All other meters, routine change-out and sampling plan meters, are tested at the North Georgia facilities of North American Service Group. Meters to be tested under the contract with North American Service Group are limited to basically residential and small commercial meters which include the following meter sizes: 200 Class, 400 Class, 630 Class, 750 Class, 800 Class and 1000 Class. The contracted charges for these meter tests appear to be reasonable. A copy of the North American Service Group contract is attached.

The meter test facilities in North Miami and Tampa where all TECO-Peoples Gas meter tests were performed in the past were closed in 1999. The North Miami facility was turned into office space for system employees, and the Tampa facility was converted to storage space for system records and supplies. There is a bell prover located at both the Ocala and Panama City Division. No meter testing is being performed at either of these locations.

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CONTRACT
NORTH AMERICAN SERVICE GROUP



METER SERVICE AGREEMENT

between

TECO PEOPLES GAS, TAMPA, FLORIDA

and

NORTH AMERICAN SERVICES GROUP

Prepared by: Jon S. Chambers
General Manager, Southeast Operations
North American Services Group
130 Allatoona Dam Road, SE
Cartersville, GA 30120

Jeffrey D. Dyer
District Sales Manager
American Meter Company
130 Allatoona Dam Road, SE
Cartersville, GA 30120

I. SCOPE

This agreement provides the framework for the Meter Service Agreement developed between TECO Peoples Gas (hereinafter referred to as TECO) and the North American Services Group of American Meter Company (hereinafter referred to as NASG).

TECO has taken the decision to cease the repair of diaphragm gas meters and, as such, close their meter shop in Tampa. After discussion, NASG has been selected to provide the meter shop services previously supplied by the Tampa facility.

Initially, the scope of the agreement will be for NASG, to provide meter services under our standard Intest or Junk programs. All diaphragm meters picked up at the various TECO facilities will be intested with results sent to TECO in the agreed format. Meters that are date expired, damaged or for whatever other reason(s) are unsuitable for purchase by NASG will be junked and the appropriate charges will be passed on to TECO.

Meters that are candidates for RefurbishPLUS will be purchased from TECO by NASG under the pricing detailed in this agreement. American Meter meters which are unsuitable for RefubishPLUS will be purchased under the ReBuy program.

In addition, TECO will purchase RefurbishPLUS or Remanufactured meters as defined under the standard NASG program criteria and Technical Appendix, which forms part of this agreement. Shelf life recertification and low mileage meters will be billed as reverify or reverify/adjust meters.

NASG will purchase retired meters from TECO, subject to incoming inspection in the Cartersville facility, as detailed in this agreement.

These are the standard NASG programs as discussed during previous meetings and as detailed on the technical data sheets previously supplied to TECO. It is understood that these standard programs provide the "starting point" for the service work to be supplied. Additional requirements, changes to specifications, etc., as required will be agreed upon and integrated into the programs as required. These changes can be found in the Technical Appendix being developed and which forms part of this agreement.

Meters covered under this agreement will be 200 Class, 400 Class, 630 Class, 750 Class, 800 Class and 1000 Class. While various manufacturing types may be handled under the Intest or Junk programs, it is understood that only Invensys and American meters will be purchased under the RefurbishPLUS program and only American meters will be available under the Remanufactured program.

It is understood that initially meters will be picked up and delivered to four (4) main distribution and collection points within the TECO system. As the Meter Service Agreement (MSA) develops, it is understood that NASG will explore the feasibility of transporting meters to and from a broader number of regional operating facilities if this is beneficial and efficient. Freight charges for pick up and distribution to the four(4) main distribution points is included in the pricing of this contract. Additional transportation expenses such as assistance with loading/unloading at TECO facilities, additional stops, etc. will be invoiced to TECO.

Day to day management for the MSA will be the responsibility of the NASG Contracts Administrator and the designated TECO representative(s).

Meter database management is a key requirement of this program and has been developed between the two parties. File formats, information required, etc., will be maintained as TECO requires. Subject to review by NASG, special requirements may incur software charges.

Finally, NASG will undertake to pursue the feasibility of it's mobile Van Proving concept with TECO as a pilot for the future possibility of providing sample program work in the field. Arrangements will be made to have an NASG Van Prover routed to the Cartersville facility for a demonstration and, if suitable, to demonstrate this concept within the TECO system.

As discussed, the Meter Service Agreement continues to develop as requirements and needs are identified. Key to it's success will be the ongoing dialogue and co-operation between both parties.

II. COMMERCIAL

The initial MSA has been in effect since fall of 1999 and NASG has maintained pricing through the end of 2001. Given the number of changes in the program, NASG proposes a new three (3) year contract with an option to extend an additional two (2) years.

The following prices would be in effect for 2002 and 2003. Pricing would be subject to review for subsequent years.

Intest

| | <u>200 Series</u> | <u>400/600 Series</u> | <u>700/800/1000 Series</u> | <u>Large Meters</u> |
|----------------------|--------------------------|------------------------------|-----------------------------------|----------------------------|
| Aluminum Case | \$2.25 | \$2.75 | \$10.00 | \$25.00 |
| Iron Case | \$3.00 | n/a | n/a | \$25.00 |

Junk

| | | | | |
|----------------------|---------------|---------------|----------------|----------------|
| Aluminum Case | \$4.00 | \$4.50 | \$10.00 | \$25.00 |
| Iron Case | \$4.25 | n/a | n/a | \$75.00 |

- 100% of all meters will be intested with the exception of "no badge" meters and results reported to TECO.
- Intest price includes documented intest results provided in TECO's format via E-mail.
- Junk price includes handling and scrapping of meter by NASG.

RefurbishPLUS

| | <u>American</u> | <u>Invensys</u> |
|--------------------|------------------------|------------------------|
| 200 Series | \$32.40 | \$32.40 |
| 400 Series | \$62.40 | \$62.40 |
| 600 Series | \$65.00 | n/a |
| 700 Series | n/a | \$428.00 |
| 800 Series | \$428.00 | n/a |
| 1000 Series | \$428.00 | \$428.00 |
| 1600 Series | n/a | \$428.00 |

- Price includes new customer badge (numbers to be issued by TECO)
- Price includes 10ft. drive conversion for 700, 800 and 1000 Series meters.

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REVISED

Page: 4

Intest

| | <u>200 Series</u> | | <u>400/600 Series</u> | | <u>700/800/1000 Series</u> | | <u>Large Meters</u> |
|---------------|-------------------|-------------|-----------------------|-------------|----------------------------|-------------|------------------------|
| | <u>2002</u> | <u>2003</u> | <u>2002</u> | <u>2003</u> | <u>2002</u> | <u>2003</u> | <u>2002 & 2003</u> |
| Aluminum Case | \$2.10 | \$2.40 | \$2.75 | \$2.75 | \$9.00 | \$11.00 | \$25.00 |
| Iron Case | \$2.50 | \$3.50 | n/a | | n/a | | \$25.00 |

Junk

| | | | | |
|---------------|--------|--------|---------|---------|
| Aluminum Case | \$4.00 | \$4.50 | \$10.00 | \$25.00 |
| Iron Case | \$4.25 | n/a | n/a | \$75.00 |

- 100% of all meters will be intested with the exception of "no badge" meters and results reported to TECO.
- Intest price includes documented intest results provided in TECO's format via E-mail.
- Junk price includes handling and scrapping of meter by NASG.

RefurbishPLUS

| | <u>American</u> | <u>Invensys</u> |
|-------------|-----------------|-----------------|
| 200 Series | \$32.40 | \$32.40 |
| 400 Series | \$62.40 | \$62.40 |
| 600 Series | \$65.00 | n/a |
| 700 Series | n/a | \$428.00 |
| 800 Series | \$428.00 | n/a |
| 1000 Series | \$428.00 | \$428.00 |
| 1600 Series | n/a | \$428.00 |

- Price includes new customer badge (numbers to be issued by TECO)
- Price includes 10ft. drive conversion for 700, 800 and 1000 Series meters.

- If index replacement is required, NASG will invoice Peoples Gas appropriate replacement charges.
- Any meter that falls out of refurbish plus program will be billed at appropriate junk pricing.

Meter Core Purchase

| | <u>American</u> | <u>Invensys</u> |
|-------------|-----------------|-----------------|
| 200 Series | \$7.40 | \$5.45 |
| 400 Series | \$30.50 | \$28.00 |
| 600 Series | \$30.50 | n/a |
| 700 Series | n/a | \$78.00 |
| 800 Series | \$148.75 | n/a |
| 1000 Series | \$148.75 | \$102.00 |
| 1600 Series | n/a | \$102.00 |

- NASG will pay TECO the above prices for meter cores suitable for Refurbishb**PLUS**.
- Cores will be purchased after refurbish plus programs are completed.
- AMCO meters not suitable for Refurbish**PLUS** but are useable for Remanufacturing will be purchased under the ReBuy Credit program.

Remanufacturing

Remanufacturing is an option for American Meter meters only which are in excess of twenty (20) years for residential and 400 Series, fifteen (15) years for commercial / industrial. Meters must have salvageable casting, i.e. free from damage, water corrosion, etc.

Pricing will need to be determined for this program based upon new meter contract pricing.

ReBuy Credits

| | |
|------------------|---------|
| AL250 | \$3.00 |
| AL175 | \$4.50 |
| AC250 | \$4.50 |
| AL425 (10# Case) | \$10.00 |
| AL425 (25# Case) | \$25.00 |
| AL800 / AL1000 | \$40.00 |

- For cast iron tops and / or steel covers plates, DEDUCT \$1.50 per meter.
- ReBuy credits may be applied against service invoices or accrued as a credit for future NASG services.
- ReBuy credits apply only to those meters, which are not suitable for the RefurbishPLUS program, for whatever reason, and are suitable for Remanufacture.

Reverify – (Shelf life recertification/Low mileage Meters)

| | <u>American</u> | <u>Invensys</u> |
|-----------------|-----------------|-----------------|
| 200 Series | \$10.75 | \$10.75 |
| 400 Series | \$11.75 | \$11.75 |
| 600 Series | \$11.75 | n/a |
| 700 Series | n/a | \$35.00 |
| 800-1000 Series | \$35.00 | \$35.00 |
| 1600 Series | n/a | \$36.00 |

Reverify & Adjust – (Shelf life recertification/Low mileage Meters)

| | | |
|-----------------|---------|---------|
| 200 Series | \$12.00 | \$12.20 |
| 400 Series | \$13.00 | \$14.20 |
| 600 Series | \$13.25 | n/a |
| 700 Series | n/a | \$37.00 |
| 800/1000 Series | \$37.00 | \$37.00 |
| 1600 Series | n/a | \$38.00 |

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III. SUMMARY

NASG and TECO have worked cooperatively during the life of the existing contract and it has proven mutually beneficial for both parties. It goes without saying there have been some additions and corrections made necessary by the changes in the scope of the work provided for under the terms of this contract. It should also be noted that NASG had some problems related to data issues and timely reporting of in-test and condemn files as well as handling the volume of work required by TECO. A management change was made and meetings followed to outline new timelines and the plan for getting current data and, based on improvements in work processes, repaired product to TECO. These guidelines were met and NASG is very proud of the fact that we are current with data reporting and RefurbishPLUS work on all inventories of TECO meters. NASG holds high regard to its business relationship with TECO and believes this contract will be the framework for continued success for all parties.

NORTH AMERICAN SERVICES GROUP

DATE

TECO PEOPLES GAS

DATE

APPENDIX – METER SERVICE AGREEMENT

TECO PEOPLES GAS

This Appendix forms part of the Meter Service Agreement as contracted between TECO Peoples Gas and the North American Services Group of the American Meter Company.

It is intended to document the detailed, technical aspects of the contract and, as such, will be subject to constant review.

Issues such as the criteria of work to be performed under this contract, deviations from standard NASG service programs as required by TECO Peoples Gas, management and requirements of meter data, unique requirements of TECO Peoples Gas facilities and regions, etc., is addressed under this appendix.

I. Service Programs

Standard NASG programs as defined in the contract as Intest & Junk, Reverify, Reverify & Adjust, Refurbish *PLUS* and Remanufacture and as outlined on the standard NASG “Blue Border” sheets will be followed with the following agreed upon variances;

Intest & Junk

- All makes and vintages of residential meters other than Invensys R275's and American AC250's will be junked as a standard part of the program after intest.
- Invensys R275's and American AC250's twenty (20) years and younger may be processed under the appropriate NASG program. Meters of these types twenty-one (21) years and older will be automatically Intest & Junk.
- Test flow rates for residential NASG programs will be 200 Cu. Ft. open rate and 40 Cu. Ft. check rate.
- Standard NASG sealing methodology will be used on all residential meters processed, i.e. Security Seals.

- 2 -

- Incoming test data format is has been finalized and changes will require discussions / meetings between TECO Peoples Gas and NASG MIS personnel. The following will be key requirements of the final meter data reporting;

- Actual index reading will be required.
- Does Not Register "DNR" codes will be used for any meters which cannot be intested. Four (4) codes will be used:

666 – Water

777 – Index / Index drive

888 – Case Leak / Damage

999- Meter locked up / Will not run

These codes will be entered into the open / check proof fields.

- Meters received with no index to be tested, if applicable, and "0000" to be entered in index read field.
- TECO Peoples Gas does not use Manufacturers number for any meter data information. Any meter(s) received without customer badge numbers will be junked and charged appropriately.
- TECO Peoples Gas numbering system consists of three (3) alpha characters and five (5) numeric characters. Alpha characters denote meter manufacturer and body material, size code and meter origin. Numeric characters are sequential meter numbers. TECO Peoples Gas will supply NASG with complete definitions of their numbering system.
- In-test date and outgoing meter proof data will be transmitted by NASG to TECO Peoples Gas via E-mail.
- It is the responsibility of TECO Peoples Gas to supply NASG with an exception report following the receipt of intest and outgoing meter proof data. After clarifications are made and agreement is reached meters will be held at NASG facility for a period of two weeks before disposal.
- NASG bar code cannot form part of data string.
- Any meter received with manila colored tag denotes a "High Bill Investigation" meter, (HBI). Any such meter is to be tested as per the program(s), then set aside for further instructions from TECO Peoples Gas.

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Reverify / Reverify & Adjust (Shelf life recertification/Low mileage meters)

- Shelf life recertification and low mileage meters to be identified and clearly marked by TECO Peoples Gas. These meters will be handled under NASG standard reverify or reverify/adjust programs.
- For Reverify, NASG standard program and acceptable limits apply. Meters will be accepted for Reverification with a an intest results of 100.0 +/- 1% with a spread not to exceed 1%.
- Meters in the Reverify and Adjust program will be adjusted to within 100.0 +/- .5%.

RefurbishPLUS

- RefurbishPLUS meters will be capped at twenty (20) years, everything twenty-one (21) years and older will be junked.
- Standard NASG program to apply as specified above.
- Proof targets in RefurbishPLUS to be 100.0 +/- .5 percent proof.

II. Meter Specifications

Meters returned for servicing will be considered "generic" insomuch as they may be returned to any of the TECO Peoples Gas operating regions with the following exceptions;

- New residential meters will have 1 ¼" Pitt. tops as standard.
- Service residential meters may have 1A Sprague or 1 ¼" Pitt. tops when received. Details will be required as to which region(s) may receive either or both tops on return of serviced meters.
- Service 400 class meters may have 30 lt or 45 lt connections when received. Service 750, 800, 1000, 1600 class meters may have 45 lt or 100 lt connections when received. Detail will be required as to which region(s) may receive either or both tops on return of serviced meters.
- Odometer indexes used on all residential meters. All commercial / industrial meters are clock type.

III. Meter Data Requirements

Meter in-test and out-test data will be supplied in TECO Peoples Gas format using standard NASG reporting systems unless otherwise required;

IV. Delivery Schedules

It is NASG's intent to make monthly drop offs and pick ups at four (4) main distribution centers during the last five working days of each month.

Monthly forecasting will be provided by NASG to assist TECO Peoples Gas in determining monthly meter requirements.

V. Warranty

Warranty on all NASG repair programs is one (1) year parts and workmanship. Any meters returned to NASG for warranty claims must be clearly tagged as such.

VI. Van Prover

Details will be finalized for the van prover pilot. NASG has provided a field demonstration of the unit with TECO Peoples Gas. Implementation and further details concerning associated costs, staffing details, etc., will be developed between TECO Peoples Gas and NASG.

APPLIANCE ELEVATION PROGRAM EVALUATION

TECO-PEOPLES GAS SYSTEM

RATE CASE - DOCKET 020384-GU

Assignment:

Determine if TECO-Peoples Gas System has an appliance elevation program and, if so, are the test year expenses reasonable.

Findings:

An appliance elevation program is currently available to customers of TECO-Peoples Gas System. The evaluation of this program determined that customers are not currently requesting their gas appliances be elevated in the garage area to eliminate the possibility of vapor ignition. The utility incurred no expenses related to this activity during the Historic Base Test Year 2001. No expenses relating to the appliance elevation program are included in the MFRs.

Discussion:

The Commission's final Order Number PSC-92-0924-FOF-GU, issued September 3, 1992, in Peoples Gas System's previous rate proceedings Docket Number 911150-GU, Finding Number 21, determined that the company should initiate a program for appliance elevation for increased safety and reduced expense for its customers. A copy of the final Order pages pertaining to the appliance elevation program is included as Exhibit 1. To assist the company in the initiation of this program, 50 percent of the cost of the appliance elevation program would be allowed to be recovered through approval of additional expenses of \$255,000 per year.

During calendar year 1993, the utility initiated an aggressive program where company service personnel would "red tag" any gas appliance that did not comply with the appliance elevation code requirements. During that year, a total of \$529,499 in appliance elevation related expenses were incurred and 50 percent of these expenses were allowed to be recovered. Exhibit 2 provides a detail of appliance elevation expenses incurred from 1993 through 1999. During calendar year 1999 the expenses relating to the appliance elevation program decreased to only \$215. This dramatic decrease was the result of the company's aggressive 6-year program decreasing the numbers of water heaters and gas dryers that need to be elevated, but another cause of the decrease was the downsizing of the company's customer service program. Utility personnel are no longer conducting service work and customers are not being notified of the appliance elevation requirements. According to the company response to staff Audit Request Number 10, attached as Exhibit 3, the utility incurred no expenses during years 2000 and 2001. The company further states that no expenses are included in the MFRs of the current rate case. See Exhibit 4 for a copy company's response to staff Audit Request Number 27.

EXHIBIT 1

TECO-PEOPLES GAS SYSTEM
FINAL ORDER - RATE CASE, DOCKET Number 911150-GU

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for a rate)
increase by PEOPLES GAS SYSTEM,)
Inc.)
DOCKET NO. 911150-GU
ORDER NO. PSC-92-0924-FOF-GU
ISSUED: 09/03/92

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD
LUIS J. LAUREDO

ORDER GRANTING CERTAIN INCREASES

BY THE COMMISSION:

Pursuant to Notice, the Florida Public Service Commission held a public hearing on this matter on August 12, 1992. Having considered the record in this proceeding, the Commission now enters its Final Order.

Background

Peoples Gas System (Peoples Gas or the Company) had its last rate case in Docket No. 891353-GU based on a projected test year ending September 30, 1991. By Order No. 23858, the Commission granted a permanent increase of \$7,490,000 based on a cost of equity of 13.00% and on overall rate of return of 10.21%.

Peoples Gas filed a Petition for Authority to Increase its Rates and Charges on January 31, 1992. Peoples Gas requested a permanent increase of \$15,410,924 which it alleged would produce a 10.38% overall return on its 13-month average adjusted rate base. This overall rate of return was calculated using a 13.25% return on equity. The company also filed a separate petition for interim rate relief in accordance with Section 366.071, Florida Statutes. The Commission suspended the requested permanent increase pending a full hearing. On April 13, 1992 we issued Order No. PSC-92-0188-FOF-GU granting an interim increase of \$3,268,080.

Customer Service Hearings were held in four cities: Orlando on May 18, 1992; Tampa on May 28, 1992; Hollywood on June 17, 1992 and Jacksonville on June 25, 1992.

At the prehearing conference, the parties agreed as to the appropriate treatment for all issues raised in this proceeding. Therefore, the case was presented to the panel as a stipulation. The stipulation was accepted and approved at the hearing held August 12, 1992.

ORDER NO. PSC-92-0924-FOF-GU
DOCKET NO. 911150-GU
PAGE 2

TEST YEAR RATE BASE - ATTACHMENT 1

The utility's rate base is the investment upon which it is entitled to earn a return. Once a rate base has been established, the test year expenses and rate of return are established. The revenue requirement can then be calculated. We accept the stipulated test year rate base for Peoples Gas System as \$220,919,953. This amount includes the agreed upon adjustments to the company's case as filed.

1. We find that the capital expenditures amount set out in the major assumptions of the Projected Test Year Calculations should be reduced to remove projects that will take place outside of the projected test year. For projects deferred beyond the projected test year, 13-month-average Plant in Service should be reduced by \$359,000; Accumulated Depreciation should be reduced by \$6,533 and Depreciation Expense also reduced by \$6,533. In addition, Plant in Service, Accumulated Depreciation and Depreciation Expense should be reduced by \$809,000, \$311,000, and \$24,000 for delayed completion dates within the projected test year.

2. We find that Plant-in-Service should be reduced by \$187,049, accumulated depreciation should be reduced by \$35,067, and depreciation expense reduced by \$4,899 to reflect increased non-utility usage of certain utility facilities.

3. We find that the appropriate projected test year Plant-In-Service is \$326,398,920 after making an adjustment increasing average Plant in Service by \$581,711 to correct retirement projections.

4. We find that the appropriate projected test year Depreciation Reserve is \$117,980,820 after making an adjustment increasing average Accumulated Depreciation by \$738,767 for incorrect retirement projections and incorrect accrual computations.

5. We find that the appropriate amount of Construction Work in Progress for the projected test year is \$5,686,000.

6. We find that the appropriate amount of Customer Advances for Construction for the projected test year is \$1,650,000.

7. We find that unamortized rate case expense should not be included in rate base. Therefore, we reduce working capital by \$100,000.

8. We find that a portion of materials and supplies inventory should be allocated to non-utility operations. Materials and supplies inventory should be reduced by \$152,147.

DOCUMENT NO.
10114-92
9-3-92

Postcard

ORDER NO. PSC-92-0924-FOF-GU
DOCKET NO. 911150-GU
PAGE 3

9. We find that working capital should not be reduced for "Other Investments" representing life insurance and supplemental retirement for certain executives. However, all future gains shall continue to be applied to reduce pension expense.

10. We find that the appropriate projected test year Working Capital Allowance is \$14,151,853.

CAPITAL STRUCTURE - ATTACHMENT 2

Fair Rate of Return

Calculations showing the proper components, amounts, and cost rates are detailed on Attachment 2.

11. We find that the appropriate provision for accumulated deferred income taxes to be included in the projected test year capital structure is \$19,436,000.

12. We find that the appropriate amount and cost rate of investment tax credits (ITCs) to be included in the projected test year capital structure are \$3,995,000 and zero, respectively.

13. We find that appropriate cost rate for the revolving line of credit is 4.29%.

14. We find that the appropriate cost of common equity is 12.0% (with a range of plus or minus 100 basis points). This is consistent with recent actions by the Commission in setting the cost of common equity for other natural gas utilities.

15. We find that the appropriate weighted average cost of capital including the proper components, amounts, and cost rates associated with the capital structure for the projected test year is 9.75%.

NET OPERATING INCOME - ATTACHMENT 3

Once a rate base and fair rate of return are established, the next step is to determine the utility's appropriate Net Operating Income for the test year. Once this amount is determined, it can be related to the test year to develop the revenue deficiency, if any. The stipulated test year net operating income for Peoples Gas System is \$14,181,626. We accept this stipulation. Calculations and adjustments showing the projected test year net operating income are attached to this Order as Attachment 3.

16. We find that the company's projected amount of Total Operating Revenues in the projected test year in the amount of \$84,339,000

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DOCKET NO. 911150-GU
PAGE 4

before rate relief is appropriate.

17. We find that adjustments removing \$120,348,000 in PGA revenues, and related expenses recoverable through the PGA Cost Recovery Clause for the projected test year are appropriate.

18. We find that the company has properly removed conservation revenues and expenses from the projected test year.

19. We find that no portion of the revenues collected in relation to the acquisition adjustment approved in Order No. 23858, Docket No. 891353-GU, should be refunded due to unrealized benefits or savings.

20. We find that the proper amount and treatment of expenses associated with the environmental cleanup of the manufactured gas plant sites is an annual amortization expense of \$1,248,000 (based on a five year amortization), beginning on November 1, 1990, as approved by the Commission in Order No. 23858 (Docket No. 891353-GU).

21. We find that the company should initiate a program for appliance elevation for increased safety and reduced expense for its customers. Fifty percent of the cost for an appliance elevation program shall be recovered through approval of additional expenses of \$255,000 per year. This is consistent with previous Commission actions in Docket No. 910778-GU for West Florida Natural Gas Company.

22. We find that the appropriate trending factors to be used in deriving projected operating expenses are as follows:

| | Company Trend Rates | Base Year +1 09/30/92 | Projected Test Year 09/30/93 |
|----|------------------------|-----------------------------|------------------------------------|
| | | | |
| #1 | Payroll Only | 3.80% | 3.80% |
| #2 | Cust Grwth x Pay | 6.58% | 5.42% |
| #3 | Cust Grwth x Infl | 6.17% | 5.01% |
| #4 | Inflation Only | 3.40% | 3.40% |

23. We find that the projected test year O&M expense should be increased for the effect of changing the trending factors by \$20,798.

24. We find that the company's adjustments in the projected test year totalling \$500,000 for the estimated economic impact of changes to Rule Chapter 25-12, Florida Administrative Code are appropriate.

EXHIBIT 2

TECO-PEOPLES GAS SYSTEM
WATER HEATER ELEVATION PROGRAM EXPENSES

PEOPLES GAS SYSTEM
Water Heater Elevation Program Expenses

| <u>Division</u> | <u>FY'93</u> | <u>FY'94</u> | <u>FY'95</u> | <u>FY'96</u> | <u>CY'97</u> | <u>CY'98</u> | <u>CY'99</u> |
|-----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 01 S. Florida | 55,113.87 | 48,611.71 | 20,954.36 | 19,909.55 | 23,369.00 | 3,623.39 | 0.00 |
| 02 Tampa | 31,389.41 | 24,348.51 | 14,253.22 | 10,628.06 | 6,290.00 | 2,635.00 | 85.00 |
| 03 St. Pete | 42,567.02 | 43,149.91 | 32,416.36 | 25,520.06 | 24,070.01 | 6,835.68 | 0.00 |
| 04 Orlando | 218,035.38 | 181,724.72 | 116,331.50 | 91,224.60 | 70,538.91 | 26,384.10 | 0.00 |
| 05 Triangle | 8,026.16 | 3,539.54 | 4,479.95 | 3,354.18 | 1,569.82 | 110.21 | 0.00 |
| 06 Jacksonville | 48,946.17 | 26,731.49 | 17,059.76 | 17,735.47 | 13,143.52 | 4,185.92 | 45.00 |
| 08 Lakeland | 8,083.72 | 6,428.84 | 4,634.70 | 2,543.44 | 2,761.12 | 1,725.30 | 0.00 |
| 09 Daytona | 14,517.38 | 10,435.45 | 4,849.35 | 456.86 | 613.85 | 0.00 | 0.00 |
| 10 Highlands | 497.42 | 364.32 | 123.12 | 0.00 | 0.00 | 0.00 | 0.00 |
| 11 Sarasota | 9,570.46 | 6,323.39 | 4,335.00 | 3,400.00 | 3,315.00 | 1,615.00 | 85.00 |
| 12 Palm Beach | 31,216.22 | 16,589.25 | 3,870.68 | 3,898.95 | 1,996.40 | 0.00 | 0.00 |
| 90 Corporate | 61,535.83 | | | | | | |
| Total | 529,499.04 | 358,247.13 | 223,308.00 | 178,671.17 | 147,667.63 | 47,114.60 | 215.00 |

EXHIBIT 3

TECO-PEOPLES GAS SYSTEM
Company'S Response to Staff Audit Request Number 10

**Docket No. 020384-EG Petition for rate increase by Tampa Electric Company d/b/a
Peoples Gas System
Response to Audit Request No. 10
Page 1 of 1**

- Q. Please provide a three-year history of expenses relating to the Appliance Elevation Program. This detail should summarize expenses on a regional office basis. The three years to be included are 1999, 2000, and 2001.
- A. Peoples Gas expenses in 1999 equated to \$215.00. In additional years 2000 and 2001, Peoples expenses in the Appliance Elevation Program equated to \$0. Since inception of this program in 1993, Peoples was proactive in offering this option to customers but has experienced a decreased trend of appliance elevation activity as customers have taken advantage of this opportunity (see attached). Currently, allowances are still available to Peoples Gas customers who desire to elevate their water heater.

EXHIBIT 4

TECO-PEOPLES GAS SYSTEM
Company'S Response to Staff Audit Request Number 27

Peoples Gas System
Florida Public Service Commission
Docket: 020384-GU-Rate Case
Request Number: 27

Are any expenses relating to the appliance elevation program included in the MFR's filing? If so, please identify the schedule(s) and account(s) where these expenses are located.

There are not any expenses related to the appliance elevation program in the MFR's.

| | | | | | |
|-------------------|-----------------|---------|--------------|------------|---|
| Post-it® Fax Note | 7671 | Date | 10/19 | # of pages | 2 |
| To | Roger Fleischer | From | Rosamary | | |
| Co./Dept. | PSC | Co. | PGS | | |
| Phone # | 407 317 7341 | Phone # | 813 228 4191 | | |
| Fax # | 407 317 7336 | Fax # | 813 228 4194 | | |

ENVIRONMENTAL EXPENSE EVALUATION

TECO-PEOPLES GAS SYSTEM
RATE CASE - DOCKET NO. 020384-GU

Assignment:

Determine if environmental clean up expenses included in the Base Test Year are reasonable.

Findings:

It was determined that \$544,571 in expenses were incurred during calendar year 2001 to clean up the environmental contamination at the former manufactured gas plant sites. A review of invoices and on-site evaluations determined the expenses to be reasonable. No adjustments to rate case calculations will be necessary as the result of this evaluation.

Discussion:

In 1985 and subsequent years, it was determined that soil contamination exists at seven former manufactured gas sites owned by TECO-Peoples System. The manufactured gas plant sites are located in North Miami, Tampa, Orlando, Jacksonville, Miami, Lakeland, and Ocala. The soil contamination resulted from the improper disposal of the coal tar which is a by-product of the manufactured gas process. The coal tar was retained in open pits which were later covered with soil. The contamination was determined to be widespread, and the Florida Department of Environmental Protection took the necessary action to force the monitoring and clean up of the contaminated areas.

The engineering evaluation focused on the environmental clean up expenses included in the Base Test Year calculations. These expenses were identified in the company's response to staff Audit Request Number 26 which is attached as Exhibit 1. This response provided a listing of invoices that document \$544,571 in environmental clean up expenses which were incurred during calendar year 2001. The company also provided a narrative, which is attached as Exhibit 2, that described the legal and clean up activities that have transpired in the clean up efforts. A review of this information determined that the expenses resulted primarily from legal and consultant fees, drilling and monitoring of test wells, and removal and disposal of contaminated soil. The engineering staff conducted on-site inspections to verify the existence of the test wells and monitoring activities. The field evaluation also included a verification of soil removal areas. The legal and consultant fees were reviewed, and none of the expenses are considered unreasonable. Therefore, no adjustments will be necessary as the result of the engineering evaluation.

EXHIBIT 1

Response To Audit Request Number 26
List of Environmental Clean up Invoices

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: FRANK SIVARD
UTILITY: _____
FROM: JOE ROYBACHER
(AUDIT MANAGER)

ROGER FLETCHER
(AUDITOR PREPARING REQUEST)

REQUEST NUMBER: 26 DATE OF REQUEST: 9/20/02
AUDIT PURPOSE: TECO GAS RATE CASE - DOCKET NO. 020384-GU

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 9/27/02
(DATE)

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: ☐ INCIDENT TO AN INQUIRY
☒ OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

Please provide a detail of individual invoices ~~request~~ relating to environmental activities at the manufactured gas plants for calendar year 2001. The invoices should relate to the following expenditures identified in "MGP Environmental Activity Summary" 2002 Update" previously submitted to Audit Staff.

| | |
|-----------------|---------|
| 1. NORTH MIAMI | 267,725 |
| 2. TAMPA | 145,281 |
| 3. ORLANDO | 41,144 |
| 4. JACKSONVILLE | 19,442 |
| 5. MIAMI | 884 |
| 6. LAKE LAND | 488 |
| 7. OCALA | 41,242 |
| 8. GENERAL | 28,365 |
| TOTAL | 544,571 |

TO: AUDIT MANAGER _____

DATE: _____

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☐ HAS BEEN PROVIDED TODAY
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____
- (3) ☐ AND IN MY OPINION, ITEM(S) _____ IS(ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.155, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.
- (4) ☐ THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

(SIGNATURE AND TITLE OF RESPONDENT)

DISTRIBUTION:

White: Utility Complete and Return to Auditor
Pink: Audit File Copy
Tan: Utility Retain

PSC/AFA-6 (Rev.2/95)

Peoples Owr System
Docket No. 020384-GU
Request 26
Environmental MOP

North Miami

| Vendor Name / Jnl Description | Vendor # / Jnl Month | Invoice # / Journal # | Description | Amount |
|-------------------------------|----------------------|-----------------------|---|-------------------|
| GEI Consultants, Inc. | 0016331 | 804943 | Type Four Contract | 59,086.42 |
| GEI Consultants, Inc. | 0016331 | 804634 | 99518-01 | 690.00 |
| GEI Consultants, Inc. | 0016331 | 805064 | 99518-02 | 83,422.22 |
| GEI Consultants, Inc. | 0016331 | 805161 | 99518-03 | 35,802.87 |
| GEI Consultants, Inc. | 0016331 | 805279 | 99518-04 | 5,597.76 |
| River Properties, Inc. | 9005122 | 041201 | FGS Portion of Miami River Canal Sanitary Improvement | 8,948.78 |
| GEI Consultants, Inc. | 0016331 | 805348 | 99518-0 | 8,820.26 |
| GEI Consultants, Inc. | 0016331 | 805341 | 99518-0 | 2,922.21 |
| GEI Consultants, Inc. | 0016331 | 805648 | 99518-0 | 1,748.80 |
| Hazardous Substance & Waste | 0010757 | T256101 | Review File, Site Development Plans | 973.50 |
| GEI Consultants, Inc. | 0016331 | 805815 | N Miami Beach | 14,101.49 |
| GEI Consultants, Inc. | 0016331 | 805979 | N Miami Beach | 33,470.97 |
| River Properties, Inc. | 9005122 | 112701 | PGS Portion of Miami River Canal Sanitary Improvement | 8,460.37 |
| Tampa Electric Company | Jan | 896 | TBC Invoice 045811 | 23.37 |
| Tampa Electric Company | Feb | 910 | Journal | 92.87 |
| Tampa Electric Company | Mar | 923 | TBC Invoice 046331 | 680.23 |
| Tampa Electric Company | Apr | 897 | TBC Invoice 046603 | 278.20 |
| Tampa Electric Company | May | 906 | TBC Invoice 046864 | 1,114.97 |
| Tampa Electric Company | Jun | 902 | Journal Invoice #047148 | 401.26 |
| Tampa Electric Company | Jul | 904 | Journal | 782.15 |
| Tampa Electric Company | Aug | 880 | TBC Invoice #047636 | 108.40 |
| Tampa Electric Company | Oct | 851 | TBC Invoice 048288 | 78.77 |
| TBCO Energy | Nov | 804 | TBCO Invoice 048556 | 28.99 |
| TOTAL | | | | 267,714.86 |

| Transp | Vendor Name | Vendor # / Jnl Month | Invoice # / Journal # | Description | Amount |
|--------|-------------------------------------|----------------------|-----------------------|--|------------|
| | Environmental Consulting | 0015641 | 003404 | Stormwater Management | 969.39 |
| | Environmental Consulting | 0015641 | 003606 | Stormwater Management | 9,359.27 |
| | Environmental Consulting | 0015641 | 003416 | 99-0883 | 10,207.26 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7618899 | Legal Services | 3,916.96 |
| | MacFarlane Ferguson | 1004575 | 171251 | Legal Services | 2,900.84 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7624852 | Legal Services | 457.20 |
| | Environmental Consulting | 0015641 | 010296 | 00-0641 | 695.50 |
| | Environmental Consulting | 0015641 | 010302 | 99-0883 | 2,854.00 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7632388 | Legal Services | 654.00 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7642413 | Legal Services | 315.90 |
| | Environmental Consulting | 0015641 | 010986 | 00-0641 Stormwater Management | 1,601.00 |
| | Environmental Consulting | 0015641 | 044603 | 00-0641 Stormwater Management | 6,825.82 |
| | Environmental Consulting | 0015641 | A10991 | Soil Sampling | 735.11 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7651283 | Legal Services | 600.00 |
| | Environmental Consulting | 0015641 | 012323 | Task 0100 Stormwater Management | 3,203.39 |
| | Environmental Consulting | 0015641 | 012326 | 99-0883 Trolley Car Planning | 4,518.17 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7658314 | Legal Services | 2,455.50 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7661939 | Legal Services | 4,011.84 |
| | Kimmins Contracting, Inc. | 1000141 | 27936 | Removal & Disposal of Contaminated Soils | 22,500.00 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7671510 | Legal Services | 4,240.48 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7677463 | Legal Services | 6,195.08 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7680958 | Legal Services | 8,970.88 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016331 | 805853 | Legal Services | 37,813.04 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7693211 | Legal Services | 1,068.85 |
| | Tampa Electric Company | Jan | 896 | TEC Invoice 045811 | 1,374.10 |
| | Tampa Electric Company | Feb | 910 | Journal | 159.70 |
| | Tampa Electric Company | Mar | 923 | TEC Invoice 046331 | 582.19 |
| | Tampa Electric Company | Apr | 897 | TEC Invoice 046603 | 69.56 |
| | Tampa Electric Company | May | 906 | TEC Invoice 046864 | 641.25 |
| | Tampa Electric Company | Jun | 902 | Journal Invoice #0-17148 | 579.94 |
| | Tampa Electric Company | Jul | 904 | Journal | 832.24 |
| | Tampa Electric Company | Aug | 880 | TEC Invoice 0047636 | 1,239.07 |
| | Tampa Electric Company | Sep | 890 | Journal | 1,393.01 |
| | Tampa Electric Company | Oct | 851 | TEC Invoice 048288 | 472.65 |
| | TECO Energy | Nov | 894 | TECO Invoice 048556 | 344.01 |
| TOTAL | | | | | 145,280.90 |

| Jr Orlando | | Vendor Name | Vendor # / Jnl Month | Invoice # / Journal # | Description | Amount |
|------------|--|-------------------------------------|----------------------|-----------------------|-------------------------|------------------|
| | | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7612386 | Legal Services | 232.00 |
| | | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7642396A | Legal Services | 7,105.78 |
| | | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7651310 | Legal Services | 6,142.02 |
| | | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7658316 | Legal Services | 7,765.90 |
| | | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7661942 | Legal Services | 2,277.31 |
| | | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7661951 | Legal Services | 112.00 |
| | | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7671513 | Legal Services | 6,436.21 |
| | | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7677299 | Legal Services | 3,400.48 |
| | | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7680960 | Legal Services | 1,990.97 |
| | | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7693214 | Legal Services | 1,582.07 |
| | | Tampa Electric Company | Jan | 896 | TEC Invoice 045811 | 12.04 |
| | | Tampa Electric Company | Mar | 923 | TEC Invoice 046331 | 14.65 |
| | | Tampa Electric Company | Apr | 897 | TEC Invoice 046603 | 139.11 |
| | | Tampa Electric Company | May | 906 | TEC Invoice 046864 | 1,910.43 |
| | | Tampa Electric Company | Jun | 902 | Journal Invoice #047148 | 778.50 |
| | | Tampa Electric Company | Jul | 904 | Journal | 243.54 |
| | | Tampa Electric Company | Aug | 880 | TEC Invoice #047636 | 578.12 |
| | | Tampa Electric Company | Oct | 851 | TEC Invoice 048288 | 393.88 |
| | | TECO Energy | Nov | 894 | TECO Invoice 048556 | 28.99 |
| | | TOTAL | | | | 41,144.00 |

Jacksonville

| Vendor Name | Vendor # / Int Month | Invoice # / Journal # | Description | Amount |
|-------------------------------------|----------------------|-----------------------|-------------------------|------------------|
| Environmental Consulting | 0015641 | 002292 | 99-0927 | 1,112.14 |
| Environmental Consulting | 0015641 | 002961 | 99-0927 | 156.10 |
| Environmental Consulting | 0015641 | 003396 | 99-0927 | 2,688.40 |
| MacFarlane Ferguson | 1004575 | 172679 | Legal Services | 464.71 |
| MacFarlane Ferguson | 1004575 | 173689 | Legal Services | \$80.82 |
| Environmental Consulting | 0015641 | 010303 | 99-0927 | 1,887.25 |
| MESA Corrosion Control | 0012495 | 9477 | Interference Tests | 895.50 |
| MacFarlane Ferguson | 1004575 | 175811 | Legal Services | 318.00 |
| Environmental Consulting | 0015641 | A10992 | IRA Investigation | 1,539.26 |
| MacFarlane Ferguson | 1004575 | 177844 | Legal Services | 724.00 |
| MacFarlane Ferguson | 1004575 | 178887 | Legal Services | 621.00 |
| MacFarlane Ferguson | 1004575 | 180052 | Legal Services | 1,621.75 |
| MacFarlane Ferguson | 1004575 | 181015 | Legal Services | 507.94 |
| Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7680939 | Legal Services | 867.20 |
| GSI Consultants, Inc. | 0016331 | 805972 | Jax Former MOP Site | 2,372.94 |
| MacFarlane Ferguson | 1004575 | 182061 | Legal Services | 1,084.27 |
| MacFarlane Ferguson | 1004575 | 183921 | Legal Services | 345.00 |
| Tampa Electric Company | Jan | 896 | TBC Invoice 045511 | 12.04 |
| Tampa Electric Company | Feb | 910 | Journal | 138.95 |
| Tampa Electric Company | Mar | 923 | TBC Invoice 046331 | 166.15 |
| Tampa Electric Company | Apr | 897 | TBC Invoice 046603 | 83.97 |
| Tampa Electric Company | May | 906 | TBC Invoice 046864 | 112.17 |
| Tampa Electric Company | Jun | 902 | Journal Invoice #047148 | 427.26 |
| Tampa Electric Company | Jul | 904 | Journal | 155.81 |
| Tampa Electric Company | Aug | 880 | TBC Invoice #047636 | 33.93 |
| Tampa Electric Company | Sep | 890 | Journal | 39.46 |
| Tampa Electric Company | Oct | 851 | TBC Invoice 048288 | 200.27 |
| TECO Energy | Nov | 894 | TECO Invoice 048556 | 83.94 |
| Tampa Electric Company | Dec | 872 | TBC Invoice 048744 | 302.00 |
| TOTAL | | | | 19,442.23 |

| Mixed | Vendor Name | Vendor # / Jnl Month | Invoice # / Journal # | Description | Amount |
|-------|------------------------|----------------------|-----------------------|---------------------|---------------|
| | Tampa Electric Company | Jan | 896 | TBC Invoice 045811 | 12.04 |
| | Tampa Electric Company | Mar | 923 | TEC Invoice 046331 | 14.65 |
| | Tampa Electric Company | Apr | 897 | TBC Invoice 046603 | 486.88 |
| | Tampa Electric Company | May | 906 | TEC Invoice 046864 | 7.85 |
| | Tampa Electric Company | Jun | 902 | Journal | 139.08 |
| | Tampa Electric Company | Jul | 904 | Journal | 86.02 |
| | Tampa Electric Company | Aug | 880 | TBC Invoice #047636 | 108.40 |
| | TECO Energy | Nov | 894 | TECO Invoice 048556 | 38.22 |
| | TOTAL | | | | 883.91 |

| Lakeland | Vendor Name | Vendor # / Inv Month | Invoice # / Journal # | Description | Amount |
|----------|-------------------------------------|----------------------|-----------------------|----------------|---------------|
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7612898 | Legal Services | 24.00 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7632390 | Legal Services | 248.00 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7658315 | Legal Services | 96.00 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7671515 | Legal Services | 48.00 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7693213 | Legal Services | 72.00 |
| | TOTAL | | | | 488.00 |

| Orig | Vendor Name | Vendor # / Inv Month | Invoice # / Journal # | Description | Amount |
|------|-------------------------------------|----------------------|-----------------------|---|------------------|
| | GEI Consultants, Inc. | 0016331 | 804950 | Contract to install and Sample S Monitoring | 2,342.97 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7613021 | Legal Services | 1,453.97 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7618897 | Legal Services | 1,066.73 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7624839 | Legal Services | 4,582.17 |
| | GEI Consultants, Inc. | 0016331 | 805035 | Meeting w/EPA Regarding the REFS Work Plan | 10,960.09 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7632389 | Legal Services | 652.90 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7636315 | Legal Services | 1,208.58 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7642412 | Legal Services | 336.56 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7651282 | Legal Services | 902.41 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7658318 | Legal Services | 2,867.92 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7661943 | Legal Services | 283.26 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7671512 | Legal Services | 1,777.91 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7680957 | Legal Services | 2,146.70 |
| | GEI Consultants, Inc. | 0016331 | 805976 | Meeting w/EPA Regarding the REFS Work Plan | 2,249.03 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 7693215 | Legal Services | 2,051.10 |
| | Ackerman, Senterfitt & Edison, P.A. | 0016316 | 806068 | Legal Services | 4,301.45 |
| | Tampa Electric Company | Jan | 896 | TEC Invoice 045811 | 982.26 |
| | Tampa Electric Company | Mar | 923 | TEC Invoice 046331 | 397.22 |
| | Tampa Electric Company | Apr | 897 | TEC Invoice 046603 | 104.35 |
| | Tampa Electric Company | May | 906 | TEC Invoice 046864 | 77.40 |
| | Tampa Electric Company | Jun | 902 | Journal Invoice #047148 | 362.00 |
| | Tampa Electric Company | Jul | 904 | Journal | 16.21 |
| | TECO Energy | Nov | 894 | TECO Invoice 048556 | 28.22 |
| | TOTAL | | | | 41,242.36 |

| General | Vendor Name | Vendor # / Jnl Month | Invoice # / Journal # | Description | Amount |
|---------|------------------------------------|----------------------|-----------------------|---------------------------------------|------------------|
| | Swidler Berlin Sheroff | 0018715 | 192271 | Insurance Investment Recovery Phase I | 25,000.00 |
| | Ackerman, Senterfit & Edison, P.A. | 0016316 | 7661940 | PGS / MGP Insurance Matters | 528.00 |
| | MacFarlane Ferguson | 1004575 | 181013 | Legal Services | 115.00 |
| | Ackerman, Senterfit & Edison, P.A. | 0016316 | 7677449 | Legal Services | 1,552.66 |
| | Ackerman, Senterfit & Edison, P.A. | 0016316 | 7693212 | PGS / MGP Insurance Matters | 1,169.40 |
| | TOTAL | | | | 28,365.06 |

EXHIBIT 2

Environmental Clean Up Narrative



Environmental Affairs Memorandum

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TO: Frank Sivard

FROM: Chris Gasinski

CC: Keith Martin, Greg Nelson, Jim Estes, and Mike Barney

DATE: July 26, 2002

SUBJECT: MGP Environmental Activity Summary – 2002 Update

Below please find a summary of the activities that have transpired at each of the former manufactured gas plant (MGP) sites since the inception of investigation and/or remediation efforts at the sites and a current activity update.

North Miami – Fulford Plant

- Investigation at the site began in 1985 when coal tar contaminated soils were discovered during the construction of a proposed administrative building and transportation facility on the property west of West Dixie Highway. Metro-Dade County Environmental Resources Management (DERM) stopped construction of the buildings upon discovery of the contamination. Because DERM would not allow construction to resume, PGS demolished the partially completed buildings in 1993.
- PGS entered into a three party Consent Agreement with the Florida Department of Environmental Protection (FDEP) and DERM in June 1990. A Contamination Assessment Report (CAR) defining the extent of contamination at the site was submitted to FDEP and DERM in 1990.
- During 1990 and 1991 approximately 8,400 tons of coal tar and coal tar contaminated soils were removed from the site and sent to a hazardous waste landfill. In 1995 an additional 270 tons of coal tar contaminated soils were removed as a result of the construction of a parking lot at the site. These soils were treated via thermal treatment at Rinker Material's rotary kiln.
- A Risk Assessment (RA) was prepared for the site and submitted to the regulatory agencies in July 1992. FDEP and DERM did not agree with all the exposure variables presented in the RA. Consequently, an addendum was prepared and submitted in January 1993. The agencies did not agree with the monitoring only plan (MOP) conclusions of the RA addendum and requested that a Feasibility Study (FS) examining available technologies to address groundwater be prepared. The FS was submitted in December 1993 and recommended the passive remedial method of biodegradation and groundwater monitoring



Environmental Affairs Memorandum

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for the site. Concurrent to the submittal of the FS, a Focused Groundwater Risk Assessment, which indicated that the groundwater at the site does not pose a significant health risk, was submitted.

- FDEP and DERM did not agree with the conclusions of the FS and RA related to groundwater contamination that had potentially migrated off site, and they requested PGS perform additional investigation of potential off site groundwater impacts.
- A Contamination Assessment Report Addendum was submitted in June 1996. The agencies responded to the Addendum with concerns about the on site lake sediments. The sediment samples did not contain enough sediment to accurately reflect the sampled locations.
- In 1998 PGS re-installed and sampled 4 on-site monitoring wells that were destroyed earlier. Also, additional lake sediment samples were taken and analyzed.
- In January 1999 PGS submitted a Supplemental Contamination Assessment Report Addendum (SCARA) containing the new sampling results to the agencies. The FDEP's response asked for additional wells and a comprehensive sampling event.
- In October 1999 PGS submitted a SCARA II to the agencies. The report contained data from a comprehensive sampling event. PGS also re-installed 4 monitoring wells that were destroyed off site. A toxicological analysis of the on site lake sediment was also submitted. PGS asked Chris Teaf of Hazardous Substance & Waste Management Research, Inc. (HSWMR) to perform the toxicological analysis of the on site lake sediment direct exposure risk. HSWMR found that exposure to sediments from the borrow pit lake at the North Miami Beach site does not indicate a hazard to human health.
- In early 2000 PGS developed a plan to sell the property west of West Dixie Hwy. Ideally the development plan would include capping a majority of the site which would eliminate direct human exposure routes to any residual impacts in surface soil remaining at the site. Also, future site plans to restrict access to the lake with a fence will further reduce the potential for exposure.
- In December 2000 PGS performed a remedial investigation at the site, including soil and ground water analyses. This investigation was requested by the regulators to fill data gaps in previous site investigations before site development could go forward. This report was submitted to the regulators in January 2001. PGS will use the new data to assess a final remedy for the site and to ensure that future site development activities are designed to meet the site's environmental needs.
- PGS has entered into a sales contract with a buyer for the western parcel located west of West Dixie Highway. PGS is working with the regulators and developers to designate the site as a Brownfields site. This designation will give the developer tax and other incentives



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to develop the site. Additionally, the developer is working to change the site's zoning to commercial use in order to build warehouses/storage units on site.

- After additional field data was conducted in August 2001, October 2001 and February 2002, a Redial Investigation Report (RIR) was submitted to the FDEP and DERM. To date, the FDEP has provided PGS with 2 comments, DERM has yet to submit their comments.
- A local land developer recently found significant quantities of coal tar impacted soils on his property in the City of Aventura. This site is located approximately 1.25 miles north of the North Miami Beach former MGP. The developer has requested that PGS pay him 2.2 million dollars to reimburse him for the costs associated with removing the impacted soils properly. Currently the impacted soils are being taken to the Pompano Beach Landfill. At this time, the developer has not provided any information to PGS that would suggest the coal tar came from the NMB site. There are no plans to reimburse the developer at this time.

Ft. Lauderdale -- Cox Plant

- Assessment of the property began in 1986 at the request of Broward County Office of Natural Resources (BCONR). A CAR was submitted to BCONR in June 1987. BCONR requested that additional investigation be performed. In June 1991, PGS submitted a revised CAR to BCONR.
- PGS removed approximately 80 cubic yards of excessively contaminated soil, as defined in F.A.C. 62-770, from November 1992 through January 1993. Once the contaminated soil removal was completed, PGS submitted a Remedial Action Report, which recommended groundwater monitoring only plan (MOP) as the only future requirement. The BCONR accepted the MOP scenario, and after four rounds of quarterly sampling, as required by the F.A.C. 62-770. BCONR issued a no further action (NFA) letter for the site.
- PGS had considered deeding the property to the City of Ft. Lauderdale as a gift. However, after having an Environmental Site Assessment performed as part of their due diligence, the city asked Peoples Gas to indemnify them against any future environmental liability relating to the site. Peoples Gas was not willing to indemnify the city and negotiations ceased.
- In March 1998 PGS sold the subject site to the Broward County Hospital.

Miami -- Rinker

- Site investigations began in 1987 as a result of the discovery of free phase floating product during the removal of leaking underground petroleum storage tanks (UST) on the parcel leased by Rinker Materials.



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- In December 1989 a lawsuit was filed to have the courts determine responsibility for site cleanup. The lawsuit was settled in September 1991, and a potentially responsible parties (PRP) group was formed to finance and perform investigation and remediation of the site. Several companies were allowed to exit after paying a lump sum for their share of environmental liability. That left PGS, Florida Power & Light Co., and Continental Holding, Inc. (successor to Florida Gas Company) as the three companies actively participating in the group. The settlement agreement requires contributions by the three PRP's of up to a combined maximum \$3,000,000 to be placed in a Trust Account for investigation and remediation. If a need exists for additional funds once the \$3,000,000 mark is reached negotiations would have to be re-opened. Each individual company is responsible for its own expenses incurred such as salaries, attorney's fees, etc.
- In 1993, coal tar resulting from the demolition of the MGP, was removed from a tunnel and six vaults surrounding the former holders. Due to the liquid nature of the coal tar, cement had to be used to stabilize/solidify the coal tar for transportation to a hazardous waste landfill. Approximately 1,810 tons of stabilized coal tar was removed from the site. In conjunction with the removal of the coal tar, a pilot test was performed to test the effectiveness of several devices at removing free phase product from a trench. Due to the slow rate of product migration into the trench, the devices tested were marginally effective at best. At the time of the pilot test, the trench was extended 50' and converted into an 18" horizontal well. The group operated an oil skimmer belt within the well to recover the product. Approximately 100 gallons of the product was recovered until the skimmer was removed in 1998.
- In April 1994 through May 1994 the PRP group removed subsurface piping that contained coal tar. Any contaminated soil encountered during the excavation of the pipe was also removed. A total of 347 tons of stabilized coal tar was removed from the piping and transported to a hazardous waste landfill. In addition, 516 tons of coal tar contaminated soils were thermally treated in a rotary cement kiln.
- A Risk Assessment (RA) has been prepared for the site, however DERM has not accepted the exposure scenarios for both on and off site groundwater. Additionally, the RA assumed that the free phase product would be removed. It is not certain how or whether the product can be remediated.
- A former UST, located on the parcel occupied by PGS, was removed in 1990. PGS was able to get the UST accepted in the state's petroleum cleanup program and submitted a CAR related to the petroleum contamination resulting from the UST. PGS has received \$41,825.54 as reimbursement for expenditures resulting from the performance of the Contamination Assessment, however due to the low petroleum site score, PGS does not anticipate additional work to be authorized.



Environmental Affairs Memorandum

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- Several phases of contamination assessments have been performed at the site. DERM accepted the Contamination Assessment in September 1997 and now requires a Remedial Action Plan be submitted.
- The PRP group proposed a pilot test for recovering free phase product in an open trench. DERM approved the concept of the pilot test and construction and operation began in late April 1998.
- The trench did not produce much free product due to site constraints it was installed at the leading edge of the plume. It was determined that the free product does not migrate quickly enough to render the trench successful. Therefore, the PRP group is pumping free product from on site monitoring wells. The PRP group conveyed these activities to DERM. However, no report detailing the group's free product pumping activities has been submitted to the agency.
- In October 1999, the PRP group submitted a Historical Land Use document to the agencies. This report was completed to address DERM's concern over arsenic contamination found in ground water at the site. The report identified possible offsite arsenic sources and provided scientific documentation to support the offsite arsenic source scenario.
- During the calendar year 2000 the PRP group led by FPL pumped free product from ground water monitoring wells at the site on a monthly basis. This free product recovery activity is expected to continue in calendar year 2002.

Jacksonville

- Preliminary investigations began at the site located 1445 West Church Street in 1986 as a result of the discovery of contamination on a portion of the original MGP property currently owned by Smurfit-Stone Container corporation (SSCC).
- In November 1988 PGS submitted a Preliminary Contamination Assessment Report (PCAR) to the FDEP. This investigation found both soil and ground water contamination on PGS property.
- In September 1997 the FDEP notified PGS that a Contamination Assessment would be required at the site. PGS submitted a Contamination Assessment Plan (CAP), which was subsequently approved by the FDEP.
- The Contamination Assessment (CA) was completed in January 1999. The CA discovered site impacts that appear to be from the previous MGP operations. These impacts include soil and groundwater contamination and a monitoring well containing free product. The report also concluded that more site investigation activity is needed to fully characterize the site.



Environmental Affairs Memorandum

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- Two buildings remaining at the site were demolished in 1999. The site is currently vacant and being used for limited storage.
- In June 1999 a Laser Induced Fluorescence (LIF) survey was conducted utilizing a Rapid Optical Screening Tool (ROST) in an effort to delineate the source of free product observed in MW-10 and MW-12 on the SSCC's site and in PMW-06 on the PGS site. The free product was observed in these monitoring wells on two different dates. Once in November 1998 and again in May 1999. The LIF/ROST investigation indicated an area of free product in the northeast portion of the site.
- In September 1999 PGS notified the FDEP of an interim remedial action work plan to remove free product and contaminated soils from the site. The excavation of 8,900 tons of material was completed in April 2000 in conjunction with SSCC's interim remedial action, which proposed removal of approximately 20,000 tons of material from the site. PGS split all investigation and remediation cost 50:50 with Continental Holdings, Inc. (CHI). CHI is the successor to Florida Gas. PGS's outside counsel has determined that CHI has responsibility for the majority of the liability for the site contamination.
- PGS is currently making an effort to renegotiate the 50:50 cost sharing agreement with CHI.
- In June 2000 an Initial Remedial Action Report (IRAR) was submitted to the FDEP. The purpose of the IRAR was to document the activities associated with the remedial action completed in April 2000. Based on comments by the FDEP, a Phase II IRAR was required. The phase II was submitted to the FDEP in 2001.
- A Supplemental Contamination Assessment Work Plan was submitted to and ultimately approved by the FDEP. Work associated with this Plan will be scheduled after the cost-sharing reallocation issue with CHI is resolved.
- SSCC currently has an approved (FDEP) work plan. They are waiting for our cost-sharing agreement issue to be resolved so that they may implement their work plan along with ours.
- Reportedly, CHI paid \$1,000,000 to SSCC to settle claim against CHI for the SSCC portion of the site.

Tampa

- A preliminary site investigation began in 1987 in preparation for a building expansion. The scope of this investigation was subsequently expanded based on the results of the preliminary work and alleged discovery of "creosote contamination" southeast of the site by the City of Tampa.



Environmental Affairs Memorandum

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- A Contamination Assessment Report (CAR) was submitted to the FDEP in July 1990. Also, in July 1990, PGS entered into a Consent Agreement with the FDEP to investigate and remediate the site. The FDEP requested a second phase to the investigation. A CAR Addendum was submitted in December 1993. PGS completed a third phase of additional assessment of the site and submitted a supplement to the CAR Addendum to FDEP in October 1996.
- In April 1996, PGS initiated an Interim Remedial Action Plan (IRAP). The intent of the IRAP was to address areas of visually impacted soil previously identified in the CAR and an area found to have free phase floating product as identified in the CAR Addendum. Approximately 12,000 tons of coal tar impacted soil debris was excavated and thermally treated in a tunnel kiln. Also, approximately 98,000 gallons of groundwater containing free phase product was removed and sent off site for proper disposal.
- PGS intends to eventually install an asphalt cap over the site. This action will depend on further site investigations. A Risk Assessment may also have to be prepared to determine whether site conditions present unacceptable health risks.
- In March 1998, PGS began additional Contamination Assessment (CA) activities requested by the FDEP. In December 1998, the Supplemental Contamination Assessment Report Addendum II (SCARA II) was submitted to the FDEP. This phase of the Contamination Assessment indicated the presence of the cyanide in the upper surficial aquifer above the ground water standard.
- In an effort to locate the source of cyanide contamination in the surficial aquifer PGS explored old MGP practices and interviewed former MGP workers. PGS learned that there was a possibility that during the MGP operation, box waste may have been buried in the southern portion of the site. Therefore, in June 1999 PGS conducted a soil investigation on a small parcel of CSX property adjacent to our site to the south. MGP box waste containing significant levels of cyanide was discovered on the CSX parcel. PGS gained CSX's permission and concurrence from FDEP to excavate approximately 2000 tons of impacted soil containing box waste in the form of oxides and deteriorated wood chips.
- In February 2000 approximately 2,200 tons of cyanide-impacted soil and box waste were removed from the CSX parcel and properly disposed. An interim remedial action report was generated and submitted to CSX and the regulators. In an October 18, 2000 letter to PGS, CSX requested that PGS remove other contaminants remaining on their site above residential standards. Since the remaining contaminants could be attributable to CSX's past operations and the site is industrial and not residential, PGS has not offered further remediation of the CSX parcel.
- Currently, PGS is working with the City of Tampa on their trolley project (Historic Electric Streetcar). PGS has conducted soil and groundwater sampling and analysis along the proposed trolley route in the vicinity of the former MGP site on Channelside Drive. Soil and



Environmental Affairs Memorandum

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report, Black & Veatch recommended further assessment in the northwest section of Florida Tile's property.

- In July 1998 Florida Power & Light Company excavated an additional 2,068 tons of impacted soils, piping, and demolition debris from the northwest section of Florida Tile's property. A report summarizing the activities and results was completed.
- In early 1999, Bill Pence performed a legal review of historical activities and the current environmental situation at the site. His review concluded that, at this time, no further action by PGS is warranted.
- December 1999, FPL requested a NFA from FDEP. FDEP denied that request, asking for additional site investigations and assessments.
- 2000-2002 FPL and FDEP continue negotiations regarding the extent of additional field work required at the site.

Orlando

- In 1991, the USEPA performed a site screening investigation. The investigation lead to an expanded site investigation (ESI), which was performed by the USEPA in 1995. The expanded site investigation report indicated that soil and groundwater impacts existed on several properties that were once part of the MGP. However, the cover letter to that report indicated that the USEPA did not intend to pursue any further action under CERCLA at the time.
- In 1998, PGS informally gathered a PRP group, which consists of PGS, Florida Power Corporation (FPC), Atlanta Gas & Light Company (AGL), and Continental Holdings Incorporated (CHI). The PRP group agreed to share the costs of a site historical review. The report, received in September 1999, gives a complete historical overview of the site development since 1987.
- In 1999, PGS worked to formally establish the PRP group and the PRP's cost allocations to address the site. PGS estimates its share of site rehabilitation costs can be negotiated to between 10-15 % of the overall unknown costs.
- In early 2000, PGS held meetings with the PRP's in an effort to negotiate the allocation of liability and associated costs to move forward and address the site. With the exception of AGL, the PRP's did not want to address the site unless required by regulators and would not discuss liability allocations.

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Environmental Affairs Memorandum

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- AGL expressed interest in teaming with PGS to address the site aside from the PRP group. Timing is important to AGL because they have concerns about losing rate recovery. In lieu of further investigation at the site, AGL proposed that PGS accept AGL's share of liability for clean up costs for a lump sum payment. PGS declined to accept the additional liabilities for these future uncertain remediation costs.
- December 2001, GEI conducted fieldwork associated with the EPA approved work plan. Results of the field work revealed 5' of coal tar at a depth of 200' below the surface. It was later learned that the coal tar was injected down a stormwater drainage well maintained by the City of Orlando.
- The PRP group is currently negotiating with the City of Orlando and adjacent landowners to join the PRP group. PGS is currently paying 15% of the costs to the PRP group.
- Based on the discovery of coal tar at depth, additional investigations will be required. The PRP group recently selected JWC from a group of 6 consultants to perform the next phase of work. A strategy meeting is currently scheduled on August 20th in Raleigh N.C.

St. Petersburg – Dome Site

- As part of a property swap with the City of St. Petersburg, PGS acquired ownership of a parcel of property that had been part of a former MGP. PGS transferred the property back to the City of St. Petersburg to be used as property for the St. Petersburg Dome development. PGS agreed to demolish the existing gas holders prior to releasing the property.
- During construction of the Dome several workers were exposed to by-products present in the soil allegedly from the former MGP. These workers filed suit against the City. As a result of our limited involvement with the former MGP, PGS was eventually named in the lawsuit. The suit went to trial and the jury ruled in favor of the defendants.
- PGS has not been required to perform any investigation or remediation related to the site. The costs incurred by PGS have resulted solely from litigation regarding the site.
- Currently, there is no remedial activity at the site. The Tropicana Field covers the site.

Ocala

- PGS acquired the liability for the Ocala manufactured gas plant site as part the acquisition of the West Florida Natural Gas Company (WFNG). The property is now owned by ABC Svinga Brothers, Inc. and is currently used as part of a scrap metal yard.



Environmental Affairs Memorandum

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- At the request of the FDEP, WFNG performed several phases of contamination assessment at the subject site.
- In June 1990 WFNG excavated approximately 10,000 tons of coal tar and coal tar impacted soils as part of an interim remedial action. The property owner believes that a low area exists over the previous excavation, causing the area to be unsuitable for scrap metal storage due to standing water and a lack of soil stability.
- In 1991 WFNG determined that dense non-aqueous phase liquids (DNAPL) are present at the site. A report was submitted to the FDEP concluding that DNAPL recovery is not feasible.
- In spring 1999, the EPA completed an expanded site investigation (ESI). The work performed by the EPA's contractor during the ESI was documented by PGS as substandard and PGS duplicated the sampling and testing performed by EPA's contractor. PGS intends to use this information to supplement our comments on the ESI draft report and refute any claims of cost recovery brought by the EPA against PGS for costs incurred by the EPA for the ESI.
- In April 2000 PGS received a Special Notice Letter from EPA. The letter was to notify PGS that the EPA would start the Superfund listing process unless PGS agreed to voluntarily clean up the site. PGS notified the EPA with a letter of intent dated April 27, 2000 that it would continue to address the site on a voluntary clean up basis. Additionally, the EPA required negotiations to begin between PGS and EPA on an Administrative Order on Consent and Scope of Work.
- In May 2000 PGS met with the EPA at their offices in Atlanta to discuss the Administrative Order on Consent (AOC) and any further site remedial investigations required. PGS informed the EPA that as part of the final site end use plans it would cap the entire former MGP site area. This action will meet the owner's end use requests that PGS make the site accessible to his business operation. The cap will provide a long-term barrier to human health exposures. Additionally, a cap will greatly reduce and possibly stop the mobility of any remaining surficial contaminants to groundwater.
- In July 2000 PGS submitted a Remedial Investigation (RI) Work Plan to the USEPA for their review. The report included a summary of all the data previously gathered at the site and a proposal for the future remedial investigations to fill any data gaps.
- In December 2000 PGS again met with the EPA at their offices in Atlanta. This meeting was to finalize the draft Administrative Order on Consent (AOC) and to discuss further remedial investigations required.
- In early 2001, PGS signed the AOC agreement with the EPA.



Environmental Affairs Memorandum

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- The Remedial Investigation/Feasibility Study Work Plan has been approved by the EPA and will be implemented August 26th 2002.
- Plans to Cap the site with 7 inches of concrete after this work plan is completed are currently being discussed to respond to property owners concerns regarding the quality of previous fill placed on site. The cap may also be incorporated into a final remedy to eliminate any additional soil excavation on-site.

PEOPLES GAS SYSTEM
Summary of Environmental Activity

| | | N. Miami | Ft. Lauderdale | Tampa | St. Petersburg | Orlando | Jacksonville | Miami | Lakeland | Ocala | General | Total Expenditures | Accumulated Amortization | Balance |
|----------|------------|----------------------------|------------------------|----------------------------|--------------------|-------------------------|--------------------------|---------------------------|-----------------------|--------------------------|------------------------|-------------------------------|------------------------------------|--------------|
| ince | 12/31/1997 | 4,352,571.34 | 216,476.26 | 2,249,052.06 | 383,114.24 | 3,475.81 | 23,058.93 | 952,073.65 | 21,332.65 | (546,464.39) | 10,338.75 | 7,665,029.30 | (6,896,000.00) | 769,029.30 |
| | | | | | | | | | | | | | (1,315,493.69) (1) | |
| ince | 12/31/1998 | 26,071.86 4,378,643.20 | 0.00 216,476.26 | 101,167.26 2,350,219.32 | 0.00 383,114.24 | 0.00 3,475.81 | 39,920.46 62,979.39 | 61,688.25 1,013,761.90 | 3,053.56 24,386.21 | 663,377.70 116,913.31 | 0.00 10,338.75 | 895,279.09 8,560,308.39 | (640,000.00) (8,851,493.69) | (291,185.30) |
| ince | 12/31/1999 | 136,084.10 4,514,727.30 | 3,000.00 219,476.26 | 86,171.49 2,436,390.81 | 0.00 383,114.24 | 16,464.98 19,940.79 | 166,898.98 229,878.37 | 9,459.46 1,023,231.36 | 3,151.22 27,537.43 | (44,062.61) 72,850.70 | 390.00 10,728.75 | 377,567.62 8,937,876.01 | (639,996.00) (2) (9,491,469.69) | (553,613.68) |
| ince | 12/31/2000 | 70,957.87 4,585,685.17 | 0.00 219,476.26 | 386,633.14 2,823,023.95 | 0.00 383,114.24 | 12,849.22 32,790.01 | 268,595.34 498,473.71 | 1,190.34 1,024,421.70 | 542.19 28,079.62 | 88,293.05 161,143.75 | 0.00 10,728.75 | 829,061.15 9,766,937.16 | (639,996.00) (10,131,485.69) | (364,548.53) |
| Balance | 12/31/2001 | 267,724.86 4,853,410.03 | 0.00 219,476.26 | 145,280.90 2,968,304.85 | 0.00 383,114.24 | 41,144.00 73,934.01 | 19,442.23 517,915.94 | 883.91 1,025,305.61 | 488.00 28,567.62 | 41,242.36 202,386.11 | 28,365.06 39,093.81 | 544,571.32 10,311,508.48 | (639,996.00) (10,771,481.69) | (459,973.21) |
| Balance | 7/31/2002 | 107,098.37 4,960,508.40 | 0.00 219,476.26 | 450,914.89 3,419,219.74 | 0.00 383,114.24 | 99,887.10 173,821.11 | 19,273.99 537,189.93 | 309.60 1,025,615.21 | 291.70 28,859.32 | 72,925.42 275,311.53 | 14,332.27 53,426.08 | 765,033.34 11,076,541.82 | (373,331.00) (11,144,812.69) | (68,270.87) |
| Estimate | 12/31/2002 | | | | | | | | | | | 1,699,322.87 12,775,864.69 | (640,000.00) (11,784,812.69) | 991,052.00 |
| Estimate | 12/31/2003 | | | | | | | | | | | 2,000,000.00 14,775,864.69 | (640,000.00) (12,424,812.69) | 2,351,052.00 |

(1) Adjustment based on 1996 overearnings docket - Docket No.971310-GU

(2) Amortization approved in Docket No. 980434-GU (\$640,000)

STATUS OF METERS REPORTED TO BE IN VIOLATION OF PERIODIC TEST REQUIREMENTS

**METERS WITH A RATED CAPACITY OF 251 CFH THROUGH 2500 CFH
SCHEDULE I, PAGE 295**

Schedule I, page 295 of the MFRs indicated that at the time of filing, 48 meters with a rated capacity of 251 cubic feet per hour (cfh) through 2500 cfh were found to be in violation of Commission Rule 25-7.064 (2), F.A.C. An evaluation to determine the status of these meters indicates that as of September 13, 2002, 42 of the 48 meters found in violation have been tested for accuracy and adjusted as necessary to assure proper measurement. The remaining six meters are scheduled to be tested by December 1, 2002. Attached is a list showing the status of individual meters by company identification number.

EXPLANATION: PROVIDE A LIST OF ALL METERS WITH A RATED
CAPACITY OF 251 cfh THROUGH 2500 cfh THAT HAVE NOT BEEN
TESTED FOR ACCURACY WITHIN 120 MONTHS.
(As of September 13, 2002)

| <u>COMPANY IDENTIFICATION NUMBER:</u> | <u>MANUFACTURER</u> | <u>REVISED STATUS</u> |
|---------------------------------------|---------------------|-----------------------|
| ZMO79473 | DRESSER | Complete |
| RKC22438 | ROCKWELL | Complete |
| BND00347 | AMERICAN | Complete |
| RKC22448 | ROCKWELL | Complete |
| SKP04856 | SPRAGUE | 12/01/02 |
| RLC05983 | ROCKWELL | 10/01/02 |
| AMA65622 | AMERICAN | Complete |
| AMC17463 | AMERICAN | 10/01/02 |
| RKC19772 | ROCKWELL | 12/01/02 |
| AKA58262 | AMERICAN | 12/01/02 |
| RKC23502 | ROCKWELL | Complete |
| RLA51089 | ROCKWELL | 10/01/02 |
| RLC05910 | ROCKWELL | Complete |
| RNC02359 | ROCKWELL | Complete |
| ZMD16748 | DRESSER | Complete |
| ZMC00625 | DRESSER | Complete |
| ANA37583 | AMERICAN | Complete |
| RKC17374 | ROCKWELL | Complete |
| RKA44944 | ROCKWELL | Complete |
| AMC19560 | AMERICAN | Complete |
| ANC20073 | AMERICAN | Complete |
| RKA64843 | ROCKWELL | Complete |
| RKC17382 | ROCKWELL | Complete |
| RKC17380 | ROCKWELL | Complete |
| ANC20077 | AMERICAN | Complete |
| RKC17379 | ROCKWELL | Complete |
| RKC17383 | ROCKWELL | Complete |
| RKC17403 | ROCKWELL | Complete |
| RKC17377 | ROCKWELL | Complete |
| RKC17412 | ROCKWELL | Complete |
| RKC11860 | ROCKWELL | Complete |
| AMC19582 | AMERICAN | Complete |
| RKA92582 | ROCKWELL | Complete |
| ANC22461 | AMERICAN | Complete |
| ANC20049 | AMERICAN | Complete |
| RKC19668 | ROCKWELL | Complete |
| RLC17022 | ROCKWELL | Complete |
| RKA53895 | ROCKWELL | Complete |
| RKA02778 | ROCKWELL | Complete |
| RMA37584 | ROCKWELL | Complete |
| RKA66857 | ROCKWELL | Complete |
| RLS60610 | ROCKWELL | Complete |
| ANA40576 | AMERICAN | Complete |
| RKA41717 | ROCKWELL | Complete |
| RKC25096 | ROCKWELL | Complete |
| RKC25094 | ROCKWELL | Complete |
| RKC25095 | ROCKWELL | Complete |
| AMA52960 | AMERICAN | Complete |

STATUS OF METERS REPORTED TO BE IN VIOLATION OF PERIODIC TESTS REQUIREMENTS

**METERS WITH A RATED CAPACITY OF OVER 2500 CFH
SCHEDULE I, PAGE 296**

Schedule I, page 296 of the MFRs indicated that at the time of filing, 15 meters with a rated capacity of over 2500 cfh were found to be in violation of Commission Rule 25-7.064 (3), F.A.C. An evaluation to determine the status of these meters indicates that as of September 13, 2002, 13 of the 15 meters reported to be in violation have been tested for accuracy and adjusted as necessary to assure proper measurement. One of the remaining meters is scheduled to be tested by September 20, 2002. The other meter is not available for testing. It has been vandalized and stolen. This meter will be shown as condemned on system records without testing. Attached is a list showing the status of individual meters by company identification number.

EXPLANATION: PROVIDE A LIST OF ALL METERS WITH A RATED
CAPACITY OF OVER 2500 cfh THAT HAVE NOT BEEN TESTED FOR
ACCURACY WITHIN 60 MONTHS. (As of Sept 13, 2002)

| <u>COMPANY IDENTIFICATION NUMBER:</u> | <u>MANUFACTURER</u> | <u>STATUS</u> |
|---------------------------------------|---------------------|-----------------|
| YSP10326 | ROCKWELL | Complete |
| XSP10216 | AMERICAN | Complete |
| ZRC09603 | DRESSER | 09/20/02 |
| ZSS48801 | DRESSER | Meter condemned |
| XUP90001 | AMERICAN | Complete |
| WYD01853 | ROCKWELL | Complete |
| ZRC13494 | DRESSER | Complete |
| BRD01876 | AMERICAN | Complete |
| ZYS63138 | DRESSER | Complete |
| ZYS63139 | DRESSER | Complete |
| ARP00070 | AMERICAN | Complete |
| ZSC05992 | DRESSER | Complete |
| ZUD00168 | DRESSER | Complete |
| ZYC21679 | DRESSER | Complete |
| ZYS65166 | DRESSER | Complete |

LAND USAGE EVALUATION
TECO-PEOPLES GAS SYSTEM
RATE CASE - DOCKET NUMBER 020384-GU

Assignment:

Determine if the land previously used as the propane transfer station to provide propane gas service to the World Golf distribution system is used and useful for regulated utility operations.

Findings:

An on-site evaluation determined that approximately 1938 square feet of the property is used as a site for a natural gas pressure regulator station and should be considered as used and useful for regulated utility purposes. This area represents only 4.4 percent of the total square footage of the property. It is recommended that the remaining 95.6 percent of the one acre parcel be considered as not used and useful and an adjustment be made to remove the related dollar value from rate base calculations.

Discussion:

On September 26, 2002, an on site evaluation was conducted to determine if the property designated as Parcel 3.4 on Commerce Lake Drive in Saint Johns County was being used for regulated utility purposes. This property was previously owned by Peoples Gas Company which operated a propane transfer station at this location that consisted of two 30,000-gallon propane storage tanks and related pumping equipment. The propane was used to supply the Golf World distribution system until such time as natural gas could be piped to the area to serve the customers. When the propane distribution activities were separated from the regulated utility operations and Peoples Gas System was formed, \$222,919 of the property's \$326,663 value was transferred to the regulated utility operations.

The evaluation determine that the two propane tanks and related equipment have been removed from the property, and the land stands vacant with the exception of a natural gas pressure regulator station that provides gas to the World Golf distribution system. The regulator station occupies an area of 1938 square feet (38' x 51'). The regulator station represents only 4.4 percent of the 43,598 total square footage of property and was the only regulated utility usage noted during the evaluation. The fence and electrical installation have been removed from the property. The remaining 95.6 percent of the land has no apparent regulated utility usage. It is therefore recommended that an adjustment be made to remove 95.6 percent of the property's value from rate base calculations.

State of Florida



Public Service Commission

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

DATE : OCTOBER 4, 2002

TO : C. EDWARD MILLS
BUREAU CHIEF SAFETY
BUREAU OF SAFETY
DIVISION OF AUDITING & SAFETY, TALLAHASSEE

FROM : ROGER W. FLETCHER *RWF*
UTILITY SYSTEMS ENGINEER, BUREAU OF SAFETY
DIVISION OF AUDITING & SAFETY
ORLANDO DISTRICT OFFICE

RE : TECO-PEOPLES GAS SYSTEM,
RATE CASE - DOCKET NO. 020384-GU
PLANT ALLOCATION / PROPANE TRANSFER STATION PROPERTY

Assignment

Determine if the land previously used as the propane transfer station to provide propane gas service to the World Golf distribution system is used and useful for regulated utility operations.

Recommendation

An on-site evaluation determined that approximately 1938 square feet of the property is used as a site for a natural gas pressure regulator station and should be considered as used and useful for regulated utility purposes. This area represents only 4.4 percent of the total square footage of the property. It is recommended that the remaining 95.6 percent of the one acre parcel be considered as not used and useful, and an adjustment be made to remove the related dollar value from rate base calculations.

Discussion

On September 26, 2002, an on site evaluation was conducted to determine if the property designated as Parcel 3.4 on Commerce Lake Drive in Saint Johns County was being used for regulated utility purposes. This property was previously owned by Peoples Gas Company which operated a propane transfer station at this location that consisted of two 30,000-gallon propane storage tanks and related pumping equipment. The propane was used to supply the Golf World distribution system until such time as natural gas could be piped to the area to serve the customers. When the propane distribution activities were separated from the regulated utility operations and Peoples Gas System was formed, \$222,919 of the property's \$326,663 value was transferred to the regulated utility operations.

Memorandum

October 4, 2002

RE: TECO-PEOPLES GAS SYSTEM RATE CASE - DOCKET NO. 020384-GU
PLANT ALLOCATION / PROPANE TRANSFER STATION

The evaluation determine that the two propane tanks and related equipment have been removed from the property, and the land stands vacant with the exception of a natural gas pressure regulator station that provides gas to the World Golf distribution system. The regulator station occupies an area of 1938 square feet (38' x 51'). The regulator station represents only 4.4 percent of the 43,598 total square footage of property and was the only regulated utility usage noted during the evaluation. The fence and electrical installation have been removed from the property. The remaining 95.6 percent of the land has no apparent regulated utility usage. It is therefore recommended that an adjustment be made to remove 95.6 percent of the property's value from rate base calculations.

RWF

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase)
in gas rates for Peoples)
Gas System)
_____)

DOCKET NO. 020384-GU
Filed: October 28, 2002

DIRECT TESTIMONY

OF

ROGER W. FLETCHER

On Behalf of the Florida Public Service Commission

EXHIBIT RWF - 2

FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6199





Public Service Commission

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

DATE : October 8, 2002

TO : **ROGER W. FLETCHER**
UTILITY SYSTEMS ENGINEER
BUREAU OF SAFETY
DIVISION OF AUDITING & SAFETY, TALLAHASSEE

FROM : **NORMAN C. WITMAN**
UTILITIES ENGINEER
BUREAU OF SAFETY
DIVISION OF AUDIT & SAFETY - MIAMI

RE : **TECO PEOPLES GAS COMPANY RATE CASE, DOCKET NUMBER**
020384-GU/PLANT ALLOCATION (SCHEDULES B-5 & G1), SOUTH
REGION

BRIEF

The Engineering Staff (K. Chen; N. Witman) of the Bureau of Safety (Natural Gas) was requested to verify the construction budget and common plant allocations for the South Region of TECO Peoples Gas Company of Florida, as contained in its Minimum Filing Requirements (MFRs), Schedule B-5, pages 13-15 and Schedules G-1, pages 197-200 and pages 203-206.

An evaluation was conducted during September 2002. This evaluation included on site inspections of these facilities, verification as to the use/usefulness of those facilities, and a determination of the allocation between regulated and nonregulated utility operations of the facilities.

RECOMMENDATION

It is recommended that the findings of this report should be entered into the record of TECO Peoples Gas Company Rate Case, Docket Number 020384-GU and that any necessary allocations and adjustments be made by the Commission Analysts.

DISCUSSION

Staff's evaluation of Schedule B-5 "Allocation of Common Plant" for the Historic Base Year focused on each individual account by line item. Please see Exhibit #1. The Base Year findings are listed below:

Page 2

September 25, 2002

Re: TECO Peoples Gas Company
Rate Case, Docket Number 020384 - GU

Base Year**Schedule B-5, Account 374****Account Adjustments:** \$1,534 Reduction, see #4

- 1) **Account:**
374 (page 13, line 1).

 Description:
Land Cox Plant.

 Company Allocation:
No charges.

 Staff Findings:
Accept as stated.
- 2) **Account:**
374 (page 13, line 2).

 Description:
Coconut Creek Reg. Station.

 Company Allocation:
\$12,413 - utility.

 Staff Findings: Accept as stated.
- 3) **Account:** 374 (Page 13, line 3).

 Description: Plantation Gate Station.

 Company Allocation: \$22,954 - utility.

 Staff Findings: This is used solely for regulated utility operations.
Accept as stated.
- 4) **Account:** 374 (page 13, line 4).

 Description: Fulford Plant.

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September 25, 2002

Re: TECO Peoples Gas Company
Rate Case, Docket Number 020384 - GU

Company Allocation: \$38,351 - utility.

Staff Findings: Total land area is approximately 257,439 sf. Propane tanks are on 11,060 sf. Staff recommends \$1,534 be removed from the rate base. $(11,060/257,439) \times \$38,361 = \$1,534$.

5) **Account:** 374 (page 13, line 40).

Description: SMI - Plant Site.

Company Allocation: \$39,181 utility.

Staff Findings: This is used solely for utility operations. Accept as stated.

6) **Utility:** 374 (page 13, line 46).

Description: PBG Operations Facility.

Company Allocation: \$230,941 - utility.

Staff Findings: This is completely utility use. Accept as stated.

Base Year
Schedule B-5, Account 375
Account Adjustments: None

1) **Account:** 375 (page 14, line 13).

Description: NMI Fulford West & Previous Office.

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Re: TECO Peoples Gas Company
Rate Case, Docket Number 020384 - GU

Company Allocation: \$3,370,120 - utility.

Staff Findings: Accept as stated, however, please note that these are two separate locations and both were sold in 12/01, the end of the Base Year.

2) **Account:** 375 (page 14, line 14).

Description: NMI Office Bldg. Fulford.

Company Allocation: \$258,312 - utility.

Staff Findings: Accept as stated.

3) **Account:** 375 (page 14, line 15).

Description: NMI Engine Bldg.

Company Allocation: \$63,740 - utility.

Staff Findings: Accept as stated.

4) **Account:** 375 (page 14, line 16).

Description: NMI Meter Shop.

Company Allocation: \$51,293 - utility.

Staff Findings: Accept as stated.

5) **Account:** 375 (page 14, line 17).

Description: NMI Warehouse - Fulford.

Company Allocation: \$249,677.

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Re: TECO Peoples Gas Company
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Staff Findings: Accept as stated.

6) **Account:** 375 (page 14, line 40).

Description: SMI Office Bldg.

Company Allocation: \$487,460 - utility.

Staff Findings: This is used solely for utility operations. Accept as stated.

7) **Account:** 375 (page 14, line 41).

Description: SMI Tool Shed.

Company Allocation: \$1,377 - utility.

Staff Findings: Accept as stated.

8) **Account:** 375 (page 14, line 42).

Description: SMI Training Facility.

Company Allocation: \$4,301.

Staff Findings: Accept as stated.

9) **Account:** 375 (page 14, line 43).

Description: SMI Warehouse.

Company Allocation: \$32,758.

Staff Findings: Accept as stated.

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Re: TECO Peoples Gas Company
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Base Year
Schedule B-5, Account 390
Account Adjustments: None

- 1) **Account:** 390 (page 15, line 16).
Description: PBG - Division Office.
Company Allocation: \$27,193. - utility.
Staff Findings: Accept as stated.

Base Year + 1
Schedule G-1

Staff's evaluation of Schedule G-1 "Allocation of Common Plant" for the base year plus 1 focused on each individual account by line item. Please see Exhibit #2. The findings are listed below:

Base Year + 1
Schedule G-1, Account 374
Account Adjustments: \$590,534 Reduction, see #1 & #4.

- 1) **Account:** 374 (page 197, line 1).
Description: South Florida Regional Office.
Company Allocation: \$589,000 - utility.
Staff Findings: This land is located in Sunrise, Fl. It has never been occupied or used by the Company for natural gas

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operations. It is not currently used/useful for natural gas operations. It is recommended the entire amount be removed from the rate base.

- 2) **Account:** 374 (page 197, line 2).
Description: Coconut Creek Reg. Station.
Company Allocation: \$12,413 - utility.
Staff Findings: Accept as stated.
- 3) **Account:** 374 (Page 197, line 3).
Description: Plantation Gate Station.
Company Allocation: \$22,954 - utility.
Staff Findings: This is used solely for regulated utility operations.
Accept as stated.
- 4) **Account:** 374 (page 197, line 4).
Description: Fulford Plant.
Company Allocation: \$38,351 - utility.
Staff Findings: Total land area is approximately 257,439 sf.
Propane tanks are on 11,060 sf. Staff recommends \$1,534 be removed from the rate base. $(11,060/257,439) \times \$38,361 = \$1,534$.
- 5) **Account:** 374 (page 198, line 3).
Description: SMI - Plant Site.

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Company Allocation: \$39,181 utility.

Staff Findings: This is used solely for utility operations. Accept as stated.

6) **Utility:** 374 (page 198, line 9).

Description: PBG Operations Facility.

Company Allocation: \$230,941 - utility.

Staff Findings: This is completely utility use. Accept as stated.

Base Year + 1
Schedule G - 5, Account 375
Account Adjustments: \$1,069,145 Reduction, see #1.

1) **Account:** 375 (page 198, line 24).

Description: South Florida Regional Office.

Company Allocation: \$1,069,145 - utility.

Staff Findings: This land is located in Sunrise, Fl. It has never been occupied or used by the Company for natural gas operations. It is not currently used/useful for natural gas operations. It is recommended the entire amount be removed from the rate base.

2) **Account:** 375 (page 198, line 25).

Description: NMI Office Bldg. Fulford.

Company Allocation: \$258,312- utility.

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- Staff Findings:** Accept as stated.
- 3) **Account:** 375 (page 198, line 26).
- Description:** NMI Engine Bldg.
- Company Allocation:** \$63,740 - utility.
- Staff Findings:** Accept as stated.
- 4) **Account:** 375 (page 198, line 27).
- Description:** NMI Meter Shop.
- Company Allocation:** \$51,293 - utility.
- Staff Findings:** Accept as stated.
- 5) **Account:** 375 (page 198, line 28).
- Description:** NMI Warehouse - Fulford.
- Company Allocation:** \$249,677.
- Staff Findings:** Accept as stated.
- 6) **Account:** 375 (page 199, line 16).
- Description:** SMI Office Bldg.
- Company Allocation:** \$487,460 - utility.
- Staff Findings:** This is used solely for utility operations. Accept as stated.

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- 7) **Account:** 375 (page 199, line 17).
Description: SMI Tool Shed.
Company Allocation: \$1,377 - utility.
Staff Findings: Accept as stated.
- 8) **Account:** 375 (page 199, line 18).
Description: SMI Training Facility.
Company Allocation: \$4,301.
Staff Findings: Accept as stated.
- 9) **Account:** 375 (page 199, line 19).
Description: SMI Warehouse.
Company Allocation: \$32,758.
Staff Findings: Accept as stated.
- 10) **Account:** 375 (page 199, line 28).
Description: PBG - Office Bldg.
Company Allocation: \$663,331 - utility.
Staff Findings: Accept as stated.
- 11) **Account:** 375 (page 199, line 32).
Description: SWF - Office Bldg.
Company Allocation: \$1,012,210 - utility.
Staff Findings: Accept as stated.

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Projected Test Year
Schedule G-1

Staff's evaluation of Schedule G-1 "Allocation of Common Plant" for the projected test year focused on each individual account by line item. Please see Exhibit #3. The findings are listed below:

Projected Test Year
Schedule G-1, Account 374
Account Adjustment: \$590,534 Reduction, see #1 & #4.

- 1) **Account:** 374 (page 203, line 1).
Description: South Florida Regional Office.
Company Allocation: \$589,000 - utility.
Staff Findings: This land is located in Sunrise, Fl. It has never been occupied or used by the Company for natural gas operations. It is no currently used/useful for natural gas operations. It is recommended the entire amount be removed from the rate base.

- 2) **Account:** 374 (page 203, line 2).
Description: Coconut Creek Reg. Station.
Company Allocation: \$12,413 - utility.
Staff Findings: Accept as stated.

- 3) **Account:** 374 (Page 203, line 3).
Description: Plantation Gate Station.

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Company Allocation: \$22,954 - utility.

Staff Findings: This is used solely for regulated utility operations.
 Accept as stated.

4) **Account:** 374 (page 203, line 4).

Description: Fulford Plant.

Company Allocation: \$38,351 - utility.

Staff Findings: Total land area is approximately 257,439 sf. Propane tanks are on 11,060 sf. Staff recommends \$1,534 be removed from the rate base. $(11,060/257,4390) \times \$38,361 = \$1,534$.

5) See addendum page 21.

Projected Test Year
Schedule G - 5, Account 375
Account Adjustments: \$1,569,145 Reduction, see #1 .

1) **Account:** 375 (page 204, line 24).

Description: South Florida Regional Office.

Company Allocation: \$1,569,145 - utility.

Staff Findings: This building is located in Sunrise, Fl. It has never been occupied or used by the Company for natural gas operations. It is not currently used/useful for natural gas operations. It is recommended the entire amount be removed from the rate base.

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Addendum to page 12

5) **Account:** 374 (page 204, line 3).

Description: SMI - Plant Site.

Company Allocation: \$39,181 - utility.

Staff Findings: Accept as stated.

6) **Account:** 374 (page 204, line 9).

Description: PBG - Operations Facility.

Company Allocation: \$230,941.

Staff Findings: Accept as stated.

Attachments

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- 2) **Account:** 375 (page 204, line 25).
Description: NMI Office Bldg. Fulford.
Company Allocation: \$406,962 - utility
Staff Findings: Accept as stated.
- 3) **Account:** 375 (page 204, line 26).
Description: NMI Engine Bldg.
Company Allocation: \$63,740 - utility.
Staff Findings: Accept as stated.
- 4) **Account:** 375 (page 204, line 27).
Description: NMI Meter Shop.
Company Allocation: \$51,293 - utility.
Staff Findings: Accept as stated.
- 5) **Account:** 375 (page 204, line 28).
Description: NMI Warehouse - Fulford.
Company Allocation: \$249,677.
Staff Findings: Accept as stated.
- 6) **Account:** 375 (page 205, line 16).
Description: SMI Office Bldg.

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Company Allocation: \$487,460 - utility.

Staff Findings: This is used solely for utility operations. Accept as stated.

7) **Account:** 375 (page 205, line 17).

Description: SMI Tool Shed.

Company Allocation: \$1,377 - utility.

Staff Findings: Accept as stated.

8) **Account:** 375 (page 205, line 18).

Description: SMI Training Facility.

Company Allocation: \$4,301.

Staff Findings: Accept as stated.

9) **Account:** 375 (page 205, line 19).

Description: SMI Warehouse.

Company Allocation: \$32,758.

Staff Findings: Accept as stated.

10) **Account:** 375 (page 205, line 28).

Description: PBG - Office Bldg.

Company Allocation: \$663,331 - utility.

Staff Findings: Accept as stated.

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- 11) Account: 375 (page 205, line 32).
Description: SWF - Office Bldg.
Company Allocation: \$1,012,210 - utility.
Staff Findings: Accept as stated.

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Projected Test Year
Schedule G-1
Proposed Construction Budget
South Florida Region

An evaluation was performed to determine the feasibility and status of the projects included in the South Florida Region's proposed construction budget for the projected test year, ending December 31, 2002, shown on Schedule G-1 of the MFRs (Page 211). Shown below is a list of capital expenditures, by account, proposed by the Region for the projected test year. The cost data was obtained from a copy of the FPSC Staff's Request # 11 and provided by Company officials. Exhibit 4.

| Budget Yr. Budget | Account Number | Description | Utility Projected South Region Budget | Staff Projected South Region |
|-------------------------|-------------------|---------------|--|---------------------------------|
| 2002 | 376 | Mains | \$10,424,800 | \$8,897,600 |
| 2002 | 380 | Service Lines | \$1,063,354 | \$1,063,354 |

Account 376

Staff Findings: Reduction of \$1,527,200.

Line 1, Page 1 of Request #11

This account includes estimated expenditures of \$389,000 for budget year 2002. This project is complete (2001) and, as such, no further expenditures will be made.

Staff recommends the \$389,000 be removed from the projected 2002 budget.

Line 22, Page 1 of Request #11

It does not appear this project will take place in the near future.

It is recommended the \$200,000 be removed from the projected 2002 budget.

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Line 1, Page 6 of Request #11

This represents the Company's special bare steel replacement program. The current estimated funds for this are believed to be \$300,000 for 2002.

It is recommended the projected budgets be reduced \$500,000 (\$800,000 - \$300,000).

Line 4, Page 6 of Request #11

This is a municipal project with no estimated start date.

Staff recommends the \$155,600 be omitted from the projected 2002 budget.

Line 6, Page 6 of Request #11

This is a municipal project with no estimated start date.

Staff recommends the \$80,000 be omitted from the projected budget.

Line 8, Page 6 of Request #11

This is a municipal project with no estimated start date.

Staff recommends the \$68,000 be omitted from the projected budget.

Line 32, Page 7 of Request #11

This project has not been done and has no estimated start date.

Staff recommends the \$84,600 be omitted from the projected budget.

Line 34, Page 7 of Request #11

This project has not been done and has no estimated start date.

Staff recommends the \$50,000 be omitted from the projected budget.

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Re: TECO Peoples Gas Company
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Special Requested Information

1) North Miami(NMI) Division

A) total office space = (108'X67' & 100'x160'); 23,236 sf.

B) total employees = 114; 204 sf./employee.

1) natural gas = 106.

2)TECO Partners = 8.

A) office space = (27'X12'); 324 sf.

B) trailer space = (8'X20'); 160 sf.

2) Miami Division

A) total office space = (54'X280'); 15,120 sf.

B) total employees = 14; 1080 sf./employee.

1) natural gas = 13.

2)TECO Partners = 1.

a) office space = (12'X12'); 144 sf.

3) Fort Myers (SWF) Division

A) total office space = (200'X50' & 30'X18'); 10,540 sf.

B) total employees = 19; 555 sf. /employee.

1) natural gas =16.

2)TECO Partners = 3.

a) office space = (10'X13' & 29'X21'); 739 sf.

4) Palm Beach Gardens (PBG) Division

A) total office space = (74'X72'); 5328 sf.

B) total employees = 12; 444 sf./employee.

1) natural gas =9.

2)TECO Partners = 3.

a) office space = (17'X12'); 204 sf.

5) North Miami Division Land.

A) total land = 5.91 acres @ 43,560 sf./acre = 257,439 sf.

B) propane tanks on(81'x100') & (40'x74') = 11,060 s. f.

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Environmental Expenditures

TECO Peoples Gas was required by at least three government agencies (Metro-Dade County Environmental Resources Management, Broward County Office of Natural Resources, Florida Department of Environmental Protection) to complete specified environmental studies and to perform remedial actions in the Utility's Southern Region at three different locations (North Miami, Miami, Ft. Lauderdale).

These studies and remediation requirements were mandated by each of the government agencies with all costs to be paid by the Utility. Exhibit 5.

Staff has limited knowledge and expertise concerning government-mandated environmental studies and remediation requirements. However, it is our understanding that all of this is generally expensive. This in part is, apparently, due to the limited number of qualified entities that perform these specialized functions.

Staff has been advised, by the Utility's Southern Region employees, the Region's environmental studies and remediation projects are currently planned, administered, managed, and monitored by their environmental section located at the Tampa Corporate Office. Furthermore, all records related to this work are stored at the Tampa Office; this includes government requirements and information, plans, contractor information, contracts, and expenditure records. We have been advised none of this is retained at the Southern Region Office.

Staff previously inspected the North Miami Manufactured Gas Plant years ago before its removal and the related land areas for North Miami and Miami before they became remediation areas. We have again reviewed these remediation areas, and it appears the remediation work did take place. We, also, reviewed truck manifest records which indicated approximately 11,063,820 pounds (5,527 tons) of earth were required to be and were physically removed from these areas and treated for different contaminants.

Staff was able to review the environmental study documents pertaining to this matter. It appears the environmental studies and remediation requirements were mandated by the government agencies mentioned above. It also seems clear that the Utility had little choice in the matter, other than to comply with the government mandates. Additionally, it appears the Utility was required to pay all costs associated with these mandates regardless of the amount.

Based on our reviews of the provided documents and of the remediation land areas and consideration of the government mandates, we feel it is reasonable to include these costs in the rate case.

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It should be pointed out that all detailed/itemized environmental cost/expenditure records, including the source/back-up documents, are located in the Tampa Office and not available in the Southern Region. The same is true for all contractor bidding/selection process records. Therefore, we were not able to review this information due to the location/availability situation.

EXHIBIT 1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE THE MONTHLY PLANT BALANCES FOR EACH ACCOUNT OR SUB-ACCOUNT FOR THE HISTORIC BASE YEAR.

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384 - GU

MIAMI

ALLOCATION
of
Common PLANT
(ACTUAL)

TYPE OF DATA SHOWN:

HISTORIC BASE YEAR DATA: 12/31/01

WITNESS: B. NARZISSENFELD

| LINE NO. | A/C NO. | DESCRIPTION | Dec-00 | Jan-01 | Feb-01 | Mar-01 | Apr-01 | May-01 | Jun-01 | Jul-01 | Aug-01 | Sep-01 | Oct-01 | Nov-01 | Dec-01 | 13 MONTH AVERAGE |
|----------|---------|--------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|------------------|
| 1 | 301 | ORGANIZATION | \$12,620 | \$12,620 | \$12,620 | \$12,620 | \$12,620 | \$12,620 | \$12,620 | \$12,620 | \$12,620 | \$12,620 | \$12,620 | \$12,620 | \$12,620 | \$12,620 |
| 2 | 302 | FRANCHISES AND CONSENTS | 427,466 | 427,466 | 427,466 | 427,466 | 427,466 | 427,466 | 427,466 | 427,466 | 427,466 | 427,466 | 427,466 | 427,466 | 427,466 | 427,466 |
| 3 | 303 | MISC INTANGIBLE PLANT | 815,325 | 815,325 | 815,325 | 815,325 | 815,325 | 815,325 | 815,325 | 815,325 | 815,325 | 815,325 | 815,325 | 815,325 | 815,325 | 815,325 |
| 4 | 303.01 | CUSTOMIZED SOFTWARE | 850,493 | 850,493 | 850,493 | 850,493 | 850,493 | 850,493 | 850,493 | 850,493 | 850,493 | 850,493 | 850,493 | 850,493 | 850,493 | 850,493 |
| 5 | 374 | LAND & LAND RIGHTS | 1,516,973 | 1,516,973 | 1,516,973 | 1,516,973 | 1,516,973 | 1,516,973 | 1,516,973 | 1,516,973 | 1,516,973 | 1,516,973 | 1,516,973 | 1,516,973 | 1,516,973 | 1,516,973 |
| 6 | 374.02 | LAND RIGHTS / EASEMENTS | 1,072,516 | 1,072,516 | 1,072,516 | 1,072,516 | 1,072,516 | 1,072,516 | 1,072,516 | 1,072,516 | 1,072,516 | 1,072,516 | 1,072,516 | 1,072,516 | 1,072,516 | 1,072,516 |
| 7 | 375 | STRUCTURES & IMPROVEMENTS | 14,778,768 | 14,753,674 | 14,753,674 | 14,723,352 | 14,512,015 | 14,512,015 | 14,512,015 | 14,512,015 | 14,512,015 | 14,512,015 | 14,512,015 | 14,512,015 | 14,512,015 | 14,512,015 |
| 8 | 376 | MAINS (STEEL) | 199,879,311 | 199,814,927 | 199,630,415 | 199,627,038 | 199,588,029 | 199,600,622 | 199,627,435 | 200,269,923 | 200,439,467 | 200,401,987 | 200,825,929 | 200,760,405 | 200,818,522 | 200,883,385 |
| 9 | 378 | MAINS (PLASTIC) | 132,461,283 | 132,455,624 | 132,440,631 | 132,547,751 | 132,531,207 | 132,531,152 | 132,626,094 | 133,510,342 | 133,600,749 | 133,402,116 | 133,593,333 | 133,753,602 | 133,865,351 | 133,024,556 |
| 10 | 378.01 | MEAS & REG STAT EQUIP-GEN | 3,005,308 | 3,005,308 | 3,005,308 | 2,987,895 | 2,954,875 | 2,954,787 | 2,954,787 | 2,995,632 | 2,992,697 | 2,992,697 | 3,041,552 | 3,054,373 | 3,054,373 | 3,054,373 |
| 11 | 378.01 | MEAS & REG STAT EQUIP-GEN | 117,248 | 117,248 | 117,248 | 117,248 | 117,248 | 117,248 | 117,248 | 117,248 | 117,248 | 117,248 | 117,248 | 117,248 | 117,248 | 117,248 |
| 12 | 379 | MEAS & REG STAT EQUIP-GEN | 5,010,914 | 5,010,914 | 5,010,914 | 4,970,298 | 4,959,477 | 4,959,477 | 4,959,477 | 4,982,664 | 4,975,189 | 4,975,189 | 4,975,189 | 4,980,399 | 4,980,399 | 4,980,399 |
| 13 | 379.01 | MEAS & REG STAT EQUIP-GEN | 30,126 | 30,126 | 30,126 | 30,126 | 30,126 | 30,126 | 30,126 | 30,126 | 30,126 | 30,126 | 30,126 | 30,126 | 30,126 | 30,126 |
| 14 | 380 | SERVICES (STEEL) | 34,663,053 | 34,761,045 | 34,720,959 | 34,917,166 | 34,905,982 | 34,951,987 | 35,034,234 | 35,024,408 | 34,907,503 | 35,011,574 | 35,069,876 | 35,102,865 | 35,374,345 | 34,957,306 |
| 15 | 380 | SERVICES (PLASTIC) | 93,296,558 | 93,900,520 | 93,853,405 | 95,794,324 | 95,838,710 | 96,620,137 | 98,002,633 | 98,549,838 | 99,473,498 | 100,733,349 | 101,706,026 | 102,477,123 | 104,782,434 | 98,079,120 |
| 16 | 381 | METERS | 24,402,660 | 24,437,088 | 23,337,758 | 23,854,792 | 23,582,184 | 23,863,140 | 23,850,471 | 23,782,348 | 23,959,407 | 23,827,492 | 23,954,689 | 24,116,231 | 24,767,557 | 23,979,678 |
| 17 | 381.01 | METERS | 3,190 | 3,190 | 3,190 | 3,190 | 3,190 | 3,190 | 3,190 | 3,190 | 3,190 | 3,190 | 3,190 | 3,190 | 3,190 | 3,190 |
| 18 | 382 | METER INSTALLATIONS | 21,222,538 | 21,267,843 | 21,393,789 | 21,643,822 | 21,695,821 | 22,121,263 | 22,105,896 | 22,363,231 | 22,402,210 | 22,698,023 | 22,930,245 | 23,053,236 | 23,573,591 | 22,150,116 |
| 19 | 383 | HOUSE REGULATORS | 7,800,809 | 7,836,842 | 7,836,842 | 7,929,135 | 7,919,885 | 8,082,215 | 8,082,215 | 8,129,177 | 8,149,830 | 8,189,333 | 8,213,505 | 8,240,171 | 8,479,230 | 8,064,581 |
| 20 | 384 | HOUSE REG-INST | 7,392,595 | 7,415,843 | 7,454,322 | 7,546,586 | 7,569,680 | 7,715,100 | 7,706,942 | 7,794,858 | 7,811,429 | 7,915,375 | 8,001,015 | 8,046,212 | 8,224,266 | 7,738,171 |
| 21 | 385 | IND MEAS & REG STAT EQUIP | 8,028,793 | 8,051,632 | 8,051,632 | 8,128,476 | 8,146,955 | 8,177,926 | 8,219,482 | 8,259,479 | 8,285,197 | 8,327,274 | 8,351,389 | 8,373,918 | 8,462,955 | 8,220,378 |
| 22 | 386 | ALTERNATIVE FUELING STATIONS | 316,004 | 316,004 | 316,004 | 316,004 | 316,004 | 316,004 | 316,004 | 316,004 | 316,004 | 316,004 | 316,004 | 316,004 | 316,004 | 316,004 |
| 23 | 387 | OTHER EQUIPMENT | 1,058,237 | 1,058,237 | 1,058,237 | 1,055,867 | 1,008,621 | 1,008,620 | 1,008,620 | 1,076,116 | 1,076,116 | 1,076,116 | 1,086,122 | 1,089,799 | 1,116,552 | 1,059,328 |
| 24 | 390 | STRUCTURES & IMPROVEMENTS | 966,118 | 966,118 | 966,118 | 964,362 | 964,362 | 964,362 | 964,362 | 964,362 | 964,362 | 964,362 | 964,362 | 964,362 | 964,362 | 964,362 |
| 25 | 390.02 | STRUCTURES & IMPROVEMENTS-LEA | 84,044 | 84,044 | 84,044 | 72,405 | 72,405 | 72,405 | 72,405 | 72,405 | 72,405 | 72,405 | 72,405 | 72,405 | 72,405 | 72,405 |
| 26 | 391.00 | OFFICE EQUIPMENT | 2,749,907 | 2,749,907 | 2,749,907 | 2,567,278 | 2,539,425 | 2,539,425 | 2,539,425 | 2,403,088 | 2,412,721 | 2,392,547 | 2,392,547 | 2,392,547 | 2,392,547 | 2,513,415 |
| 27 | 391.01 | COMPUTER EQUIPMENT | 16,361,639 | 16,361,639 | 16,353,549 | 16,361,274 | 16,279,230 | 16,277,312 | 16,040,634 | 16,171,921 | 16,190,808 | 16,129,224 | 16,229,757 | 16,242,744 | 16,261,436 | 16,250,859 |
| 28 | 391.02 | OFFICE MACHINES | 461,062 | 461,062 | 461,062 | 460,058 | 452,502 | 452,502 | 452,502 | 452,502 | 461,831 | 461,831 | 461,831 | 460,652 | 465,437 | 459,828 |
| 29 | 391.03 | COMPUTER EQUIPMENT | 615,466 | 615,466 | 615,466 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 |
| 30 | 392.01 | AUTO & TRUCK LESS THAN 1/2 TON | 7,941,850 | 7,930,883 | 7,930,883 | 7,887,563 | 7,774,311 | 7,608,458 | 7,289,353 | 7,496,036 | 7,154,772 | 7,327,892 | 7,653,238 | 7,730,955 | 7,760,119 | 7,652,793 |
| 31 | 392.02 | AUTO & TRUCK 3/4 - 1 TON | 1,158,212 | 1,158,212 | 1,158,212 | 1,158,212 | 1,158,212 | 1,158,212 | 1,158,212 | 1,295,637 | 1,325,490 | 1,510,597 | 1,726,847 | 1,761,512 | 1,791,017 | 1,347,583 |
| 32 | 392.03 | AIRPLANES | 0 | 0 | 0 | 1,356,103 | 1,356,103 | 1,356,103 | 1,356,103 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 33 | 392.04 | TRAILERS, OTHER | 259,945 | 259,945 | 259,945 | 258,643 | 258,643 | 258,643 | 258,643 | 267,910 | 261,489 | 261,489 | 261,489 | 258,961 | 256,234 | 260,152 |
| 34 | 392.05 | TRUCKS OVER 1 TON | 1,068,423 | 1,068,423 | 1,068,423 | 1,068,423 | 999,050 | 992,124 | 972,180 | 1,076,066 | 1,015,229 | 1,015,229 | 1,139,803 | 1,139,803 | 1,139,803 | 1,058,614 |
| 35 | 393 | STORES EQUIPMENT | 69,060 | 69,060 | 69,060 | 69,060 | 63,792 | 63,792 | 63,792 | 63,792 | 60,283 | 60,283 | 60,283 | 60,283 | 60,283 | 64,063 |
| 36 | 394 | TOOLS, SHOP, GARAGE EQUIP | 3,127,594 | 3,127,594 | 3,127,594 | 3,100,054 | 3,024,629 | 3,024,401 | 3,024,401 | 3,060,035 | 3,060,035 | 3,056,653 | 3,068,538 | 3,079,626 | 3,111,516 | 3,076,205 |
| 37 | 394.01 | TOOLS, SHOP, GARAGE EQUIP | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 |
| 38 | 395 | LABORATORY EQUIPMENT | 129,741 | 129,741 | 129,741 | 129,741 | 129,741 | 129,741 | 129,741 | 129,741 | 129,741 | 129,741 | 129,741 | 129,741 | 129,741 | 129,741 |
| 39 | 396 | POWER OPERATED EQUIPMENT | 1,837,334 | 1,837,334 | 1,837,334 | 1,834,685 | 1,778,366 | 1,778,227 | 1,778,227 | 1,806,207 | 1,806,207 | 1,806,207 | 1,765,678 | 1,776,603 | 1,771,872 | 1,801,620 |
| 40 | 397 | COMMUNICATION EQUIPMENT | 3,594,292 | 3,594,292 | 3,594,292 | 3,459,990 | 3,259,942 | 3,259,919 | 3,259,919 | 3,265,967 | 3,263,951 | 3,263,951 | 3,263,951 | 3,263,951 | 3,263,951 | 3,354,482 |
| 41 | 398 | MISC EQUIPMENT | 308,342 | 308,342 | 308,342 | 308,342 | 308,142 | 308,142 | 308,142 | 308,142 | 308,142 | 308,142 | 308,142 | 308,142 | 312,995 | 308,577 |
| 42 | 106 | NOT YET CLASSIFIED | 27,825,771 | 30,734,936 | 31,859,487 | 31,349,421 | 31,885,071 | 36,598,199 | 41,756,916 | 41,158,019 | 41,973,700 | 43,477,357 | 44,931,215 | 66,860,515 | 73,370,368 | 41,829,307 |
| 43 | | UTILITY PLANT IN SERVICE | 626,688,572 | 630,555,245 | 630,196,526 | 633,810,788 | 633,195,937 | 639,549,205 | 644,309,053 | 647,237,894 | 649,256,680 | 652,530,830 | 656,725,316 | 660,265,840 | 664,159,531 | 647,590,878 |
| 44 | | GAS PLANT PURCHASED OR SOLD | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 45 | | TOTAL UTILITY PLANT | \$626,688,572 | \$630,555,245 | \$630,196,526 | \$633,810,788 | \$633,195,937 | \$639,549,205 | \$644,309,053 | \$647,237,894 | \$649,256,680 | \$652,530,830 | \$656,725,316 | \$660,265,840 | \$664,159,531 | \$647,590,878 |

SUPPORTING SCHEDULES:

RECAP SCHEDULES: B-1, B-2, B-3

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING THE REGULATED AND NON-REGULATED ITEMS OF COMMON PLANT WITH THE 13 MONTH AVERAGE OF THE HISTORIC BASE YEAR SEGREGATED BY THE AMOUNTS ACCORDING TO REGULATED AND NON-REGULATED ITEMS. THE METHOD OF ALLOCATING BETWEEN REGULATED AND NON-REGULATED PORTIONS SHALL BE DESCRIBED.

TYPE OF DATA SHOWN
HISTORIC BASE YEAR DATA: 12/31/01
WITNESS: B NARZISSENFELD

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384 - GU

| LINE NO. | A/C NO. | DESCRIPTION | Dec-00 | Jan-01 | Feb-01 | Mar-01 | Apr-01 | May-01 | Jun-01 | Jul-01 | Aug-01 | Sep-01 | Oct-01 | Nov-01 | Dec-01 | 13 MONTH AVERAGE |
|----------|---------|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|------------------|
| 1 | 374 | LAND & LAND RIGHTS | \$ 1,518,973 | \$ 1,516,973 | \$ 1,516,973 | \$ 1,516,973 | \$ 1,516,973 | \$ 1,516,973 | \$ 1,516,973 | \$ 1,674,589 | \$ 1,674,589 | \$ 1,674,589 | \$ 1,674,589 | \$ 1,674,589 | \$ 1,663,873 | \$ 1,588,894 |
| 2 | 375 | STRUCTURES & IMPROVEMENTS | 14,778,768 | 14,753,674 | 14,753,674 | 14,723,352 | 14,512,015 | 14,512,015 | 14,512,015 | 14,651,747 | 14,934,828 | 14,934,828 | 14,942,230 | 14,902,348 | 11,256,317 | 14,474,447 |
| 3 | 390 | STRUCTURES & IMPROVEMENTS | 966,118 | 966,118 | 966,118 | 964,362 | 964,362 | 964,362 | 964,362 | 964,362 | 964,362 | 964,362 | 964,362 | 964,362 | 964,362 | 964,767 |
| 4 | 390.02 | STRUCTURES & IMPROVEMENTS-Leasehold | 84,044 | 84,044 | 84,044 | 72,405 | 72,405 | 72,405 | 72,405 | 72,405 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 58,095 |
| 5 | 391 | OFFICE EQUIPMENT | 2,749,907 | 2,749,907 | 2,749,907 | 2,567,278 | 2,539,425 | 2,539,425 | 2,403,088 | 2,412,721 | 2,392,547 | 2,392,547 | 2,392,547 | 2,392,547 | 2,392,547 | 2,513,415 |
| 6 | 391.01 | COMPUTER EQUIPMENT | 16,361,639 | 16,361,639 | 16,353,549 | 16,361,274 | 16,279,230 | 16,277,312 | 16,040,634 | 16,171,921 | 16,190,808 | 16,129,224 | 16,229,757 | 16,242,744 | 16,261,436 | 16,250,859 |
| 7 | 391.02 | OFFICE MACHINES | 461,062 | 461,062 | 461,062 | 460,058 | 452,502 | 452,502 | 452,502 | 461,831 | 461,831 | 461,831 | 460,652 | 465,437 | 465,437 | 459,828 |
| 8 | 391.03 | OFFICE FURNITURE/EQUIPMENT | 615,466 | 615,466 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 388,911 |
| 9 | 392.01 | AUTO & TRUCK LESS THAN 1/2 TON | 7,941,850 | 7,930,883 | 7,930,883 | 7,887,563 | 7,774,311 | 7,608,458 | 7,289,353 | 7,496,036 | 7,154,772 | 7,327,892 | 7,653,238 | 7,730,955 | 7,750,119 | 7,652,793 |
| 10 | 392.02 | AUTO & TRUCK 3/4 - 1 TON | 1,158,212 | 1,158,212 | 1,158,212 | 1,158,212 | 1,158,212 | 1,158,212 | 1,158,212 | 1,295,637 | 1,325,490 | 1,510,597 | 1,726,847 | 1,781,512 | 1,791,017 | 1,347,583 |
| 11 | 392.03 | AIRPLANES | 0 | 0 | 0 | 1,356,103 | 1,356,103 | 1,356,103 | 0 | 0 | 0 | 0 | 0 | 0 | 6,029,716 | 776,771 |
| 12 | 392.04 | TRAILERS, OTHER | 259,945 | 259,945 | 259,945 | 258,643 | 258,643 | 258,643 | 258,643 | 267,910 | 261,489 | 261,489 | 261,489 | 258,961 | 256,234 | 260,152 |
| 13 | 392.05 | TRUCKS OVER 1 TON | 1,068,423 | 1,068,423 | 1,068,423 | 1,068,423 | 999,050 | 992,124 | 972,180 | 1,075,066 | 1,015,229 | 1,015,229 | 1,139,803 | 1,139,803 | 1,139,803 | 84,063 |
| 14 | 393 | STORES EQUIPMENT | 69,060 | 69,060 | 69,060 | 69,060 | 63,792 | 63,792 | 63,792 | 63,792 | 60,283 | 60,283 | 60,283 | 60,283 | 60,283 | 1,058,814 |
| 15 | 394 | TOOLS, SHOP, GARAGE EQUIP | 3,127,594 | 3,127,594 | 3,127,594 | 3,100,054 | 3,024,629 | 3,024,401 | 3,024,401 | 3,060,035 | 3,060,035 | 3,056,653 | 3,066,538 | 3,079,628 | 3,111,516 | 3,076,205 |
| 16 | 394.01 | TOOLS, SHOP, GARAGE EQUIP | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 |
| 17 | 395 | LABORATORY EQUIPMENT | 129,741 | 129,741 | 129,741 | 129,741 | 129,660 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,634 |
| 18 | 396 | POWER OPERATED EQUIPMENT | 1,837,334 | 1,837,334 | 1,837,334 | 1,834,685 | 1,778,366 | 1,778,227 | 1,778,227 | 1,812,886 | 1,806,207 | 1,806,207 | 1,765,678 | 1,776,678 | 1,771,972 | 1,801,620 |
| 19 | 397 | COMMUNICATION EQUIPMENT | 3,594,292 | 3,594,292 | 3,594,292 | 3,459,990 | 3,259,942 | 3,259,919 | 3,259,919 | 3,265,867 | 3,263,951 | 3,263,951 | 3,263,951 | 3,263,951 | 3,263,951 | 3,354,482 |
| 20 | 398 | MISC EQUIPMENT | 308,342 | 308,342 | 308,342 | 308,342 | 308,142 | 308,142 | 308,142 | 308,142 | 308,142 | 308,142 | 308,142 | 308,142 | 312,995 | 308,577 |
| 21 | | TOTAL | \$ 57,197,755 | \$ 57,161,695 | \$ 56,885,864 | \$ 57,813,228 | \$ 56,964,474 | \$ 56,789,305 | \$ 54,721,139 | \$ 55,701,237 | \$ 55,549,057 | \$ 55,642,326 | \$ 56,584,610 | \$ 56,696,366 | \$ 59,176,082 | \$ 56,698,701 |

| | | | 13 MONTH AVERAGE | NONUTILITY % | 13 MONTH AVG NONUTILITY |
|----|--------|-------------------------------------|------------------|--------------|-------------------------|
| 22 | 374 | LAND & LAND RIGHTS | \$1,588,894 | 8.3% | \$132,605 |
| 23 | 375 | STRUCTURES & IMPROVEMENTS | 14,474,447 | 2.8% | 409,637 |
| 24 | 390 | STRUCTURES & IMPROVEMENTS | 964,767 | 5.7% | 54,958 |
| 25 | 390.02 | STRUCTURES & IMPROVEMENTS-Leasehold | 58,095 | 0.0% | 0 |
| 26 | 391 | OFFICE EQUIPMENT | 2,513,415 | 0.0% | 0 |
| 27 | 391.01 | COMPUTER EQUIPMENT | 16,250,859 | 2.5% | 401,621 |
| 28 | 391.02 | OFFICE MACHINES | 459,828 | 0.0% | 0 |
| 29 | 391.03 | OFFICE FURNITURE/EQUIPMENT | 388,916 | 0.0% | 0 |
| 30 | 392.01 | AUTO & TRUCK LESS THAN 1/2 TON | 7,652,793 | 0.0% | 0 |
| 31 | 392.02 | AUTO & TRUCK 3/4 - 1 TON | 1,347,583 | 0.0% | 0 |
| 32 | 392.03 | AIRPLANES | 776,771 | 0.0% | 0 |
| 33 | 392.04 | TRAILERS, OTHER | 260,152 | 0.0% | 0 |
| 34 | 392.05 | TRUCKS OVER 1 TON | 1,058,614 | 0.0% | 0 |
| 35 | 393 | STORES EQUIPMENT | 64,063 | 0.0% | 0 |
| 36 | 394 | TOOLS, SHOP, GARAGE EQUIPMENT | 3,076,205 | 0.0% | 0 |
| 37 | 394.01 | TOOLS, SHOP, GARAGE EQUIPMENT | 168,986 | 0.0% | 0 |
| 38 | 395 | LABORATORY EQUIPMENT | 129,634 | 0.0% | 0 |
| 39 | 396 | POWER OPERATED EQUIPMENT | 1,801,620 | 0.0% | 0 |
| 40 | 397 | COMMUNICATION EQUIPMENT | 3,354,482 | 0.0% | 0 |
| 41 | 398 | MISC EQUIPMENT | 308,577 | 0.0% | 0 |
| 42 | | TOTAL | \$56,698,701 | | \$998,821 |

METHOD OF ALLOCATION

BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY

DEPENDENT UPON THE APPLICATION, BASED ON A COMBINATION OF CUSTOMER COUNT, CHECKS PROCESSED, # OF BILLS & # OF USER IDS

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO: 020384 - GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/01
WITNESS: B NARZISSENFELD

13-MONTH AVERAGE

| LINE NO. | A/C NO. | DESCRIPTION & ADDRESS | PLANT | | | ACCUMULATED DEPRECIATION/AMORTIZATION | | | BASIS FOR ALLOCATION |
|----------|---------|---|-------------|-------------|-------------|---------------------------------------|-------------|-------|---|
| | | | UTILITY | NON-UTILITY | TOTAL | UTILITY | NON-UTILITY | TOTAL | |
| 1 | 374 | LAND-COX PLANT, 398 N W 7TH AVE., FT LAUDERDALE PARCEL # 2 | \$0 | \$9,891 | \$9,891 | | | | <p>BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY</p> <p>Acct 374</p> <p>LAND</p> |
| 2 | 374 | NMI-LAND-COCONUT CREEK REG STA, 100 W ATLANTIC BLVD, POMP, PAR# 4 | 12,413 | 0 | 12,413 | | | | |
| 3 | 374 | NMI-LAND-PLANTATION GATE STA, PETERS ROAD PARCEL # 5 | 22,954 | 0 | 22,954 | | | | |
| 4 | 374 | NMI-LAND-FULFORD PLANT, 15779 W DIXIE HWY, N MIAMI BCH, PARCEL # 1 | 38,351 | 0 | 38,351 | | | | |
| 5 | 374 | TPA-EASEMENT-NEBRASKA AVE FROM BIRD ST SOUTH 432 FT | 5,334 | 0 | 5,334 | | | | |
| 6 | 374 | TPA-LAND - GATE STATION @ LITHIA PINECREST RD | 8,000 | 0 | 8,000 | | | | |
| 7 | 374 | TPA-LAND RIGHTS-PURCHASE FOR NW GATE STATION | 8,909 | 0 | 8,909 | | | | |
| 8 | 374 | TPA-LAND-CSX RR PROPERTY W OF 13 ST @ FRANK ADAMO DR (SR 60) | 7,960 | 0 | 7,960 | | | | |
| 9 | 374 | TPA-LAND-ESTUARY PLANT, 1300 N. 13TH STREET, TAMPA- PARCEL #1 | 41,797 | 0 | 41,797 | | | | |
| 10 | 374 | TPA-LAND-ESTUARY PLANT, SOUTH OF RAILROAD, TAMPA- PARCEL #2 | 2,768 | 0 | 2,768 | | | | |
| 11 | 374 | TPA-LAND-PORT SUTTON GATE STATION, 78TH & MADISON- PARCEL #3 | 4,939 | 0 | 4,939 | | | | |
| 12 | 374 | STP-LAND-LOT N SIDE, 1800 9TH AVE N., ST PETE, PARCEL #2 | 0 | 41,445 | 41,445 | | | | |
| 13 | 374 | STP-LAND-MAIN GATE STATION, 77TH AVE & 18TH WAY, ST PETE, PAR #4 | 2,928 | 0 | 2,928 | | | | |
| 14 | 374 | STP-LAND-NORTH GATE STATION, 13800 82 ST N., ST PETE, PARCEL #3 | 16,535 | 0 | 16,535 | | | | |
| 15 | 374 | STP-LAND-PLANT SITE, 1800 9TH AVE N., ST PETE (SWAP WICITY 8405) | 6,530 | 1,573 | 6,504 | | | | |
| 16 | 374 | STP-LAND-REG STATION, 3 AVE S & 16 STREET S, PARCEL #7 | 500 | 0 | 500 | | | | |
| 17 | 374 | STP-LAND-REG STATION, S SIDE 30 AVE N, WEST OF 16 ST N., PAR #6 | 3,000 | 0 | 3,000 | | | | |
| 18 | 374 | STP-LAND-REG STATION, S SIDE 30 AVE S, WEST OF 30 ST S., PAR #5 | 3,800 | 0 | 3,800 | | | | |
| 19 | 374 | STP-MDBH1020, MADIERA BEACH-EASEMENT @ 127 AVE TREASURE ISLAND | 2,900 | 0 | 2,900 | | | | |
| 20 | 374 | ORL-LAND-DIST YARD, 601 W. ROBINSON STREET, PARCEL # 2 | 41,315 | 0 | 41,315 | | | | |
| 21 | 374 | ORL-LAND-FAIRVILLA SITE, US HWY 441, N OF SILVER STAR, PARCEL #3 | 1,997 | 0 | 1,997 | | | | |
| 22 | 374 | ORL-LAND-OAKLAND HILLS, FIESTA LANE & DURANGO WAY, PARCEL # 4 | 1,008 | 0 | 1,008 | | | | |
| 23 | 374 | ORL-LAND-PLANT SITE, 600 W. ROBINSON STREET, PARCEL # 1 | 49,693 | 0 | 49,693 | | | | |
| 24 | 374 | TRI-LAND-DIVISION OFFICE SITE, 1724 KURT ST, EUSTIS, PARCEL # 2 | 9,000 | 0 | 9,000 | | | | |
| 25 | 374 | TRI-LAND-EUSTIS INDUSTRIAL PARK, MTR STA SITE, PARCEL # 1 | 500 | 0 | 500 | | | | |
| 26 | 374 | TRI-LAND-MT. OORA GATE STATION, WOLF BRANCH RD., PARCEL # 3 | 8,518 | 0 | 8,518 | | | | |
| 27 | 374 | JAX-LAND - CAPPER ROAD GATE STATION, PARCEL # 16 | 22,989 | 0 | 22,989 | | | | |
| 28 | 374 | JAX-LAND - JERICHO ROAD GATE STATION, PARCEL # 15 | 13,282 | 0 | 13,282 | | | | |
| 29 | 374 | JAX-LAND-CEDER HILLS GATE STATION SITE, PARCEL # 3 | 1,582 | 0 | 1,582 | | | | |
| 30 | 374 | JAX-LAND-CHURCH STREET PLANT SITE, PARCEL # 1 | 39,371 | 0 | 39,371 | | | | |
| 31 | 374 | JAX-LAND-KING STREET BET FORBES & POST ST, REG STA, PARCEL #8 | 200 | 0 | 200 | | | | |
| 32 | 374 | JAX-LAND-MAGNOLIA & MCCOY STREETS, REG STA, PARCEL #11 | 988 | 0 | 988 | | | | |
| 33 | 374 | JAX-LAND-OAK STREET & EDISON AVE REG STA, PARCEL # 4 | 300 | 0 | 300 | | | | |
| 34 | 374 | JAX-LAND-PART OF LOT 3 BL 138, NEWMAN BET STATE & ORANGE HAT, PAR#6 | 400 | 0 | 400 | | | | |
| 35 | 374 | JAX-LAND-PART OF LOT 5 BL 12, 11 ST WARRENS REPLAT, PARCEL #7 | 539 | 0 | 539 | | | | |
| 36 | 374 | JAX-LAND-PEARL PLAZA SILVER & 24TH STREET, REG STA, PARCEL #9 | 1,000 | 0 | 1,000 | | | | |
| 37 | 374 | JAX-LAND-PHILLIPS HWY PLANT PROPERTY, PARCEL #14 | 314,816 | 0 | 314,816 | | | | |
| 38 | 374 | JAX-LAND-SOUTHSIDE REG STA, PIONESSA PROPERTY, PARCEL #13 | 12,947 | 0 | 12,947 | | | | |
| 39 | 374 | JAX-LAND-W 12 FT OF N 12 FT LOT 1 BL 32 DOTEN SO, REG STA, PAR#5 | 538 | 0 | 538 | | | | |
| 40 | 374 | SMI-PLANT SITE - NW 1ST AVE & NW 17TH ST, PARCEL # 1 | 39,181 | 0 | 39,181 | | | | |
| 41 | 374 | LAK-LAND - PEACHTREE PLANT SITE (PARCEL # 1) | 1,245 | 68 | 1,313 | | | | |
| 42 | 374 | DAY-LAND-1727 RIDGEWOOD AVE, HOLY HILL FL 32117 | 155,747 | 0 | 155,747 | | | | |
| 43 | 374 | DAY-LAND-GATE STATION SITE, PARCEL # 3 | 4,393 | 0 | 4,393 | | | | |
| 44 | 374 | DAY-LAND-REGULATOR STA SITE, PARCEL # 1 (INDUSTRIAL PARK) | 477 | 0 | 477 | | | | |
| 45 | 374 | SAR-LAND - GATE STATION, 12th & CENTRAL, SARASOTA | 50,000 | 0 | 50,000 | | | | |
| 46 | 374 | PBG-LAND - PBG OPERATIONS FACILITY 1363 JUPITER PARK DR | 230,941 | 0 | 230,941 | | | | |
| 47 | 374 | PC-LAND-301 MAPLE AVE | 84,869 | 6,681 | 91,750 | | | | |
| 48 | 374 | PC-LAND-GULF ASPHALT GATE STATION | 23,645 | 0 | 23,645 | | | | |
| 49 | 374 | PC-LAND-MAPLE AVE GATE STATION | 3,080 | 0 | 3,080 | | | | |
| 50 | 374 | SUB TOTALS CONTINUED ON B-5 p. 3 | \$1,304,372 | \$59,859 | \$1,364,231 | \$0 | \$0 | \$0 | |

SUPPORTING SCHEDULES.

RECAP SCHEDULES- B-5 p 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY. PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/01
WITNESS: B. NARZISSENFELD

13-MONTH AVERAGE

| LINE NO. | A/C NO. | DESCRIPTION & ADDRESS | PLANT | | | ACCUMULATED DEPRECIATION/AMORTIZATION | | | BASIS FOR ALLOCATION |
|----------|---------|---|--------------|-------------|--------------|---------------------------------------|-------------|-------------|----------------------|
| | | | UTILITY | NON-UTILITY | TOTAL | UTILITY | NON-UTILITY | TOTAL | |
| 1 | 374 | SUB TOTALS FROM B-5 p. 2 | \$1,304,372 | \$59,859 | \$1,364,231 | | | | |
| 2 | 374 | PC -Land @ corner of 3rd Ave & Maple (next to Panama City Office) | 0 | 72,746 | 72,746 | | | | |
| 3 | 374 | OCA-APPRAISAL - 8TH AVE & 16TH STREET | 800 | 0 | 800 | | | | |
| 4 | 374 | OCA-ENVIRONMENTAL AUDIT - LAND | 2,980 | 0 | 2,980 | | | | |
| 5 | 374 | OCA-LAND - 316 SW 33RD AVE | 66,200 | 0 | 66,200 | | | | |
| 6 | 374 | OCA-LAND - LEVEY COUNTY GATE STATION | 41,114 | 0 | 41,114 | | | | |
| 7 | 374 | OCA-LAND - LEVEY COUNTY GATE STATION | 1,000 | 0 | 1,000 | | | | |
| 8 | 374 | OCA-LAND - SILVER SPRINGS GATE STATION | 28,038 | 0 | 28,038 | | | | |
| 9 | 374 | OCA-LAND RIGHTS - RIGHT OF WAY / BASELINE RD | 1,200 | 0 | 1,200 | | | | |
| 10 | 374 | OCA-LEGAL FEES - RICHARD, BLINN & HALDEN | 10,336 | 0 | 10,336 | | | | |
| 11 | 374 | OCA-SURVEY - GATE STATION PROPERTY | 250 | 0 | 250 | | | | |
| 12 | 374 | TOTAL | \$1,456,290 | \$132,605 | \$1,588,894 | \$0 | \$0 | \$0 | |
| 13 | 375 | NMI-FULFORD WEST & PREVIOUS OFFICE | 3,370,120 | 0 | 3,370,120 | 527,414 | 0 | 527,414 | |
| 14 | 375 | NMI-OFFICE BLDG - FULFORD | 258,312 | 0 | 258,312 | 51,192 | 0 | 51,192 | |
| 15 | 375 | NMI-ENGINE BLDG | 63,740 | 0 | 63,740 | 27,800 | 0 | 27,800 | |
| 16 | 375 | NMI-METER SHOP | 51,293 | 0 | 51,293 | 12,356 | 0 | 12,356 | |
| 17 | 375 | NMI-WAREHOUSE - FULFORD | 249,677 | 0 | 249,677 | 102,572 | 0 | 102,572 | |
| 18 | 375 | TPA-OFFICE BLDG - CHANNELSIDE/13 ST | 1,997,062 | 0 | 1,997,062 | 384,209 | 0 | 384,209 | |
| 19 | 375 | TPA-FIRE TRAINING FACILITY | 14,261 | 0 | 14,261 | 5,608 | 0 | 5,608 | |
| 20 | 375 | TPA-GAS CONTROL BLDG | 16,875 | 0 | 16,875 | 9,371 | 0 | 9,371 | |
| 21 | 375 | TPA-MAINTENANCE BLDG | 13,068 | 0 | 13,068 | 4,889 | 0 | 4,889 | |
| 22 | 375 | TPA-STORAGE BLDG | 5,370 | 0 | 5,370 | 4,965 | 0 | 4,965 | |
| 23 | 375 | TPA-TRANSPORTATION BLDG | 56,180 | 0 | 56,180 | 19,845 | 0 | 19,845 | |
| 24 | 375 | TPA-WAREHOUSE BLDG | 140,679 | 0 | 140,679 | 33,454 | 0 | 33,454 | |
| 25 | 375 | TPA-WELDING SHOP | 20,312 | 0 | 20,312 | 6,167 | 0 | 6,167 | |
| 26 | 375 | STP-OFFICE BLDG - 9TH AVE | 1,649,937 | 374,526 | 2,024,463 | 364,072 | 82,642 | 446,714 | |
| 27 | 375 | STP-ANNEX BLDG | 28,672 | 0 | 28,672 | 4,582 | 0 | 4,582 | |
| 28 | 375 | STP-STORAGE BLDG | 36,716 | 0 | 36,716 | 9,896 | 0 | 9,896 | |
| 29 | 375 | STP-WAREHOUSE BLDG | 126,273 | 0 | 126,273 | 32,816 | 0 | 32,816 | |
| 30 | 375 | ORL-OFFICE BLDG - 600 ROBINSON | 1,067,522 | 0 | 1,067,522 | 233,334 | 0 | 233,334 | |
| 31 | 375 | ORL-WAREHOUSE | 145,287 | 0 | 145,287 | 47,110 | 0 | 47,110 | |
| 32 | 375 | TRI-OFFICE BLDG- KURT | 474,167 | 0 | 474,167 | 103,409 | 0 | 103,409 | |
| 33 | 375 | TRI-WAREHOUSE | 44,753 | 0 | 44,753 | 3,069 | 0 | 3,069 | |
| 34 | 375 | TRI-WELDING SHOP | 4,526 | 0 | 4,526 | 683 | 0 | 683 | |
| 35 | 375 | JAX-OFFICE BLDG - PHILIPS HWY | 2,054,384 | 0 | 2,054,384 | 477,479 | 0 | 477,479 | |
| 36 | 375 | JAX-DISTRIBUTION AREA - 1745 CHURCH ST | 39,022 | 0 | 39,022 | 22,249 | 0 | 22,249 | |
| 37 | 375 | JAX-EQUIP BLDG | 24,536 | 0 | 24,536 | 6,207 | 0 | 6,207 | |
| 38 | 375 | JAX-MAINTENANCE BLDG | 146,666 | 0 | 146,666 | 377 | 0 | 377 | |
| 39 | 375 | JAX-WAREHOUSE | 201,806 | 0 | 201,806 | 51,857 | 0 | 51,857 | |
| 40 | 375 | SMI-OFFICE BLDG - 17TH ST | 487,460 | 0 | 487,460 | 157,596 | 0 | 157,596 | |
| 41 | 375 | SMI-TOOL SHED | 1,377 | 0 | 1,377 | 96 | 0 | 96 | |
| 42 | 375 | SMI-TRAINING FACILITY | 4,301 | 0 | 4,301 | 566 | 0 | 566 | |
| 43 | 375 | SMI-WAREHOUSE | 32,758 | 0 | 32,758 | 18,855 | 0 | 18,855 | |
| 44 | 375 | LAK-OFFICE BLDG - KATHLEEN RD | 523,620 | 28,722 | 552,342 | 111,023 | 6,090 | 117,113 | |
| 45 | 375 | LAK-WAREHOUSE | 86,208 | 0 | 86,208 | 18,448 | 0 | 18,448 | |
| 46 | 375 | DAY-OFFICE BLDG - RIDGEWOOD AVE | 443,286 | 0 | 443,286 | 29,679 | 0 | 29,679 | |
| 47 | 375 | DAY-UTILITY SHED | 4,220 | 0 | 4,220 | 348 | 0 | 348 | |
| 48 | 375 | SUB TOTALS CONTINUED ON B-5 p. 4 | \$13,884,646 | \$403,248 | \$14,287,894 | \$2,881,593 | \$88,732 | \$2,970,325 | |

BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY

BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY

Account 375

STRUCTURES

SCHEDULE B-5

DETAIL OF COMMON PLANT

PAGE 4 OF 4

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384 - GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/01
WITNESS: B. HÄRZISSENFELD

13-MONTH AVERAGE

| LINE NO. | A/C NO. | DESCRIPTION & ADDRESS | PLANT | | | ACCUMULATED DEPRECIATION/AMORTIZATION | | | BASIS FOR ALLOCATION |
|----------|---------|---------------------------------|--------------|-------------|--------------|---------------------------------------|-------------|-------------|--|
| | | | UTILITY | NON-UTILITY | TOTAL | UTILITY | NON-UTILITY | TOTAL | |
| 1 | 375 | SUB TOTALS FROM B-5 p. 3 | \$13,884,648 | \$403,248 | \$14,287,896 | \$2,881,593 | \$88,732 | \$2,970,325 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 2 | 375 | HIG-FENCE FOR REGULATOR STATION | 1,174 | 0 | \$1,174 | 555 | 0 | 555 | |
| 3 | 375 | SAR-OFFICE BLDG | 11,352 | 0 | \$11,352 | 1,342 | 0 | 1,342 | |
| 4 | 375 | SAR-STORAGE SHED | 10,877 | 0 | \$10,877 | 1,897 | 0 | 1,897 | |
| 5 | 375 | SAR-WAREHOUSE | 4,938 | 0 | \$4,938 | 485 | 0 | 485 | |
| 6 | 375 | PC-OFFICE BLDG - MAPLE AVE | 78,805 | 6,390 | \$85,195 | 8,603 | 535 | 7,138 | |
| 7 | 375 | PC-SHED | 2,193 | 0 | \$2,193 | 340 | 0 | 340 | |
| 8 | 375 | OCA-OFFICE BLDG - 33RD AVE | 54,104 | 0 | \$54,104 | 7,859 | 0 | 7,859 | |
| 9 | 375 | COR-MISC | 16,724 | 0 | \$16,724 | 1,428 | 0 | 1,428 | |
| 10 | 375 | TOTAL | \$14,084,810 | \$409,837 | \$14,474,447 | \$2,902,078 | \$89,267 | \$2,991,345 | |
| 11 | 390 | PC-DIVISION OFFICE | 877,818 | 54,958 | 732,776 | 109,368 | 8,868 | 118,236 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 12 | 390 | OCA-STORAGE BUILDINGS | 5,511 | 0 | 5,511 | 760 | 0 | 760 | |
| 13 | 390 | OCA-DIVISION OFFICE | 228,480 | 0 | 228,480 | 40,258 | 0 | 40,258 | |
| 14 | 390 | TOTAL | \$909,809 | \$54,958 | \$964,767 | \$150,385 | \$8,868 | \$159,253 | |
| 15 | 390.02 | HIG-DIVISION OFFICE | 30,901 | 0 | 30,901 | 30,901 | 0 | 30,901 | |
| 16 | 390.02 | PBG-DIVISION OFFICE | 27,193 | 0 | 27,193 | 27,193 | 0 | 27,193 | |
| 17 | 390.02 | TOTAL | \$58,095 | \$0 | \$58,095 | \$58,095 | \$0 | \$58,095 | |

SUPPORTING SCHEDULES:

RECAP SCHEDULES: B-5 p. 1

EXHIBIT 2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING THE REGULATED AND NON-REGULATED ITEMS OF COMMON PLANT WITH THE 13 MONTH AVERAGE OF THE HISTORIC BASE YEAR + 1 SEGREGATED BY THE AMOUNTS ACCORDING TO REGULATED AND NON-REGULATED ITEMS. THE METHOD OF ALLOCATING BETWEEN REGULATED AND NON-REGULATED PORTIONS SHALL BE DESCRIBED.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR + 1 12/31/02
WITNESS: J. P. HIGGINS

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

| LINE NO | AVC NO | DESCRIPTION | Dec-01 | Jan-02 | Feb-02 | Mar-02 | Apr-02 | May-02 | Jun-02 | Jul-02 | Aug-02 | Sep-02 | Oct-02 | Nov-02 | Dec-02 | 13 MONTH AVERAGE |
|---------|--------|---------------------------------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|------------------|
| 1 | 374 | LAND AND LAND RIGHTS | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 |
| 2 | 375 | STRUCTURES AND IMPROVEMENTS | 14,908,758 | 15,040,283 | 15,171,808 | 15,303,333 | 15,434,858 | 15,566,383 | 15,697,908 | 15,829,433 | 15,960,958 | 16,092,483 | 16,224,008 | 16,355,533 | 16,487,058 | 15,697,908 |
| 3 | 390 | STRUCTURES AND IMPROVEMENTS | 964,282 | 960,849 | 957,338 | 953,823 | 950,309 | 946,796 | 943,283 | 939,770 | 936,257 | 932,743 | 929,230 | 925,717 | 922,204 | 943,283 |
| 4 | 390.02 | STRUCTURES & IMPROVEMENTS - Leasehold | 28,218 | 28,218 | 28,218 | 28,218 | 28,218 | 28,218 | 28,218 | 28,218 | 28,218 | 28,218 | 28,218 | 28,218 | 28,218 | 28,218 |
| 5 | 391 | OFFICE FURNITURE | 2,500,930 | 2,551,411 | 2,592,881 | 2,634,350 | 2,676,120 | 2,717,689 | 2,759,258 | 2,800,828 | 2,842,397 | 2,883,966 | 2,925,536 | 2,967,105 | 3,008,675 | 2,758,573 |
| 6 | 391.01 | COMPUTER EQUIPMENT | 18,475,988 | 18,595,648 | 18,715,812 | 18,845,975 | 18,976,138 | 19,106,301 | 19,236,463 | 19,366,626 | 19,496,789 | 19,626,952 | 19,757,115 | 19,887,278 | 20,017,441 | 19,208,194 |
| 7 | 391.02 | OFFICE EQUIPMENT/MACHINES | 471,686 | 471,075 | 470,465 | 469,855 | 469,244 | 468,634 | 468,024 | 467,413 | 466,803 | 466,193 | 465,582 | 464,972 | 464,362 | 468,024 |
| 8 | 391.03 | OFFICE FURNITURE/EQUIP | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 |
| 9 | 392.01 | AUTO & TRUCK LESS THAN 1/2 TON | 7,831,215 | 8,564,703 | 9,273,190 | 9,981,878 | 10,690,466 | 11,399,054 | 12,107,642 | 12,816,230 | 13,524,818 | 14,233,406 | 14,941,994 | 15,650,582 | 16,359,170 | 13,788,669 |
| 10 | 392.02 | AUTO & TRUCK 3/4 TO 1 TON | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 |
| 11 | 392.03 | AIRPLANES | 8,029,718 | 8,029,718 | 8,029,718 | 8,029,718 | 8,029,718 | 8,029,718 | 8,029,718 | 8,029,718 | 8,029,718 | 8,029,718 | 8,029,718 | 8,029,718 | 8,029,718 | 8,029,718 |
| 12 | 392.04 | TRAILERS, OTHER | 267,891 | 261,899 | 261,108 | 260,318 | 259,524 | 258,732 | 257,940 | 257,149 | 256,357 | 255,565 | 254,773 | 253,981 | 253,190 | 257,940 |
| 13 | 392.05 | TRUCKS OVER 1 TON | 1,139,803 | 1,131,487 | 1,123,191 | 1,114,886 | 1,106,580 | 1,098,274 | 1,089,969 | 1,081,663 | 1,073,357 | 1,065,052 | 1,056,746 | 1,048,440 | 1,040,135 | 1,089,969 |
| 14 | 393 | STORES EQUIPMENT | 63,229 | 62,893 | 62,158 | 61,822 | 61,087 | 60,352 | 59,618 | 58,883 | 58,148 | 57,413 | 56,678 | 55,943 | 55,208 | 60,018 |
| 15 | 394 | TOOLS SHOP & GARAGE EQUIPMENT | 3,208,789 | 3,245,611 | 3,282,433 | 3,319,255 | 3,356,077 | 3,392,899 | 3,429,721 | 3,466,543 | 3,503,365 | 3,540,187 | 3,577,009 | 3,613,831 | 3,650,653 | 3,418,452 |
| 16 | 394.01 | TOOLS SHOP & GARAGE EQUIPMENT - CNG | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 |
| 17 | 395 | LABORATORY EQUIPMENT | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 |
| 18 | 396 | POWER OPERATED EQUIPMENT | 1,864,409 | 1,886,780 | 1,909,111 | 1,931,482 | 1,953,812 | 1,976,183 | 1,998,514 | 2,020,885 | 2,043,216 | 2,065,587 | 2,087,918 | 2,110,289 | 2,132,619 | 1,998,514 |
| 19 | 397 | COMMUNICATION EQUIPMENT | 3,478,713 | 3,478,447 | 3,478,180 | 3,477,913 | 3,477,646 | 3,477,379 | 3,477,112 | 3,476,845 | 3,476,578 | 3,476,311 | 3,476,044 | 3,475,777 | 3,475,510 | 3,509,701 |
| 20 | 398 | MISC. EQUIPMENT | 312,985 | 312,973 | 312,961 | 312,949 | 312,937 | 312,924 | 312,912 | 312,900 | 312,888 | 312,876 | 312,863 | 312,851 | 312,839 | 312,912 |
| 21 | | TOTAL | \$58,354,372 | \$67,436,666 | \$76,485,546 | \$85,560,928 | \$94,646,308 | \$103,731,688 | \$112,817,068 | \$121,902,448 | \$130,987,828 | \$140,073,208 | \$149,158,588 | \$158,243,968 | \$167,329,348 | \$108,975,970 |

| | | | 13 MONTH AVERAGE | NONUTILITY % | 13 MONTH AVG NONUTILITY | METHOD OF ALLOCATION |
|----|--------|---------------------------------------|---------------------|-----------------|----------------------------|---|
| 22 | 374 | LAND AND LAND RIGHTS | 52,252,873 | 0.2% | 3207,583 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON UTILIZED PROPERTY |
| 23 | 375 | STRUCTURES AND IMPROVEMENTS | 15,697,908 | 2.7% | 417,092 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 24 | 390 | STRUCTURES AND IMPROVEMENTS | 943,283 | 5.7% | 54,097 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 25 | 390.02 | STRUCTURES & IMPROVEMENTS - Leasehold | 28,218 | 0.0% | 0 | |
| 26 | 391 | OFFICE FURNITURE | 2,758,573 | 0.0% | 0 | |
| 27 | 391.01 | COMPUTER EQUIPMENT | 19,208,194 | 2.6% | 502,048 | DEPENDENT UPON THE APPLICATION, BASED ON A COMBINATION OF CUSTOMER COUNT, CHECKS PROCESSED, # OF BILLS & # OF USER ID'S |
| 28 | 391.02 | OFFICE EQUIPMENT/MACHINES | 468,024 | 0.0% | 0 | |
| 29 | 391.03 | OFFICE FURNITURE/EQUIP | 347,725 | 0.0% | 0 | |
| 30 | 392.01 | AUTO & TRUCK LESS THAN 1/2 TON | 9,378,669 | 0.0% | 0 | |
| 31 | 392.02 | AUTO & TRUCK 3/4 TO 1 TON | 1,915,721 | 0.0% | 0 | |
| 32 | 392.03 | AIRPLANES | 8,029,718 | 0.0% | 0 | |
| 33 | 392.04 | TRAILERS, OTHER | 257,940 | 0.0% | 0 | |
| 34 | 392.05 | TRUCKS OVER 1 TON | 1,089,969 | 0.0% | 0 | |
| 35 | 393 | STORES EQUIPMENT | 60,018 | 0.0% | 0 | |
| 36 | 394 | TOOLS SHOP & GARAGE EQUIPMENT | 3,418,452 | 0.0% | 0 | |
| 37 | 394.01 | TOOLS SHOP & GARAGE EQUIPMENT - CNG | 168,988 | 0.0% | 0 | |
| 38 | 395 | LABORATORY EQUIPMENT | 129,578 | 0.0% | 0 | |
| 39 | 396 | POWER OPERATED EQUIPMENT | 1,996,514 | 0.0% | 0 | |
| 40 | 397 | COMMUNICATION EQUIPMENT | 3,509,701 | 0.0% | 0 | |
| 41 | 398 | MISC. EQUIPMENT | 312,912 | 0.0% | 0 | |
| 42 | | TOTAL | \$69,975,970 | | \$1,180,788 | |

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO. 020384-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT FOR THE HISTORIC BASE YEAR + 1. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS.

TYPE OF DATA SHOWN

HISTORIC BASE YR + 1: 12/31/02

WITNESS: J. P. HIGGINS

| | | 13 MONTH AVERAGE | | | METHOD OF ALLOCATION | | | | |
|---------|--------|--|-------------|-------------|----------------------|---------------------------------------|-------------|-------|--|
| LINE NO | A/C NO | DESCRIPTION & ADDRESS | PLANT | | | ACCUMULATED DEPRECIATION/AMORTIZATION | | | |
| | | | UTILITY | NON-UTILITY | TOTAL | UTILITY | NON-UTILITY | TOTAL | |
| 1 | 374 | SOUTH FLORIDA REGIONAL OFFICE | \$589,000 | \$0 | \$589,000 | \$0 | \$0 | \$0 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 2 | 374 | NMI-LAND-COCONUT CREEK REG STA, 100 W ATLANTIC BLVD,POMP,PAR# | 12,413 | 0 | 12,413 | | | | |
| 3 | 374 | NMI-LAND-PLANTATION GATE STA, PETERS ROAD PARCEL # 5 | 22,954 | 0 | 22,954 | | | | |
| 4 | 374 | NMI-LAND-FULFORD PLANT, 15779 W DIXIE HWY,N MIAMI BCH,PARCEL # 1 | 38,351 | 0 | 38,351 | | | | |
| 5 | 374 | TPA-EASEMENT-NEBRASKA AVE FROM BIRD ST SOUTH 432 FT | 5,334 | 0 | 5,334 | | | | |
| 6 | 374 | TPA-LAND - GATE STATION @ LUTHIA PINECREST RD | 8,000 | 0 | 8,000 | | | | |
| 7 | 374 | TPA-LAND RIGHTS-PURCHASE FOR NW GATE STATION | 8,909 | 0 | 8,909 | | | | |
| 8 | 374 | TPA-LAND-CSX RR PROPERTY W OF 13 ST @ FRANK ADAMO DR (SR 60) | 7,960 | 0 | 7,960 | | | | |
| 9 | 374 | TPA-LAND-ESTUARY PLANT, 1300 N. 13TH STREET, TAMPA- PARCEL #1 | 41,797 | 0 | 41,797 | | | | |
| 10 | 374 | TPA-LAND-ESTUARY PLANT, SOUTH OF RAILROAD, TAMPA- PARCEL #2 | 2,766 | 0 | 2,766 | | | | |
| 11 | 374 | TPA-LAND-PORT SUTTON GATE STATION,78TH & MADISON- PARCEL #3 | 4,939 | 0 | 4,939 | | | | |
| 12 | 374 | STP-LAND-LOT N SIDE, 1800 9TH AVE N , ST PETE, PARCEL #2 | 0 | 41,445 | 41,445 | | | | |
| 13 | 374 | STP-LAND-MAIN GATE STATION, 77TH AVE & 18TH WAY, ST PETE, PAR #4 | 2,928 | 0 | 2,928 | | | | |
| 14 | 374 | STP-LAND-NORTH GATE STATION,13800 82 ST N , ST PETE, PARCEL #3 | 16,535 | 0 | 16,535 | | | | |
| 15 | 374 | STP-LAND-PLANT SITE, 1800 9TH AVE N , ST PETE (SWAP W/CITY 8405) | 6,931 | 1,573 | 8,504 | | | | |
| 16 | 374 | STP-LAND-REG STATION, 3 AVE S & 18 STREET S, PARCEL #7 | 500 | 0 | 500 | | | | |
| 17 | 374 | STP-LAND-REG STATION, S SIDE 30 AVE N,WEST OF 16 ST N., PAR #6 | 3,000 | 0 | 3,000 | | | | |
| 18 | 374 | STP-LAND-REG STATION, S SIDE 30 AVE S,WEST OF 30 ST S., PAR #5 | 3,800 | 0 | 3,800 | | | | |
| 19 | 374 | STP-MDBH1020, MADIERA BEACH-EASEMENT @ 127 AVE TREASURE ISLAN | 2,900 | 0 | 2,900 | | | | |
| 20 | 374 | ORL-LAND-DIST YARD, 601 W. ROBINSON STREET, PARCEL # 2 | 41,315 | 0 | 41,315 | | | | |
| 21 | 374 | ORL-LAND-FAIRVILLA SITE, US HWY 441,N OF SILVER STAR, PARCEL #3 | 1,997 | 0 | 1,997 | | | | |
| 22 | 374 | ORL-LAND-OAKLAND HILLS, FIESTA LANE & DURANGO WAY, PARCEL # 4 | 1,008 | 0 | 1,008 | | | | |
| 23 | 374 | ORL-LAND-PLANT SITE, 600 W. ROBINSON STREET, PARCEL # 1 | 49,693 | 0 | 49,693 | | | | |
| 24 | 374 | TRI-LAND-DIVISION OFFICE SITE,1724 KURT ST,EUSTIS, PARCEL # 2 | 9,000 | 0 | 9,000 | | | | |
| 25 | 374 | TRI-LAND-EUSTIS INDUSTRIAL PARK,MTR STA SITE, PARCEL # 1 | 500 | 0 | 500 | | | | |
| 26 | 374 | TRI-LAND-MT. DORA GATE STATION,WOLF BRANCH RD.,PARCEL # 3 | 8,516 | 0 | 8,516 | | | | |
| 27 | 374 | JAX-LAND - CAPPER ROAD GATE STATION, PARCEL # 16 | 22,989 | 0 | 22,989 | | | | |
| 28 | 374 | JAX-LAND - JERICHO ROAD GATE STATION, PARCEL # 15 | 13,282 | 0 | 13,282 | | | | |
| 29 | 374 | JAX-LAND-CEDER HILLS GATE STATION SITE, PARCEL # 3 | 1,582 | 0 | 1,582 | | | | |
| 30 | 374 | JAX-LAND-CHURCH STREET PLANT SITE, PARCEL # 1 | 39,371 | 0 | 39,371 | | | | |
| 31 | 374 | JAX-LAND-KING STREET BET FORBES & POST ST,REG STA, PARCEL #8 | 200 | 0 | 200 | | | | |
| 32 | 374 | JAX-LAND-MAGNOLIA & MCCOY STREETS,REG STA, PARCEL #11 | 986 | 0 | 986 | | | | |
| 33 | 374 | JAX-LAND-OAK STREET & EDISON AVE REG STA, PARCEL # 4 | 300 | 0 | 300 | | | | |
| 34 | 374 | JAX-LAND-PART OF LOT 3 BL 138,NEWMAN BET STATE&ORANGE HAT,PAR# | 400 | 0 | 400 | | | | |
| 35 | 374 | JAX-LAND-PART OF LOT 5 BL 12 ,11 ST WARRENS REPLAT,PARCEL #7 | 539 | 0 | 539 | | | | |
| 36 | 374 | JAX-LAND-PEARL PLAZA SILVER & 24TH STREET,REG STA, PARCEL #9 | 1,000 | 0 | 1,000 | | | | |
| 37 | 374 | JAX-LAND-PHILLIPS HWY PLANT PROPERTY, PARCEL #14 | 314,616 | 0 | 314,616 | | | | |
| 38 | 374 | JAX-LAND-SOUTHSIDE REG STA,PIONESSA PROPERTY, PARCEL #13 | 12,947 | 0 | 12,947 | | | | |
| 374 | | SUB TOTALS CONTINUED ON G-1 p. 18b | \$1,299,257 | \$43,016 | \$1,342,275 | \$0 | \$0 | \$0 | |

SUPPORTING SCHEDULES: G-8 p. 1

RECAP SCHEDULES: G-1 p. 15

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO: 020384-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT FOR THE HISTORIC BASE YEAR + 1. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS.

TYPE OF DATA SHOWN:

HISTORIC BASE YR + 1: 12/31/02

WITNESS J. P. HIGGINS

13-MONTH AVERAGE

| LINE NO. | A/C NO. | DESCRIPTION & ADDRESS | PLANT | | | ACCUMULATED DEPRECIATION/AMORTIZATION | | | METHOD OF ALLOCATION |
|----------|---------|---|-------------|-------------|-------------|---------------------------------------|-------------|-----------|--|
| | | | UTILITY | NON-UTILITY | TOTAL | UTILITY | NON-UTILITY | TOTAL | |
| 1 | 374 | SUB TOTALS FROM G1 p. 16a | \$1,299,257 | \$43,018 | \$1,342,275 | \$0 | \$0 | \$0 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 2 | 374 | JAX-LAND-W 12 FT OF N 12 FT LOT 1 BL 32 DOTEN S/D REG STA, PAR#5 | 538 | 0 | 538 | | | | |
| 3 | 374 | SMI-PLANT SITE - NW 1ST AVE & NW 17TH ST, PARCEL # 1 | 39,181 | 0 | 39,181 | | | | |
| 4 | 374 | LAK-LAND - PEACHTREE PLANT SITE (PARCEL # 1) | 1,245 | 88 | 1,313 | | | | |
| 5 | 374 | DAY-LAND-1722 RIDGEWOOD AVE, HOLY HILL FL 32117 | 155,747 | 0 | 155,747 | | | | |
| 6 | 374 | DAY-LAND-GATE STATION SITE, PARCEL # 3 | 4,393 | 0 | 4,393 | | | | |
| 7 | 374 | DAY-LAND-REGULATOR STA SITE, PARCEL # 1 (INDUSTRIAL PARK) | 477 | 0 | 477 | | | | |
| 8 | 374 | SAR-LAND - GATE STATION, 12th & CENTRAL, SARASOTA | 50,000 | 0 | 50,000 | | | | |
| 9 | 374 | PBG-LAND - PBG OPERATIONS FACILITY 1363 JUPITER PARK DR | 230,841 | 0 | 230,841 | | | | |
| 10 | 374 | PC -LAND-301 MAPLE AVE | 84,888 | 8,881 | 91,750 | | | | |
| 11 | 374 | PC -LAND-GULF ASPHALT GATE STATION | 23,645 | 0 | 23,645 | | | | |
| 12 | 374 | PC -LAND-MAPLE AVE GATE STATION | 3,080 | 0 | 3,080 | | | | |
| 13 | 374 | PC -Land @ corner of 3rd Ave & Maple (next to Panama City Office) | 0 | 157,818 | 157,818 | | | | |
| 14 | 374 | OCA-APPRAISAL - 8TH AVE & 16TH STREET | 800 | 0 | 800 | | | | |
| 15 | 374 | OCA-ENVIRONMENTAL AUDIT - LAND | 2,980 | 0 | 2,980 | | | | |
| 16 | 374 | OCA-LAND - 316 SW 33RD AVE | 68,200 | 0 | 68,200 | | | | |
| 17 | 374 | OCA-LAND - LEVEE COUNTY GATE STATION | 41,114 | 0 | 41,114 | | | | |
| 18 | 374 | OCA-LAND - LEVEE COUNTY GATE STATION | 1,000 | 0 | 1,000 | | | | |
| 19 | 374 | OCA-LAND - SILVER SPRINGS GATE STATION | 28,038 | 0 | 28,038 | | | | |
| 20 | 374 | OCA-LAND RIGHTS - RIGHT OF WAY / BASELINE RD | 1,200 | 0 | 1,200 | | | | |
| 21 | 374 | OCA-LEGAL FEES - RICHARD, BLINN & HALDEN | 10,338 | 0 | 10,338 | | | | |
| 22 | 374 | OCA-SURVEY - GATE STATION PROPERTY | 250 | 0 | 250 | | | | |
| 23 | 374 | TOTAL | \$2,045,291 | \$207,583 | \$2,252,873 | \$0 | \$0 | \$0 | |
| 24 | 375 | SOUTH FLORIDA REGIONAL OFFICE | \$1,069,145 | \$0 | \$1,069,145 | \$26,878 | \$0 | \$26,878 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 25 | 375 | NMI-OFFICE BLDG - FULFORD | 258,312 | 0 | 258,312 | 54,159 | 0 | 54,159 | |
| 26 | 375 | NMI-ENGINE BLDG | 83,740 | 0 | 83,740 | 27,487 | 0 | 27,487 | |
| 27 | 375 | NMI-METER SHOP | 51,293 | 0 | 51,293 | 12,794 | 0 | 12,794 | |
| 28 | 375 | NMI-WAREHOUSE - FULFORD | 249,877 | 0 | 249,877 | 101,782 | 0 | 101,782 | |
| 29 | 375 | TPA-OFFICE BLDG - CHANNELSIDE/13 ST | 2,333,394 | 0 | 2,333,394 | 418,401 | 0 | 418,401 | |
| 30 | 375 | TPA-FIRE TRAINING FACILITY | 14,261 | 0 | 14,261 | 5,580 | 0 | 5,580 | |
| 31 | 375 | TPA-GAS CONTROL BLDG | 16,875 | 0 | 16,875 | 8,150 | 0 | 8,150 | |
| 32 | 375 | TPA-MAINTENANCE BLDG | 13,068 | 0 | 13,068 | 4,881 | 0 | 4,881 | |
| 33 | 375 | TPA-STORAGE BLDG | 5,370 | 0 | 5,370 | 4,758 | 0 | 4,758 | |
| 34 | 375 | TPA-TRANSPORTATION BLDG | 58,180 | 0 | 58,180 | 19,890 | 0 | 19,890 | |
| 35 | 375 | TPA-WAREHOUSE BLDG | 140,879 | 0 | 140,879 | 34,688 | 0 | 34,688 | |
| 36 | 375 | TPA-WELDING SHOP | 20,312 | 0 | 20,312 | 8,253 | 0 | 8,253 | |
| 37 | 375 | SUB TOTALS CONTINUED ON B-5 p. 16c | \$4,292,307 | \$0 | \$4,292,307 | \$724,700 | \$0 | \$724,700 | |

SUPPORTING SCHEDULES G-6 p 1

RECAP SCHEDULES G-1 p 15

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY, PEOPLES GAS SYSTEM

DOCKET NO. 020384-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT FOR THE HISTORIC BASE YEAR + 1. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS

TYPE OF DATA SHOWN:
HISTORIC BASE YR + 1: 12/31/02
WITNESS: J. P. HIGGINS

| 13-MONTH AVERAGE | | | | | | | | | METHOD OF ALLOCATION |
|------------------|--------|--|--------------|-------------|--------------|---------------------------------------|-------------|-------------|--|
| LINE NO | A/C NO | DESCRIPTION & ADDRESS | PLANT | | | ACCUMULATED DEPRECIATION/AMORTIZATION | | | |
| | | | UTILITY | NON-UTILITY | TOTAL | UTILITY | NON-UTILITY | TOTAL | |
| 1 | 375 | SUB TOTALS FROM G1 p. 16b | \$4,292,307 | \$0 | \$4,292,307 | \$724,700 | \$0 | \$724,700 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 2 | 375 | STP-OFFICE BLDG - 9TH AVE | 1,682,648 | 381,951 | 2,064,599 | 381,292 | 88,551 | 469,842 | |
| 3 | 375 | STP-ANNEX BLDG | 28,872 | 0 | 28,872 | 4,987 | 0 | 4,987 | |
| 4 | 375 | STP-STORAGE BLDG | 38,718 | 0 | 38,718 | 10,138 | 0 | 10,138 | |
| 5 | 375 | STP-WAREHOUSE BLDG | 128,273 | 0 | 128,273 | 33,730 | 0 | 33,730 | |
| 6 | 375 | ORL-OFFICE BLDG - 600 ROBINSON | 1,067,522 | 0 | 1,067,522 | 244,098 | 0 | 244,098 | |
| 7 | 375 | ORL-WAREHOUSE | 145,287 | 0 | 145,287 | 47,517 | 0 | 47,517 | |
| 8 | 375 | TRI-OFFICE BLDG- KURT | 474,167 | 0 | 474,167 | 108,205 | 0 | 108,205 | |
| 9 | 375 | TRI-WAREHOUSE | 44,753 | 0 | 44,753 | 3,983 | 0 | 3,983 | |
| 10 | 375 | TRI-WELDING SHOP | 4,528 | 0 | 4,528 | 750 | 0 | 750 | |
| 11 | 375 | JAX-OFFICE BLDG - PHILIPS HWY | 2,777,839 | 0 | 2,777,839 | 514,419 | 0 | 514,419 | |
| 12 | 375 | JAX-DISTRIBUTION AREA - 1745 CHURCH ST | 39,022 | 0 | 39,022 | 21,697 | 0 | 21,697 | |
| 13 | 375 | JAX-EQUIP BLDG | 24,536 | 0 | 24,536 | 8,398 | 0 | 8,398 | |
| 14 | 375 | JAX-MAINTENANCE BLDG | 148,868 | 0 | 148,868 | 4,043 | 0 | 4,043 | |
| 15 | 375 | JAX-WAREHOUSE | 201,806 | 0 | 201,806 | 53,358 | 0 | 53,358 | |
| 16 | 375 | SMI-OFFICE BLDG - 17TH ST | 487,480 | 0 | 487,480 | 158,993 | 0 | 158,993 | |
| 17 | 375 | SMI-TOOL SHED | 1,377 | 0 | 1,377 | 124 | 0 | 124 | |
| 18 | 375 | SMI-TRAINING FACILITY | 4,301 | 0 | 4,301 | 635 | 0 | 635 | |
| 19 | 375 | SMI-WAREHOUSE | 32,758 | 0 | 32,758 | 18,380 | 0 | 18,380 | |
| 20 | 375 | LAK-OFFICE BLDG - KATHLEEN RD | 523,620 | 28,722 | 552,341 | 116,538 | 8,392 | 122,931 | |
| 21 | 375 | LAK-WAREHOUSE | 88,208 | 0 | 88,208 | 17,482 | 0 | 17,482 | |
| 22 | 375 | DAY-OFFICE BLDG - RIDGEWOOD AVE | 443,288 | 0 | 443,288 | 38,779 | 0 | 38,779 | |
| 23 | 375 | DAY-UTILITY SHED | 4,220 | 0 | 4,220 | 429 | 0 | 429 | |
| 24 | 375 | HIG-FENCE FOR REGULATOR STATION | 1,174 | 0 | 1,174 | 548 | 0 | 548 | |
| 25 | 375 | SAR-OFFICE BLDG-8261 VICO CT | 780,322 | 0 | 780,322 | 20,364 | 0 | 20,364 | |
| 26 | 375 | SAR-STORAGE SHED | 10,877 | 0 | 10,877 | 2,040 | 0 | 2,040 | |
| 27 | 375 | SAR-WAREHOUSE | 4,938 | 0 | 4,938 | 557 | 0 | 557 | |
| 28 | 375 | PBG-OFFICE BLDG-1383 JUPITER PARK DR | 863,331 | 0 | 863,331 | 18,878 | 0 | 18,878 | |
| 29 | 375 | PC-OFFICE BLDG - MAPLE AVE | 78,805 | 8,390 | 85,195 | 8,129 | 659 | 8,788 | |
| 30 | 375 | PC-SHED | 2,193 | 0 | 2,193 | 372 | 0 | 372 | |
| 31 | 375 | OCA-OFFICE BLDG - 33RD AVE | 54,104 | 0 | 54,104 | 8,878 | 0 | 8,878 | |
| 32 | 375 | SWF-OFFICE BLDG-5109 ENTERPRISE | 1,012,210 | 0 | 1,012,210 | 25,447 | 0 | 25,447 | |
| 33 | 375 | COR-MISC | 18,724 | 0 | 18,724 | 1,748 | 0 | 1,748 | |
| 34 | 375 | TOTALS | \$15,280,848 | \$417,062 | \$15,697,908 | \$2,595,228 | \$93,602 | \$2,688,828 | |
| 35 | 390 | PC-DIVISION OFFICE | 887,195 | 54,097 | 941,291 | 112,360 | 9,110 | 121,470 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 36 | 390 | OCA-STORAGE BUILDINGS | 5,511 | 0 | 5,511 | 781 | 0 | 781 | |
| 37 | 390 | OCA-DIVISION OFFICE | 218,480 | 0 | 218,480 | 41,359 | 0 | 41,359 | |
| 37 | 390 | TOTAL | \$889,186 | \$54,097 | \$943,283 | \$154,500 | \$9,110 | \$163,610 | |

SUPPORTING SCHEDULES: G-8 p.1

RECAP SCHEDULES: G-1 p.15

SCHEDULE G-1

DETAIL OF COMMON PLANT

PAGE 184 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO: 020384-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT FOR THE HISTORIC BASE YEAR + 1. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS.

TYPE OF DATA SHOWN:
HISTORIC BASE YR + 1: 12/31/02
WITNESS J. P. HIGGINS

| LINE NO | A/C NO. | DESCRIPTION & ADDRESS | 13-MONTH AVERAGE | | | METHOD OF ALLOCATION | | |
|---------|---------|-----------------------|------------------|-------------|----------|---------------------------------------|-------------|----------|
| | | | PLANT | | | ACCUMULATED DEPRECIATION/AMORTIZATION | | |
| | | | UTILITY | NON-UTILITY | TOTAL | UTILITY | NON-UTILITY | TOTAL |
| 1 | 390 02 | HIG-DIVISION OFFICE | \$28,216 | \$0 | \$28,216 | \$28,216 | \$0 | \$28,216 |
| 2 | 390 02 | TOTAL | \$28,216 | \$0 | \$28,216 | \$28,216 | \$0 | \$28,216 |

SUPPORTING SCHEDULES: G-8 p.1

RECAP SCHEDULES: G-1 p.15

SCHEDULE G-1

DETAIL OF COMMON PLANT

PAGE 17 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT FOR THE HISTORIC BASE YEAR + 1. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS.

TYPE OF DATA SHOWN
HISTORIC BASE YR + 1: 12/31/02
WITNESS: J. P. HIGGINS

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SUPPORTING SCHEDULES:

RECAP SCHEDULES:

EXHIBIT 3

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING THE REGULATED AND NON-REGULATED ITEMS OF COMMON PLANT WITH THE 13 MONTH AVERAGE OF THE PROJECTED TEST YEAR SEGREGATED BY THE AMOUNTS ACCORDING TO REGULATED AND NON-REGULATED ITEMS. THE METHOD OF ALLOCATING BETWEEN REGULATED AND NON-REGULATED PORTIONS SHALL BE DESCRIBED.

TYPE OF DATA SHOWN:

PROJECTED TEST YEAR: 12/31/03

WITNESS: J. P. HIGGINS

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

| LINE NO. | A/C NO | DESCRIPTION | Dec-02 | Jan-03 | Feb-03 | Mar-03 | Apr-03 | May-03 | Jun-03 | Jul-03 | Aug-03 | Sep-03 | Oct-03 | Nov-03 | Dec-03 | 13 MONTH AVERAGE |
|----------|--------|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------------|
| 1 | 374 | LAND AND LAND RIGHTS | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 |
| 2 | 375 | STRUCTURES AND IMPROVEMENTS | 18,487,058 | 18,548,975 | 18,608,891 | 18,668,808 | 18,728,725 | 18,788,641 | 18,848,558 | 18,908,475 | 18,968,391 | 17,028,308 | 17,088,225 | 17,148,141 | 17,208,058 | 18,848,558 |
| 3 | 390 | STRUCTURES AND IMPROVEMENTS | 922,204 | 918,691 | 915,178 | 911,664 | 908,151 | 904,638 | 901,125 | 897,612 | 894,098 | 890,585 | 887,072 | 883,559 | 880,046 | 901,125 |
| 4 | 390.02 | STRUCTURES & IMPROVEMENTS - Leasehold | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 |
| 5 | 391 | OFFICE FURNITURE | 3,008,875 | 3,075,581 | 3,142,488 | 3,209,394 | 3,276,301 | 3,343,208 | 3,410,114 | 3,477,021 | 3,543,927 | 3,610,834 | 3,677,741 | 3,744,647 | 3,811,554 | 3,410,114 |
| 6 | 391.01 | COMPUTER EQUIPMENT | 19,917,445 | 20,102,798 | 20,288,147 | 20,473,498 | 20,658,849 | 20,844,200 | 21,029,551 | 21,214,902 | 21,400,253 | 21,585,604 | 21,770,955 | 21,956,306 | 22,141,657 | 21,029,551 |
| 7 | 391.02 | OFFICE EQUIPMENT/MACHINES | 464,362 | 463,751 | 463,141 | 462,531 | 461,920 | 461,310 | 460,700 | 460,089 | 459,479 | 458,869 | 458,258 | 457,648 | 457,038 | 460,700 |
| 8 | 391.03 | OFFICE FURNITURE/EQUIP | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 |
| 9 | 392.01 | AUTO & TRUCK LESS THAN 1/2 TON | 9,289,040 | 9,863,858 | 10,438,676 | 11,013,494 | 10,974,312 | 10,895,130 | 10,815,948 | 10,736,766 | 10,657,584 | 10,578,402 | 10,499,220 | 10,420,038 | 10,340,856 | 10,504,871 |
| 10 | 392.02 | AUTO & TRUCK 3/4 TO 1 TON | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 |
| 11 | 392.03 | AIRPLANES | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 |
| 12 | 392.04 | TRAILERS, OTHER | 253,190 | 252,398 | 251,606 | 250,814 | 250,022 | 249,231 | 248,439 | 247,647 | 246,855 | 246,063 | 245,272 | 244,480 | 243,688 | 248,439 |
| 13 | 392.05 | TRUCKS OVER 1 TON | 1,040,135 | 1,031,829 | 1,023,523 | 1,015,218 | 1,006,912 | 998,606 | 990,301 | 981,995 | 973,689 | 965,384 | 957,078 | 948,772 | 940,467 | 990,301 |
| 14 | 393 | STORES EQUIPMENT | 58,803 | 56,268 | 53,732 | 51,197 | 48,661 | 46,126 | 43,590 | 41,055 | 38,519 | 35,984 | 33,448 | 30,913 | 28,377 | 53,590 |
| 15 | 394 | TOOLS SHOP & GARAGE EQUIPMENT | 3,617,535 | 3,834,834 | 3,651,614 | 3,668,594 | 3,685,574 | 3,702,555 | 3,719,535 | 3,736,516 | 3,753,496 | 3,770,477 | 3,787,457 | 3,804,437 | 3,821,417 | 3,719,535 |
| 16 | 394.01 | TOOLS SHOP & GARAGE EQUIPMENT - CNG | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 |
| 17 | 395 | LABORATORY EQUIPMENT | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 |
| 18 | 396 | POWER OPERATED EQUIPMENT | 2,132,819 | 2,140,837 | 2,148,854 | 2,156,872 | 2,164,890 | 2,172,907 | 2,180,924 | 2,188,942 | 2,196,959 | 2,204,977 | 2,212,994 | 2,221,012 | 2,229,029 | 2,181,924 |
| 19 | 397 | COMMUNICATION EQUIPMENT | 3,520,219 | 3,568,470 | 3,616,721 | 3,664,971 | 3,713,222 | 3,761,472 | 3,809,723 | 3,857,973 | 3,906,224 | 3,954,474 | 4,002,725 | 4,050,975 | 4,099,226 | 3,809,723 |
| 20 | 398 | MISC. EQUIPMENT | 312,839 | 312,827 | 312,815 | 312,802 | 312,790 | 312,778 | 312,766 | 312,754 | 312,741 | 312,729 | 312,717 | 312,705 | 312,693 | 312,766 |
| 21 | | TOTAL | \$71,875,056 | \$72,841,728 | \$73,808,400 | \$74,775,072 | \$75,087,744 | \$75,360,416 | \$75,633,088 | \$75,945,759 | \$76,238,431 | \$76,531,103 | \$76,823,775 | \$77,116,447 | \$77,409,119 | \$75,342,011 |

| | | | 13 MONTH AVERAGE | NONUTILITY % | 3 MONTH AVG NONUTILITY | METHOD OF ALLOCATION |
|----|--------|---------------------------------------|------------------|--------------|------------------------|---|
| 22 | 374 | LAND AND LAND RIGHTS | \$2,252,873 | 9.2% | \$207,583 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 23 | 375 | STRUCTURES AND IMPROVEMENTS | 18,848,558 | 2.5% | 417,082 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 24 | 390 | STRUCTURES AND IMPROVEMENTS | 901,125 | 5.8% | 52,435 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 25 | 390.02 | STRUCTURES & IMPROVEMENTS - Leasehold | 28,216 | 0.0% | 0 | |
| 26 | 391 | OFFICE FURNITURE | 3,410,114 | 0.0% | 0 | |
| 27 | 391.01 | COMPUTER EQUIPMENT | 21,029,551 | 2.4% | 502,046 | DEPENDENT UPON THE APPLICATION, BASED ON A COMBINATION OF CUSTOMER COUNT, CHECKS PROCESSED, # OF BILLS & # OF USER ID'S |
| 28 | 391.02 | OFFICE EQUIPMENT/MACHINES | 460,700 | 0.0% | 0 | |
| 29 | 391.03 | OFFICE FURNITURE/EQUIP | 347,725 | 0.0% | 0 | |
| 30 | 392.01 | AUTO & TRUCK LESS THAN 1/2 TON | 10,504,871 | 0.0% | 0 | |
| 31 | 392.02 | AUTO & TRUCK 3/4 TO 1 TON | 1,915,721 | 0.0% | 0 | |
| 32 | 392.03 | AIRPLANES | 6,029,716 | 0.0% | 0 | |
| 33 | 392.04 | TRAILERS, OTHER | 248,439 | 0.0% | 0 | |
| 34 | 392.05 | TRUCKS OVER 1 TON | 990,301 | 0.0% | 0 | |
| 35 | 393 | STORES EQUIPMENT | 53,590 | 0.0% | 0 | |
| 36 | 394 | TOOLS SHOP & GARAGE EQUIPMENT | 3,719,535 | 0.0% | 0 | |
| 37 | 394.01 | TOOLS SHOP & GARAGE EQUIPMENT - CNG | 168,988 | 0.0% | 0 | |
| 38 | 395 | LABORATORY EQUIPMENT | 129,578 | 0.0% | 0 | |
| 39 | 396 | POWER OPERATED EQUIPMENT | 2,181,924 | 0.0% | 0 | |
| 40 | 397 | COMMUNICATION EQUIPMENT | 3,809,723 | 0.0% | 0 | |
| 41 | 398 | MISC. EQUIPMENT | 312,766 | 0.0% | 0 | |
| 42 | | TOTAL | \$75,342,011 | | \$1,179,126 | |

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT FOR THE PROJECTED TEST YEAR. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS.

TYPE OF DATA SHOWN:

PROJECTED TEST YEAR: 12/31/03

WITNESS: J. P. HIGGINS

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

13-MONTH AVERAGE

| LINE NO. | A/C NO. | DESCRIPTION & ADDRESS | PLANT | | | ACCUMULATED DEPRECIATION/AMORTIZATION | | | METHOD OF ALLOCATION |
|----------|---------|---|-------------|-------------|-------------|---------------------------------------|-------------|-------|--|
| | | | UTILITY | NON-UTILITY | TOTAL | UTILITY | NON-UTILITY | TOTAL | |
| 1 | 374 | SOUTH FLORIDA REGIONAL OFFICE | \$589,000 | \$0 | \$589,000 | \$0 | \$0 | \$0 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 2 | 374 | NMI-LAND-COCONUT CREEK REG STA, 100 W ATLANTIC BLVD,POMP, | 12,413 | 0 | 12,413 | | | | |
| 3 | 374 | NMI-LAND-PLANTATION GATE STA, PETERS ROAD PARCEL # 5 | 22,954 | 0 | 22,954 | | | | |
| 4 | 374 | NMI-LAND-FULFORD PLANT, 15779 W DIXIE HWY,N MIAMI BCH,PARC | 38,351 | 0 | 38,351 | | | | |
| 5 | 374 | TPA-EASEMENT-NEBRASKA AVE FROM BIRD ST SOUTH 432 FT | 5,334 | 0 | 5,334 | | | | |
| 6 | 374 | TPA-LAND - GATE STATION @ LITHIA PINECREST RD | 8,000 | 0 | 8,000 | | | | |
| 7 | 374 | TPA-LAND RIGHTS-PURCHASE FOR NW GATE STATION | 8,909 | 0 | 8,909 | | | | |
| 8 | 374 | TPA-LAND-CSX RR PROPERTY W OF 13 ST @ FRANK ADAMO DR (SR | 7,960 | 0 | 7,960 | | | | |
| 9 | 374 | TPA-LAND-ESTUARY PLANT, 1300 N. 13TH STREET, TAMPA- PARCEL | 41,797 | 0 | 41,797 | | | | |
| 10 | 374 | TPA-LAND-ESTUARY PLANT, SOUTH OF RAILROAD, TAMPA- PARCEL | 2,768 | 0 | 2,768 | | | | |
| 11 | 374 | TPA-LAND-PORT SUTTON GATE STATION,78TH & MADISON- PARCEL | 4,939 | 0 | 4,939 | | | | |
| 12 | 374 | STP-LAND-LOT N SIDE, 1800 9TH AVE N, ST PETE, PARCEL #2 | 0 | 41,445 | 41,445 | | | | |
| 13 | 374 | STP-LAND-MAIN GATE STATION, 77TH AVE & 18TH WAY, ST PETE, PA | 2,928 | 0 | 2,928 | | | | |
| 14 | 374 | STP-LAND-NORTH GATE STATION,13800 62 ST N, ST PETE, PARCEL | 16,535 | 0 | 16,535 | | | | |
| 15 | 374 | STP-LAND-PLANT SITE, 1800 9TH AVE N, ST PETE (SWAP W/CITY 840 | 6,931 | 1,573 | 8,504 | | | | |
| 16 | 374 | STP-LAND-REG STATION, 3 AVE S & 16 STREET S, PARCEL #7 | 500 | 0 | 500 | | | | |
| 17 | 374 | STP-LAND-REG STATION, S SIDE 30 AVE N,WEST OF 16 ST N., PAR # | 3,000 | 0 | 3,000 | | | | |
| 18 | 374 | STP-LAND-REG STATION, S SIDE 30 AVE S,WEST OF 30 ST S, PAR #5 | 3,800 | 0 | 3,800 | | | | |
| 19 | 374 | STP-MDBH1020, MADIERA BEACH-EASEMENT @ 127 AVE TREASURE | 2,900 | 0 | 2,900 | | | | |
| 20 | 374 | ORL-LAND-DIST YARD, 601 W. ROBINSON STREET, PARCEL # 2 | 41,315 | 0 | 41,315 | | | | |
| 21 | 374 | ORL-LAND-FAIRVILLA SITE, US HWY 441,N OF SILVER STAR, PARCEL | 1,997 | 0 | 1,997 | | | | |
| 22 | 374 | ORL-LAND-OAKLAND HILLS, FIESTA LANE & DURANGO WAY, PARCE | 1,008 | 0 | 1,008 | | | | |
| 23 | 374 | ORL-LAND-PLANT SITE, 600 W. ROBINSON STREET, PARCEL # 1 | 49,693 | 0 | 49,693 | | | | |
| 24 | 374 | TRI-LAND-DIVISION OFFICE SITE,1724 KURT ST,EUSTIS, PARCEL # 2 | 9,000 | 0 | 9,000 | | | | |
| 25 | 374 | TRI-LAND-EUSTIS INDUSTRIAL PARK,MTR STA SITE, PARCEL # 1 | 500 | 0 | 500 | | | | |
| 26 | 374 | TRI-LAND-MT. DORA GATE STATION,WOLF BRANCH RD.,PARCEL # 3 | 8,518 | 0 | 8,518 | | | | |
| 27 | 374 | JAX-LAND - CAPPER ROAD GATE STATION, PARCEL # 16 | 22,989 | 0 | 22,989 | | | | |
| 28 | 374 | JAX-LAND - JERICHO ROAD GATE STATION, PARCEL # 15 | 13,282 | 0 | 13,282 | | | | |
| 29 | 374 | JAX-LAND-CEDER HILLS GATE STATION SITE, PARCEL # 3 | 1,582 | 0 | 1,582 | | | | |
| 30 | 374 | JAX-LAND-CHURCH STREET PLANT SITE, PARCEL # 1 | 39,371 | 0 | 39,371 | | | | |
| 31 | 374 | JAX-LAND-KING STREET BET FORBES & POST ST,REG STA, PARCEL | 200 | 0 | 200 | | | | |
| 32 | 374 | JAX-LAND-MAGNOLIA & MCCOY STREETS,REG STA, PARCEL #11 | 988 | 0 | 988 | | | | |
| 33 | 374 | JAX-LAND-OAK STREET & EDISON AVE REG STA, PARCEL # 4 | 300 | 0 | 300 | | | | |
| 34 | 374 | JAX-LAND-PART OF LOT 3 BL 139,NEWMAN BET STATE&ORANGE HA | 400 | 0 | 400 | | | | |
| 35 | 374 | JAX-LAND-PART OF LOT 5 BL 12,11 ST WARRENS REPLAT,PARCEL # | 539 | 0 | 539 | | | | |
| 36 | 374 | JAX-LAND-PEARL PLAZA SILVER & 24TH STREET,REG STA, PARCEL | 1,000 | 0 | 1,000 | | | | |
| 37 | 374 | JAX-LAND-PHILLIPS HWY PLANT PROPERTY, PARCEL #14 | 314,618 | 0 | 314,618 | | | | |
| 38 | 374 | JAX-LAND-SOUTHSIDE REG STA,PIONESSA PROPERTY, PARCEL #13 | 12,947 | 0 | 12,947 | | | | |
| 374 | | SUB TOTALS CONTINUED ON G-1 p. 19b | \$1,299,257 | \$43,018 | \$1,342,275 | \$0 | \$0 | \$0 | |

SUPPORTING SCHEDULES: G-6 p.1

RECAP SCHEDULES: G-1 p.18

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT FOR THE PROJECTED TEST YEAR. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/03
WITNESS: J. P. HIGGINS

| 13-MONTH AVERAGE | | | | | | METHOD OF ALLOCATION | | | |
|------------------|---------|--|-------------|-------------|-------------|---------------------------------------|-------------|-----------|--|
| LINE NO. | A/C NO. | DESCRIPTION & ADDRESS | PLANT | | | ACCUMULATED DEPRECIATION/AMORTIZATION | | | |
| | | | UTILITY | NON-UTILITY | TOTAL | UTILITY | NON-UTILITY | TOTAL | |
| 1 | 374 | SUB TOTALS FROM G1 p. 19a | \$1,299,257 | \$43,018 | \$1,342,275 | \$0 | \$0 | \$0 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 2 | 374 | JAX-LAND-W 12 FT OF N 12 FT LOT 1 BL 32 DOTEN S/D,REG STA,PAR | 538 | 0 | 538 | | | | |
| 3 | 374 | SMI-PLANT SITE - NW 1ST AVE & NW 17TH ST, PARCEL # 1 | 39,181 | 0 | 39,181 | | | | |
| 4 | 374 | LAK-LAND - PEACHTREE PLANT SITE (PARCEL # 1) | 1,245 | 88 | 1,313 | | | | |
| 5 | 374 | DAY-LAND-1722 RIDGEWOOD AVE, HOLY HILL FL 32117 | 155,747 | 0 | 155,747 | | | | |
| 6 | 374 | DAY-LAND-GATE STATION SITE, PARCEL # 3 | 4,393 | 0 | 4,393 | | | | |
| 7 | 374 | DAY-LAND-REGULATOR STA SITE, PARCEL # 1 (INDUSTRIAL PARK) | 477 | 0 | 477 | | | | |
| 8 | 374 | SAR-LAND - GATE STATION, 12th & CENTRAL, SARASOTA | 50,000 | 0 | 50,000 | | | | |
| 9 | 374 | PBG-LAND - PBG OPERATIONS FACILITY 1383 JUPITER PARK DR | 230,941 | 0 | 230,941 | | | | |
| 10 | 374 | PC-LAND-301 MAPLE AVE | 84,869 | 6,881 | 91,750 | | | | |
| 11 | 374 | PC-LAND-GULF ASPHALT GATE STATION | 23,645 | 0 | 23,645 | | | | |
| 12 | 374 | PC-LAND-MAPLE AVE GATE STATION | 3,080 | 0 | 3,080 | | | | |
| 13 | 374 | PC-Land @ corner of 3rd Ave & Maple (next to Panama City Office) | 0 | 157,816 | 157,816 | | | | |
| 14 | 374 | OCA-APRAISAL - 8TH AVE & 18TH STREET | 800 | 0 | 800 | | | | |
| 15 | 374 | OCA-ENVIROMENTAL AUDIT - LAND | 2,980 | 0 | 2,980 | | | | |
| 16 | 374 | OCA-LAND - 316 SW 33RD AVE | 66,200 | 0 | 66,200 | | | | |
| 17 | 374 | OCA-LAND - LEVEY COUNTY GATE STATION | 41,114 | 0 | 41,114 | | | | |
| 18 | 374 | OCA-LAND - LEVEY COUNTY GATE STATION | 1,000 | 0 | 1,000 | | | | |
| 19 | 374 | OCA-LAND - SILVER SPRINGS GATE STATION | 28,038 | 0 | 28,038 | | | | |
| 20 | 374 | OCA-LAND RIGHTS - RIGHT OF WAY / BASELINE RD | 1,200 | 0 | 1,200 | | | | |
| 21 | 374 | OCA-LEGAL FEES - RICHARD, BLINN & HALDEN | 10,336 | 0 | 10,336 | | | | |
| 22 | 374 | OCA-SURVEY - GATE STATION PROPERTY | 250 | 0 | 250 | | | | |
| 23 | 374 | TOTAL | \$2,045,291 | \$207,583 | \$2,252,873 | \$0 | \$0 | \$0 | |
| 24 | 375 | SOUTH FLORIDA REGIONAL OFFICE | \$1,569,145 | \$0 | \$1,569,145 | \$54,998 | \$0 | \$54,998 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 25 | 375 | NMI-OFFICE BLDG - FULFORD | 406,962 | 0 | 406,962 | 62,054 | 0 | 62,054 | |
| 26 | 375 | NMI-ENGINE BLDG | 63,740 | 0 | 63,740 | 29,762 | 0 | 29,762 | |
| 27 | 375 | NMI-METER SHOP | 51,293 | 0 | 51,293 | 14,409 | 0 | 14,409 | |
| 28 | 375 | NMI-WAREHOUSE - FULFORD | 249,677 | 0 | 249,677 | 110,554 | 0 | 110,554 | |
| 29 | 375 | TPA-OFFICE BLDG - CHANNELSIDE/13 ST | 2,333,394 | 0 | 2,333,394 | 488,032 | 0 | 488,032 | |
| 30 | 375 | TPA-FIRE TRAINING FACILITY | 14,261 | 0 | 14,261 | 6,076 | 0 | 6,076 | |
| 31 | 375 | TPA-GAS CONTROL BLDG | 16,675 | 0 | 16,675 | 9,795 | 0 | 9,795 | |
| 32 | 375 | TPA-MAINTENANCE BLDG | 13,068 | 0 | 13,068 | 5,330 | 0 | 5,330 | |
| 33 | 375 | TPA-STORAGE BLDG | 5,370 | 0 | 5,370 | 5,006 | 0 | 5,006 | |
| 34 | 375 | TPA-TRANSPORTATION BLDG | 56,180 | 0 | 56,180 | 21,794 | 0 | 21,794 | |
| 35 | 375 | TPA-WAREHOUSE BLDG | 140,679 | 0 | 140,679 | 38,105 | 0 | 38,105 | |
| 36 | 375 | TPA-WELDING SHOP | 20,312 | 0 | 20,312 | 6,920 | 0 | 6,920 | |
| 37 | 375 | SUB TOTALS CONTINUED ON B-5 p. 19c | \$4,940,957 | \$0 | \$4,940,957 | \$851,834 | \$0 | \$851,834 | |

SUPPORTING SCHEDULES: G-5 p.1

RECAP SCHEDULES: G-1 p.18

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

EXPLANATION, PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT FOR THE PROJECTED TEST YEAR. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/03
WITNESS: J. P. HIGGINS

| | | | 13-MONTH AVERAGE | | | | | | METHOD OF ALLOCATION |
|----------|---------|--|------------------|-------------|--------------|---------------------------------------|-------------|-------------|--|
| LINE NO. | A/C NO. | DESCRIPTION & ADDRESS | PLANT | | | ACCUMULATED DEPRECIATION/AMORTIZATION | | | |
| | | | UTILITY | NON-UTILITY | TOTAL | UTILITY | NON-UTILITY | TOTAL | |
| 1 | 375 | SUB TOTALS FROM G1 p. 19b | \$4,940,957 | \$0 | \$4,940,957 | \$851,834 | \$0 | \$851,834 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 2 | 375 | STP-OFFICE BLDG - 9TH AVE | 1,682,848 | 381,951 | 2,064,599 | 433,375 | 98,373 | 531,748 | |
| 3 | 375 | STP-ANNEX BLDG | 28,672 | 0 | 28,672 | 5,840 | 0 | 5,840 | |
| 4 | 375 | STP-STORAGE BLDG | 38,718 | 0 | 38,718 | 11,318 | 0 | 11,318 | |
| 5 | 375 | STP-WAREHOUSE BLDG | 128,273 | 0 | 128,273 | 37,758 | 0 | 37,758 | |
| 6 | 375 | ORL-OFFICE BLDG - 600 ROBINSON | 1,587,522 | 0 | 1,587,522 | 277,190 | 0 | 277,190 | |
| 7 | 375 | ORL-WAREHOUSE | 145,287 | 0 | 145,287 | 52,351 | 0 | 52,351 | |
| 8 | 375 | TRI-OFFICE BLDG- KURT | 474,187 | 0 | 474,187 | 122,900 | 0 | 122,900 | |
| 9 | 375 | TRI-WAREHOUSE | 44,753 | 0 | 44,753 | 5,228 | 0 | 5,228 | |
| 10 | 375 | TRI-WELDING SHOP | 4,528 | 0 | 4,528 | 883 | 0 | 883 | |
| 11 | 375 | JAX-OFFICE BLDG - PHILIPS HWY | 2,777,839 | 0 | 2,777,839 | 597,745 | 0 | 597,745 | |
| 12 | 375 | JAX-DISTRIBUTION AREA - 1745 CHURCH ST | 39,022 | 0 | 39,022 | 23,202 | 0 | 23,202 | |
| 13 | 375 | JAX-EQUIP BLDG | 24,538 | 0 | 24,538 | 7,175 | 0 | 7,175 | |
| 14 | 375 | JAX-MAINTENANCE BLDG | 148,888 | 0 | 148,888 | 7,914 | 0 | 7,914 | |
| 15 | 375 | JAX-WAREHOUSE | 201,808 | 0 | 201,808 | 59,780 | 0 | 59,780 | |
| 16 | 375 | SMI-OFFICE BLDG - 17TH ST | 487,460 | 0 | 487,460 | 175,202 | 0 | 175,202 | |
| 17 | 375 | SMI-TOOL SHED | 1,377 | 0 | 1,377 | 162 | 0 | 162 | |
| 18 | 375 | SMI-TRAINING FACILITY | 4,301 | 0 | 4,301 | 760 | 0 | 760 | |
| 19 | 375 | SMI-WAREHOUSE | 32,758 | 0 | 32,758 | 19,847 | 0 | 19,847 | |
| 20 | 375 | LAK-OFFICE BLDG - KATHLEEN RD | 523,820 | 28,722 | 552,341 | 132,698 | 7,279 | 139,978 | |
| 21 | 375 | LAK-WAREHOUSE | 88,208 | 0 | 88,208 | 20,103 | 0 | 20,103 | |
| 22 | 375 | DAY-OFFICE BLDG - RIDGEWOOD AVE | 443,288 | 0 | 443,288 | 51,078 | 0 | 51,078 | |
| 23 | 375 | DAY-UTILITY SHED | 4,220 | 0 | 4,220 | 547 | 0 | 547 | |
| 24 | 375 | HIG-FENCE FOR REGULATOR STATION | 1,174 | 0 | 1,174 | 589 | 0 | 589 | |
| 25 | 375 | SAR-OFFICE BLDG-8281 VICO CT | 760,322 | 0 | 760,322 | 40,390 | 0 | 40,390 | |
| 26 | 375 | SAR-STORAGE SHED | 10,877 | 0 | 10,877 | 2,368 | 0 | 2,368 | |
| 27 | 375 | SAR-WAREHOUSE | 4,938 | 0 | 4,938 | 696 | 0 | 696 | |
| 28 | 375 | PBG-OFFICE BLDG-1363 JUPITER PARK DR | 683,331 | 0 | 683,331 | 34,122 | 0 | 34,122 | |
| 29 | 375 | PC-OFFICE BLDG - MAPLE AVE | 78,805 | 6,390 | 85,195 | 10,343 | 839 | 11,182 | |
| 30 | 375 | PC-SHED | 2,193 | 0 | 2,193 | 437 | 0 | 437 | |
| 31 | 375 | OCA-OFFICE BLDG - 33RD AVE | 54,104 | 0 | 54,104 | 10,270 | 0 | 10,270 | |
| 32 | 375 | SWF-OFFICE BLDG-5109 ENTERPRISE | 1,012,210 | 0 | 1,012,210 | 52,069 | 0 | 52,069 | |
| 33 | 375 | COR-MISC | 18,724 | 0 | 18,724 | 2,218 | 0 | 2,218 | |
| 34 | 375 | TOTALS | \$18,429,495 | \$417,062 | \$18,846,558 | \$3,048,182 | \$108,491 | \$3,156,673 | |
| 35 | 390 | PC -DIVISION OFFICE | 648,698 | 52,435 | 699,133 | 99,884 | 8,099 | 107,982 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 36 | 390 | OCA-STORAGE BUILDINGS | 5,511 | 0 | 5,511 | 694 | 0 | 694 | |
| 37 | 390 | OCA-DIVISION OFFICE | 198,480 | 0 | 198,480 | 38,787 | 0 | 38,787 | |
| 37 | 390 | TOTAL | \$848,690 | \$52,435 | \$901,125 | \$137,344 | \$8,099 | \$145,443 | |

SUPPORTING SCHEDULES: G-5 p.1

RECAP SCHEDULES: G-1 p.18

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT FOR THE PROJECTED TEST YEAR. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS.

TYPE OF DATA SHOWN:

PROJECTED TEST YEAR: 12/31/03

WITNESS: J. P. HIGGINS

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

13-MONTH AVERAGE

| LINE NO. | A/C NO. | DESCRIPTION & ADDRESS | PLANT | | | ACCUMULATED DEPRECIATION/AMORTIZATION | | | METHOD OF ALLOCATION |
|----------|---------|-----------------------|----------|-------------|----------|---------------------------------------|-------------|----------|----------------------|
| | | | UTILITY | NON-UTILITY | TOTAL | UTILITY | NON-UTILITY | TOTAL | |
| 1 | 390.02 | HIG-DIVISION OFFICE | \$28,216 | \$0 | \$28,216 | \$28,216 | \$0 | \$28,216 | |
| 2 | 390.02 | TOTAL | \$28,216 | \$0 | \$28,216 | \$28,216 | \$0 | \$28,216 | |

EXHIBIT 4

● MIA, Inc.
Peoples Gas System
Florida Public Service Commission
Docket: 020384-GU-Rate Case
Request Number: 11

Capital
Plant
Additions

Please provide a detail of the individual construction projects included in the Monthly Plant Addition Summary...Accounts 376, 376.02, 380 and 380.02, page 211 of the MFRs. This detail should show a description or name of each construction project, total dollars associated with the project, and the month plant addition was included in the Monthly Plant Addition Summary. *[Note: Subsequent discussion with auditor determined that he desired both 2002 and 2003 information.]*

Please see attached detailed listing of Mains (376 and 376.02) and Services (380 and 380.02) for 2002 additions. Also, please see attached trend analysis of capital expenditures used in projection of 2003 expenditures. Finally, please refer to further explanations below.

Please note that the requested accounts comprise several budget line items. Specifically, the budget categories included in "Mains" are Revenue Mains, Main Replacements, Municipal Improvements, System Improvements, and Cathodic Protection. The line items included in "Services" are Revenue Services and Service Replacements. The detailed attachments provide information for all these budget categories.

For the year 2002, the Company used its capital budget as the basis for plant additions. Generally, detailed information by construction project is available for this year, at least to the extent that the project was known at the time the 2002 budget was prepared. In some cases, the annual budget for categories is based on either historical trending or an allocation of total program dollars (as in System Improvements), and therefore information may not be available on a project basis.

For the year 2003, a detailed trend analysis was performed for both revenue-producing and maintenance capital expenditures. This analysis was used as the basis for 2003 estimated capital expenditures. Only one specific project (\$3 million for Gulfstream-related mains) was added to the amounts determined in the trend analysis.

Finally, the audit request asked for specific months when project expenditures are estimated to occur. For the 2002 budget, the operating regions were asked to estimate their capital expenditures on a monthly basis. These estimates were used to form the capital budget and, accordingly, the monthly additions included in the MFRs for 2002. In the case of 2003, all expenditures were straight-lined throughout the year with the exception of vehicles, which are typically all purchased in the first quarter of an operating year.

Budget 2002 Main Costs

| <u>Project with Description</u> | | <u>Capital Mains '02</u> | <u>Plastic</u> | <u>Steel</u> |
|---------------------------------|---|--------------------------|----------------|--------------|
| 1 | ✓ 51000007 Andrx Pharmaceuticals <i>Project Complete</i> | \$ 389,000 | \$ - | \$ 389,000 |
| 2 | ✓ 51000010 Northwest Broward Expansion | 1,000,000 | 1,000,000 | - |
| 3 | ✓ 51990061 Big Sky North (a2) <i>LAGUNA FLS.</i> | 20,000 | 20,000 | - |
| 4 | ✓ 51000026 US1 & Jupiter | 462,000✓ | 462,000 | - |
| 5 | ✓ 51010018 Mirasol at Golf Digest | 621,000✓ | 621,000 | - |
| 6 | ✓ 51010023 The Cove | 11,600✓ | 11,600 | - |
| 7 | ✓ 51010024 Jupiter Creek | 11,800✓ | 11,800 | - |
| 8 | ✓ 51990068 Jupiter Creek | 9,600✓ | 9,600 | - |
| 9 | ✓ 51990119 Prosperity Pines | 6,000✓ | 6,000 | - |
| 10 | ✓ 51000004 Fiddler's Creek | 1,200,000 | 1,200,000 | - |
| 11 | ✓ 51000017 The Brooks (shadow woods) <i>Complete 2002</i> | 250,000 | 250,000 | - |
| 12 | ✓ 51000019 Mediterra | 286,000 | 286,000 | - |
| 13 | ✓ 51000030 Tiburon, Collier County | 280,000 | 280,000 | - |
| 14 | ✓ 51000032 Gateway Development | 157,000 | 157,000 | - |
| 15 | ✓ 51010001 The Estuary at Grey Oaks | 160,000 | 160,000 | - |
| 16 | ✓ 51010002 Quail Woods Courtyards <i>Complete</i> | 22,000 | 22,000 | - |
| 17 | ✓ 51010007 Miromar Lakes Development | 519,000 | 519,000 | - |
| 18 | ✓ 51010020 Rookery Pointe Development | 169,000 | 169,000 | - |
| 19 | ✓ 51010025 Sun City Development | 197,000 | 197,000 | - |
| 20 | ✓ 51980010 Naples / Ft Myers Expansion | 1,851,500 | 1,851,500 | - |
| 21 | ✓ 51980010 Naples / Ft Myers Expansion | 195,000 | 195,000 | - |
| 22 | Asphalt Plant - US31, Fort Myers <i>NOT DONE</i> | 200,000 | - | 200,000 |
| | For Misc Revenue Mains | 500,000 | 500,000 | - |
| | 52010044 Beef O'Brady's | 7,300 | 5,840 | 1,460 |
| | 52010058 Community Svcs 3107 N 50th St | 31,000 | 24,800 | 6,200 |
| | 52010003 Berkford Place | 24,100 | 19,280 | 4,820 |
| | 52001011 Cory Lake Isles | 52,900 | 42,320 | 10,580 |
| | 52990032 Van Dyke / Lakeshore Estates | 28,800 | 23,040 | 5,760 |
| | 52010027 5119 W. LONGFELLOW AVE. | 800 | 640 | 160 |
| | 52010028 ESPERANZA - BAY VISTA | 1,600 | 1,280 | 320 |
| | 52010026 Bella Vista Subdivision | 19,200 | 15,360 | 3,840 |
| | 52010034 West Park Village | 7,300 | 5,840 | 1,460 |
| | 52980010 West Meadows (total) | 152,000 | 121,600 | 30,400 |
| | 52010035 West Hamptom, Racetrack Rd | 45,600 | 36,480 | 9,120 |
| | 52010052 Waterchase, Racetrack Rd | 90,600 | 72,480 | 18,120 |
| | 52010050 Mc Mullen Loop Rd.-Riverview | 24,000 | 19,200 | 4,800 |
| | 52010067 BAYPOINTE SUBDIVISION | 800 | 640 | 160 |
| | 52010069 Cross Creek Section O, Phase 2 | 15,200 | 12,160 | 3,040 |
| | 52010059 Hurley Rd.@ Bloomingdale Ave. | 19,200 | 15,360 | 3,840 |
| | 52010076 The Oasis | 23,300 | 18,640 | 4,660 |
| | 52010081 Seven Oaks | 40,000 | 32,000 | 8,000 |
| | 52010006 Camelot Woods Ph2 | 28,900 | 23,120 | 5,780 |
| | 52010008 Mango Road and Lake Weeks | 179,600 | 143,680 | 35,920 |
| | 52980017 Westchase (all) | 57,600 | 46,080 | 11,520 |
| | 52001027 Aston Gardens ACLF | 7,300 | 5,840 | 1,460 |
| | 52970003 CR581/SR54 (total buildout) | 7,300 | 5,840 | 1,460 |
| | 52970053 Brandon East | 38,400 | 30,720 | 7,680 |
| | 52980028 Westwood Lakes | 16,900 | 13,520 | 3,380 |
| | 52970051 SR54 Willow Bend | - 52,800 | 42,240 | 10,560 |

Budget 2002 Main Costs

| <u>Project with Description</u> | <u>Capital Mains '02</u> | <u>Plastic</u> | <u>Steel</u> |
|---|---------------------------------|-----------------------|---------------------|
| 52970006 Fish Hawk Ranch | 278,300 | 222,640 | 55,660 |
| 52001007 The Pointe at Harbour Island | 2,400 | 1,920 | 480 |
| 52001002 Tampa Palms 15 & 16 | 9,600 | 7,680 | 1,920 |
| 52001016 Grand Oaks, S. R. 54 | 68,000 | 54,400 | 13,600 |
| 52001017 Danforth Place, (Richmond Pl) | 19,200 | 15,360 | 3,840 |
| 52001004 Oakstead, SR 54 | 76,000 | 60,800 | 15,200 |
| 52001003 Somerset at Mulrennan & Hwy 60 | 98,500 | 78,800 | 19,700 |
| 52000071 Woodberry at Lakewood | 30,400 | 24,320 | 6,080 |
| 52001026 Lumsden Pointe-206 Homes | 60,800 | 48,640 | 12,160 |
| 52001029 Tampa Palms parcel 23 | 14,400 | 11,520 | 2,880 |
| 52001030 Devonshire Lake Dr | 2,400 | 1,920 | 480 |
| 52001034 Brandon Ridge I | 24,000 | 19,200 | 4,800 |
| 52001037 3409 & 3411 SAN LUIS ST. | 800 | 640 | 160 |
| 52001032 Bayshore Trails-56 Homes | 9,600 | 7,680 | 1,920 |
| 52001042 Olive Garden and Red Lobster | 62,000 | 49,600 | 12,400 |
| 52001013 Deerpark, Livingston Rd | 33,600 | 26,880 | 6,720 |
| 52001012 Mulrennan/Pearson Rd | 48,000 | 38,400 | 9,600 |
| 52970025 Lake Saint Charles | 67,200 | 53,760 | 13,440 |
| 52970019 Oak Grove (no gate now) | 67,200 | 53,760 | 13,440 |
| 52980023 Emerald Creek | 24,000 | 19,200 | 4,800 |
| 52980050 Arbor Greene (total) | 120,800 | 96,640 | 24,160 |
| 52970050 Dade City Expansion | 7,300 | 5,840 | 1,460 |
| 52990039 Carolwood Publix | 30,800 | 24,640 | 6,160 |
| 52980021 Meadowpointe 12-1 parcel 15 | 220,800 | 176,640 | 44,160 |
| 52990021 Westchester | 28,800 | 23,040 | 5,760 |
| 52990026 River Crossing | 4,000 | 3,200 | 800 |
| 52990052 Lake June Estates | 6,400 | 5,120 | 1,280 |
| 52990063 Bloomingdale Trails | 11,200 | 8,960 | 2,240 |
| 52990067 Wesley Point SR54 | 24,000 | 19,200 | 4,800 |
| 52990099 Saddlebrook Village | 19,200 | 15,360 | 3,840 |
| 52990077 Bloomingdale Ridge | 33,600 | 26,880 | 6,720 |
| 52990087 Centex & Bayshore | 28,800 | 23,040 | 5,760 |
| 52990100 Pinewalk | 3,200 | 2,560 | 640 |
| 52990072 Garrison District Channel | 67,500 | 54,000 | 13,500 |
| 52010010 Thurston Groves, 102nd Ave N | 30,400 | 24,320 | 6,080 |
| 52010071 South Cross Bayou Water Recl | 31,000 | 24,800 | 6,200 |
| 52980043 Maderia Beach Expansion | 74,800 | 59,840 | 14,960 |
| 52990028 Oakhurst | 8,000 | 6,400 | 1,600 |
| 52990088 Paradise Point Circle | 1,600 | 1,280 | 320 |
| 52010011 Lakeridge Falls - University | 57,700 | 46,160 | 11,540 |
| 52010022 River Pines Dubdivision | 16,000 | 12,800 | 3,200 |
| 52010025 Old Grove - Greenfield | 27,200 | 21,760 | 5,440 |
| 52010030 Greenbrook-Lakewood Ranch | 96,000 | 76,800 | 19,200 |
| 52010031 The Plantations @ Tara | 4,800 | 3,840 | 960 |
| 52010054 Secluded Oaks-Sarasota | 27,200 | 21,760 | 5,440 |
| 52010055 The Enclave-Sarasota | 3,200 | 2,560 | 640 |
| 52010065 Heritage Harbour | 20,800 | 16,640 | 4,160 |
| 52010066 Kenwood Park-University Park | 20,000 | 16,000 | 4,000 |
| 52010063 Englewood Project | - 148,500 | 118,800 | 29,700 |

Budget 2002 Main Costs

| <u>Project with Description</u> | <u>Capital Mains '02</u> | <u>Plastic</u> | <u>Steel</u> |
|--|--------------------------|----------------|--------------|
| 52970027 University "T&Z" Y & Park | 20,000 | 16,000 | 4,000 |
| 52980044 Lakewood Ranch, (consolidate) | 264,000 | 211,200 | 52,800 |
| 52000023 Monte Verde in Prestancia | 1,600 | 1,280 | 320 |
| 52000024 Willow Brook - Sarasota | 12,800 | 10,240 | 2,560 |
| 52000008 Hammocks - Sarasota | 9,600 | 7,680 | 1,920 |
| 52990035 Waterleaf | 67,200 | 53,760 | 13,440 |
| 52000076 Hudson Street- Sarasota | 1,600 | 1,280 | 320 |
| 52000077 Emerald Pointe, Longboat Key | 3,200 | 2,560 | 640 |
| 52001014 Water Oak-Braden River Rd | 24,000 | 19,200 | 4,800 |
| 52001040 Portofino Project | 4,800 | 3,840 | 960 |
| 52001015 The Inlets-Pinnacle Dr | 9,600 | 7,680 | 1,920 |
| 52990001 Venice Expansion | 73,000 | 58,400 | 14,600 |
| 52980037 The Hamptons | 19,200 | 15,360 | 3,840 |
| 52980035 Riviera Dunes | 50,200 | 40,160 | 10,040 |
| 52980034 Rosdale Highlands (combined) | 19,200 | 15,360 | 3,840 |
| 52980009 Ellenton | 26,600 | 21,280 | 5,320 |
| 52980005 Blake Project | 21,900 | 17,520 | 4,380 |
| 52980045 Hawks Harbor | 3,200 | 2,560 | 640 |
| 52990013 River Club South | 14,400 | 11,520 | 2,880 |
| 52990036 Silver Oaks | 4,800 | 3,840 | 960 |
| 52990016 Villa Rosa- Sarasota | 9,600 | 7,680 | 1,920 |
| 52980042 Heron Creek North Port | 74,600 | 59,680 | 14,920 |
| 52990015 Bobcat Trail / Toledo Blade | 53,000 | 42,400 | 10,600 |
| 52000016 The Preserve at Fairway Oaks | 22,400 | 17,920 | 4,480 |
| 52970001 Pasco / Hernando Expansion | 443,400 | 354,720 | 88,680 |
| 52970009 Brooksville Expansion | 104,000 | 83,200 | 20,800 |
| Land O'Lakes | 450,000 | 360,000 | 90,000 |
| Englewood | 450,000 | 360,000 | 90,000 |
| East Manatee | 450,000 | 360,000 | 90,000 |
| Mango | 450,000 | 360,000 | 90,000 |
| New Misc | 450,000 | 360,000 | 90,000 |
| Connerton | 100,000 | 80,000 | 20,000 |
| UCF - Academic Villages | 15,000 | - | 15,000 |
| Super Target at Hunter's Creek | 10,000 | - | 10,000 |
| Thornton Rd. main installation | 15,000 | - | 15,000 |
| Custom Fabs, 109 5th St. | 10,000 | - | 10,000 |
| Orange County Animal Control | 15,000 | - | 15,000 |
| 2024 Wellfleet Ct./Auto Body | 10,000 | - | 10,000 |
| Sand Lake Pointe Apartments | 10,000 | 10,000 | - |
| The Waverly at Lake Eola | 25,000 | 25,000 | - |
| Perle Du Lac, Winter Park | 4,500 | 4,500 | - |
| 1300 Brookhaven Dr | 5,000 | 5,000 | - |
| 53000024, SAND LK RD & PHIL | 9,900 | - | 9,900 |
| 2550 MICHIGAN AVE | 8,800 | - | 8,800 |
| The Fountains Shopping Center | 5,000 | - | 5,000 |
| Central Ave Elementary School | 25,000 | - | 25,000 |
| Orange Tree Subdivision: US 27 | 30,000 | 30,000 | - |
| VALENCIA Woods Apartments | 15,000 | 15,000 | - |
| 53000026, 325 S ORANGE AVE | - | 17,500 | - |

Budget 2002 Main Costs

| <u>Project with Description</u> | <u>Capital Mains '02</u> | <u>Plastic</u> | <u>Steel</u> |
|--|--------------------------|----------------|--------------|
| CRESENT LAKE SUBDIVISION | 40,000 | 40,000 | - |
| Waterford Point Apartments | 23,000 | 23,000 | - |
| SUMMER BAY RESORT CLERMONT | 5,000 | 5,000 | - |
| WESTGATE TIMESHARE RESORT | 25,000 | 25,000 | - |
| ATRIA, RED BUG LAKE RD | 17,100 | - | 17,100 |
| 98-A-4 SE ORLANOD EXPANS | 450,000 | - | 450,000 |
| MCINERNEY FORD | 9,000 | - | 9,000 |
| ORLANDO INT'L AIRPORT | 7,500 | - | 7,500 |
| 53990136 LITTLE LAKE BRYAN | 10,000 | - | 10,000 |
| 53990137 217 BOSTON AVE | 10,000 | - | 10,000 |
| 8500 VINELAND RD-OUTLET MAL | 10,000 | - | 10,000 |
| THE PALMS COUNTRY CL | 30,000 | 30,000 | - |
| INDIAN CREEK | 30,000 | 30,000 | - |
| 53990041 GREATER GROVES 7-9 | 15,000 | 15,000 | - |
| Mossy Oak Subdivision | 2,500 | 2,500 | - |
| U.S. Nutraceuticals | 50,000 | - | 50,000 |
| Bridle Path Subdivision | 5,000 | 5,000 | - |
| Mission Inn: Howey in the Hill | 30,000 | 30,000 | - |
| Waterman Hopital Expansion | 75,000 | - | 75,000 |
| ROYAL HARBOR TAVARES | 30,000 | 30,000 | - |
| Publix, Shepherd Rd.Lakeland | 25,000 | 25,000 | - |
| Juice Bowl Products, Inc. | 28,000 | - | 28,000 |
| 337 Bill France Main Extension | 8,500 | 8,500 | - |
| 115 Main Street main extension | 4,500 | 4,500 | - |
| 1200 W. International Speedway | 8,500 | 8,500 | - |
| CRANE LAKES PH 2 | 10,000 | 10,000 | - |
| Salvation Army on LPGA Blvd. | 7,400 | 7,400 | - |
| CRANE LAKES PH I | 6,500 | 6,500 | - |
| ABERDEEN @ ORMOND BEACH | 30,000 | 30,000 | - |
| New Project I | 6,000 | 6,000 | - |
| Residence Inn Westwood | 21,000 | - | 21,000 |
| Baldwin Park NTC / Orl. | 100,000 | - | 100,000 |
| Reunion 545 / Orl. | 175,000 | 150,000 | 25,000 |
| Bridgewater / Horizon West / Orl. | 110,000 | 110,000 | - |
| Universal Blvd. OCCC / Orl. | 300,000 | - | 300,000 |
| Oviedo Extension / Orl. | 400,000 | - | 400,000 |
| Cambridge Cove Apts, / Lkld 0870103005 | 45,000 | 45,000 | - |
| Greater Grove Project | 45,000 | 30,000 | 15,000 |
| Orlando New Apts | 45,000 | 30,000 | 15,000 |
| Daytona Unknown | 50,000 | 25,000 | 25,000 |
| Eustis Unknown | 50,000 | 25,000 | 25,000 |
| Lakeland Unknown | 50,000 | 25,000 | 25,000 |
| Orlando Unknown | 175,000 | 150,000 | 25,000 |
| St. Johns Golf & Country Club | 125,000 | 125,000 | - |
| Southampton Golf Club | 75,000 | 75,000 | - |
| 54000008 MANDARIN EXP | 455,000 | 455,000 | - |
| SUPPLY MAIN-WORLD GOLF VLG | 300,000 | - | 300,000 |
| SUTTON6 LAKES | 100,000 | 100,000 | - |
| 54980004 Ridgemoor | - 15,000 | 15,000 | - |

Budget 2002 Main Costs

| <u>Project with Description</u> | <u>Capital Mains '02</u> | <u>Plastic</u> | <u>Steel</u> |
|--------------------------------------|--------------------------|----------------|--------------|
| 54-069902 JAMES ISLAND | 25,000 | 25,000 | - |
| 54990023,CAMBRIDGE ESTATES | 100,000 | 100,000 | - |
| 54001010 Summerton South residential | 5,815 | 5,815 | - |
| 54010013 Bellevue Extension | 423,636 | 300,000 | 123,636 |
| 54990251 Golden Ocala | 100,000 | 100,000 | - |
| 92-B-14 SPRUCE CREEK | 150,000 | 150,000 | - |
| 190-A-15 LADY LAKES-VILLAG | 1,400,000 | 1,300,000 | 100,000 |
| 54990274 Quail Meadows phase 2 | 10,000 | 10,000 | - |
| 54990282 Golfview | 10,000 | 10,000 | - |
| 136A1-15 OCALA WESTERN | 120,000 | 120,000 | - |
| 54990278 Victoria Station | 13,250 | 13,250 | - |
| 54990284 Heather Island Preserve | 50,000 | 50,000 | - |
| 54990293 Deerpath | 13,541 | 13,541 | - |
| KING & MCCOYS CREEK | 13,800 | 13,800 | - |
| DALTON WOODS | 23,922 | 23,922 | - |
| ANTHONY RD-WINN DIXIE | 14,062 | 14,062 | - |
| FOUNTAIN SUBD | 24,283 | 24,283 | - |
| Palencia | 350,000 | 350,000 | - |
| Misc. Short Main Ext. -06 | 750,000 | 750,000 | - |
| Misc.Short Main Ext. - 14 | 500,000 | 500,000 | - |
| Pier Park | 125,000 | 125,000 | - |
| Palmetto Trace | 64,000 | 64,000 | - |
| 15...MISC. MAIN | 150,000 | 150,000 | - |
| 15..BOYD DEV. | 200,000 | 200,000 | - |
| 15..AUTUMN RIDGE | 50,000 | 50,000 | - |
| 15...HEATHBROOK | 150,000 | 150,000 | - |
| Gulfstream | 3,000,000 | - | 3,000,000 |
| Total New Mains | \$ 27,079,409 | \$ 19,830,393 | \$ 7,249,016 |

| | | | |
|---|---------|---------|---------|
| NE 9ST & NE 14 ST | 5,796 | 3,825 | 1,971 |
| Beaver St Bare Stl | 300,000 | 198,000 | 102,000 |
| Cinderella Lane | 15,000 | 9,900 | 5,100 |
| Forest Ave | 15,000 | 9,900 | 5,100 |
| 15.. NE 12TH AVE | 30,000 | 19,800 | 10,200 |
| 15...SHORES | 30,000 | 19,800 | 10,200 |
| Virginia Ave. Main Replacement | 8,000 | 5,280 | 2,720 |
| Lakeland Regional Medical | 7,100 | 4,686 | 2,414 |
| Ridgewood Main Replacement / Daytona | 75,000 | 49,500 | 25,500 |
| South FL Main Replacement 0870104002 / Lkld ut S.F.L. | 53,000 | 34,980 | 18,020 |
| Lakeland Bypass Replacement | 55,000 | 36,300 | 18,700 |
| Delany & Gore / Orl | 40,000 | 26,400 | 13,600 |
| Tangerine Place / Orl | 50,000 | 33,000 | 17,000 |
| Edgewater & Par / Orl. | 75,000 | 49,500 | 25,500 |
| Tampa | 300,000 | 198,000 | 102,000 |
| St. Petersburg | 300,000 | 198,000 | 102,000 |
| Sarasota | 200,000 | 132,000 | 68,000 |
| BRIDGE B/PALM IS & HIBISCUS | 30,500 | 20,130 | 10,370 |

Budget 2002 Main Costs

| <u>Project with Description</u> | <u>Capital Mains '02</u> | <u>Plastic</u> | <u>Steel</u> |
|--|--------------------------|----------------|--------------|
| 1 ✓ South Region's Allocation CY02 300,000 | 800,000 | 528,000 | 272,000 |
| 2 Total Main Replacements | \$ 2,389,396 | \$ 1,577,001 | \$ 812,395 |
| <u>MUNICIPAL</u> | | | |
| 3 ✓ Riverland Village Ph-2, Ft. Lauderdale UM | 220,000 | 145,200 | 74,800 |
| 4 Biscayne Blvd, Aventura UM NOT DONE | 155,600 | 102,696 | 52,904 |
| 5 Msc. Projects | 100,000 | 66,000 | 34,000 |
| 6 ✓ SR A1A, Lighthouse Point, Offsets UM NOT DONE | 80,000 | 52,800 | 27,200 |
| 7 ✓ Riverland Village - Phase 1 UM | 76,600 | 50,556 | 26,044 |
| 8 SR A1A (Indian Crk Dr), Miami Beach M NOT DONE | 68,000 | 44,880 | 23,120 |
| 7 ✓ Sunrise Blvd. (5) Offsets UM | 60,000 | 39,600 | 20,400 |
| 10 ✓ N.W. 6 Ave, Pompano, Offsets UM \$ 4,600 complete | 37,500 | 24,750 | 12,750 |
| 02-Misc | 270,000 | 178,200 | 91,800 |
| FDOT US-41 McIntosh/SR-681 | 200,000 | 132,000 | 68,000 |
| Municipal - Siesta Key Project | 100,000 | 66,000 | 34,000 |
| 03- Misc | 72,000 | 47,520 | 24,480 |
| 11-Misc | 68,000 | 44,880 | 23,120 |
| Collier Parkway Road Widening | 55,000 | 36,300 | 18,700 |
| 20th St./ Crosstown Expressway | 50,000 | 33,000 | 17,000 |
| Windhorst Ave. @ Highview Ave. | 30,000 | 19,800 | 10,200 |
| Delaware & Arizona | 30,000 | 19,800 | 10,200 |
| 63rd Ave Municipal Rd Project | 30,000 | 19,800 | 10,200 |
| US 19 & TOUCAN TR HUDSON | 25,000 | 16,500 | 8,500 |
| Countyline Rd & Oakgrove Blvd | 20,000 | 13,200 | 6,800 |
| HORATIO ST AND WILLOW AVE-COT | 20,000 | 13,200 | 6,800 |
| BRYAN DAIRY & 66 ST | 20,000 | 13,200 | 6,800 |
| 65th St. & 78th A/N - Pinellas | 20,000 | 13,200 | 6,800 |
| Nova Road Port Orange | 150,000 | 99,000 | 51,000 |
| SR441 Taftvineland | 150,000 | 99,000 | 51,000 |
| SR 426 (Aloma Ave.) Relocation | 100,000 | 66,000 | 34,000 |
| SR 545 / Orl | 100,000 | 66,000 | 34,000 |
| Alafaya Trail & Muculloch | 100,000 | 66,000 | 34,000 |
| SR192 Michigan | 85,000 | 56,100 | 28,900 |
| Dodd Road / Orl. | 75,000 | 49,500 | 25,500 |
| Silver Star Road & Gate Sta. | 60,000 | 39,600 | 20,400 |
| CR 545 Main Relocation | 40,000 | 26,400 | 13,600 |
| US 27 Main relocation | 35,000 | 23,100 | 11,900 |
| Nova Road Ormond Beach | 25,000 | 16,500 | 8,500 |
| INGRAM AND MYRTLE RELOCATION | 20,700 | 13,662 | 7,038 |
| International Dr. & SR 528 | 20,100 | 13,266 | 6,834 |
| SR 530 B/BONNETT & SR 535 | 15,000 | 9,900 | 5,100 |
| SR 500 (US 441) Main Relocate | 15,000 | 9,900 | 5,100 |
| Bay Street Main Replacement | 15,000 | 9,900 | 5,100 |
| Central Blvd. at Mills | 14,000 | 9,240 | 4,760 |
| GRIFFIN ROAD PROJECT | 8,000 | 5,280 | 2,720 |
| LANE AVE | 250,000 | 165,000 | 85,000 |
| San Juan Reloc | 150,000 | 99,000 | 51,000 |
| SW 20th Street | 150,000 | 99,000 | 51,000 |
| SW 31st Street | - 150,000 | 99,000 | 51,000 |

Budget 2002 Main Costs

| <u>Project with Description</u> | <u>Capital Mains '02</u> | <u>Plastic</u> | <u>Steel</u> |
|---|--------------------------|----------------|--------------|
| 1 Beach Blvd | 75,000 | 49,500 | 25,500 |
| 2 5TH ST / MCDUFF AVE | 60,000 | 39,600 | 20,400 |
| 3 Airport Rd | 40,000 | 26,400 | 13,600 |
| 4 Oak St | 36,000 | 23,760 | 12,240 |
| 5 Point Meadows Dr. | 30,000 | 19,800 | 10,200 |
| 6 MURRY HILL | 25,000 | 16,500 | 8,500 |
| 7 MLK Blvd | 20,000 | 13,200 | 6,800 |
| 8 Hath Bridge Proj | 20,000 | 13,200 | 6,800 |
| 9 NW 14 ST & MAGNOLIA AVE | 13,854 | 9,144 | 4,710 |
| 10 DERPATH3 | 8,194 | 5,408 | 2,786 |
| 11 SE 31ST STREET | 7,818 | 5,160 | 2,658 |
| 12 Total Municipal Improvements | \$ 3,871,366 | \$ 2,555,102 | \$ 1,316,264 |
| 13 Shores | 50,000 | 39,417 | 10,583 |
| 14 NE 12th Street | 30,000 | 23,650 | 6,350 |
| 15 Westside Ind. Park | 30,000 | 23,650 | 6,350 |
| 16 SE 24TH Terrace | 25,000 | 19,708 | 5,292 |
| 17 Myrtle Ave Backfeed | 15,000 | 11,825 | 3,175 |
| 18 Orlando Unknown | 100,000 | 78,833 | 21,167 |
| 19 Daytona Unknown | 50,000 | 39,417 | 10,583 |
| 20 Lakeland Unknown | 50,000 | 39,417 | 10,583 |
| 21 Eustis Unknown | 50,000 | 39,417 | 10,583 |
| 22 Millenia Blvd & Oakridge rd ex | 25,000 | 19,708 | 5,292 |
| 23 53990132,6161 JONES AVE | 25,000 | 19,708 | 5,292 |
| 24 02-Dale Mabry | 300,000 | 236,500 | 63,500 |
| 25 11- Siesta Key | 125,000 | 98,542 | 26,458 |
| 26 02-Culbreath | 100,000 | 78,833 | 21,167 |
| 27 03- US 19 - Pasco | 100,000 | 78,833 | 21,167 |
| 28 02-Misc | 50,000 | 39,417 | 10,583 |
| 29 03- Misc | 25,000 | 19,708 | 5,292 |
| 30 Las Olas Blvd @ ICWW 2003 | 112,500 | 88,687 | 23,813 |
| 31 Collins Ave, Bal Harbour NM D GC complete 2002 / NOT START IN DESIGN | 112,500 | 88,687 | 23,813 |
| 32 Copans Road Backfeed NOT DONE | 84,600 | 66,693 | 17,907 |
| 33 Davie Blvd & New River NM complete 2004 / IN DESIGN | 50,000 | 39,417 | 10,583 |
| 34 Miami Gate Station Upgrade. NOT DONE | 50,000 | | 1,583 |
| Total Distribution System Improvements | \$ 1,559,600 | | 1,116 |
| Goldenrod, Woodlands & S | 5,000 | | 5,000 |
| (2) Rectifier locations in Lal | 5,200 | | 5,200 |
| CP-54 | 50,000 | | 50,000 |
| General C.P. Requirements | 75,000 | | 75,000 |
| Misc | 120,000 | | 20,000 |
| Total Cathodic Protection | 255,200 | | |
| Miscellaneous | \$ 395,005 | \$ 395,005 | \$ - |
| Total All 37600 and 37602 | \$ - 35,549,976 | \$ 25,586,985 | \$ 9,962,991 |

Budget 2002 Service Line Costs

| <u>Project with Description</u> | <u>Total Service Cost</u> | <u>90%</u> | <u>10%</u> |
|--|---------------------------|----------------|--------------|
| | | <u>Plastic</u> | <u>Steel</u> |
| 54990262 Villages (conservative) | \$ 1,170,799 | \$ 1,054,471 | \$ 116,329 |
| ✓ 51000010 Northwest Broward Expansion <i>NM</i> | 220,716 | 198,786 | 21,930 |
| 52000015 South Hillsborough | 215,423 | 194,019 | 21,404 |
| 52980044 Lakewood Ranch, (consolidate) | 174,667 | 157,313 | 17,355 |
| 52970006 Fish Hawk Ranch | 159,847 | 143,965 | 15,882 |
| 52980021 Meadowpointe 12-1 parcel 15 | 146,085 | 131,570 | 14,515 |
| 53990034 Falcon Trace Apartments | 133,382 | 120,130 | 13,253 |
| ✓ 51000004 Fiddler's Creek <i>FM</i> | 125,443 | 112,979 | 12,464 |
| 54980251 Spruce Creek | 105,859 | 95,341 | 10,518 |
| ✓ 51990061 Big Sky North (a2) <i>NM</i> | 100,566 | 90,574 | 9,992 |
| 51010019 Tarpon Bay Development <i>FM</i> | 100,566 | 90,574 | 9,992 |
| 52980010 West Meadows (total) | 100,566 | 90,574 | 9,992 |
| 52980050 Arbor Greene (total) | 79,923 | 71,982 | 7,941 |
| 54001005 St. Johns Golf & Country Club | 79,394 | 71,506 | 7,888 |
| 54970003 Sutton Lakes (total buildout) | 74,101 | 66,739 | 7,363 |
| 52010030 Greenbrook-Lakewood Ranch | 63,515 | 57,205 | 6,311 |
| 51000017 The Brooks (shadow woods) <i>FM</i> | 62,457 | 56,251 | 6,206 |
| 52001003 Somerset at Mulrennan & Hwy 60 | 60,869 | 54,821 | 6,048 |
| 53000009 Orange Tree Subdivision | 60,869 | 54,821 | 6,048 |
| 51000019 Mediterra <i>FM</i> | 56,105 | 50,531 | 5,575 |
| 54990258 Top of the World | 52,929 | 47,670 | 5,259 |
| 52001004 Oakstead, SR 54 | 50,283 | 45,287 | 4,996 |
| 54001006 Southampton Golf Club | 47,637 | 42,903 | 4,733 |
| ✓ 51000030 Tiburon, Collier County <i>FM</i> | 46,578 | 41,950 | 4,628 |
| 52001016 Grand Oaks, S. R. 54 | 44,990 | 40,520 | 4,470 |
| 52970025 Lake Saint Charles | 44,461 | 40,043 | 4,418 |
| 52970019 Oak Grove (no gate now) | 44,461 | 40,043 | 4,418 |
| 52990035 Waterleaf | 44,461 | 40,043 | 4,418 |
| 53990043 Indian Creek (Sandhill Road) | 42,344 | 38,136 | 4,207 |
| 52980042 Heron Creek North Port | 40,756 | 36,706 | 4,049 |
| 52001026 Lumsden Pointe-206 Homes | 40,226 | 36,230 | 3,997 |
| 52980017 Westchase (all) | 38,109 | 34,323 | 3,786 |
| 51010012 Village 14, Pembroke Falls <i>NM</i> | 37,051 | 33,369 | 3,681 |
| 51010020 Rookery Pointe Development <i>FM</i> | 35,463 | 31,939 | 3,524 |
| 51001006 Murdock Circle Apartments <i>FM</i> | 34,933 | 31,463 | 3,471 |
| 52970051 SR54 Willow Bend | 34,933 | 31,463 | 3,471 |
| 53990093 The Preserves @ Windsong | 34,933 | 31,463 | 3,471 |
| 52010011 Lakeridge Falls - University | 33,875 | 30,509 | 3,366 |
| 52010008 Mango Road and Lake Weeks | 32,816 | 29,556 | 3,261 |
| 51010006 Gulf Harbour Development <i>FM</i> | 31,758 | 28,602 | 3,155 |
| ✓ 51010018 Mirasol at Golf Digest <i>DB</i> | 31,758 | 28,602 | 3,155 |
| 52001012 Mulrennan/Pearson Rd | 31,758 | 28,602 | 3,155 |
| 54990004 James Island | 31,758 | 28,602 | 3,155 |
| 54970001 World Golf Village (lp to ng 2) | 31,758 | 28,602 | 3,155 |
| 52001011 Cory Lake Isles | 30,699 | 27,649 | 3,050 |
| 52010035 West Hampton, Racetrack Rd | 30,170 | 27,172 | 2,998 |
| 53990061 Ormand Beach (total) | - | 26,219 | 2,892 |

Budget 2002 Service Line Costs

| <u>Project with Description</u> | <u>Total Service Cost</u> | <u>Plastic</u> | <u>Steel</u> |
|--|---------------------------|----------------|--------------|
| 53990081 Southeast Orlando | 29,111 | 26,219 | 2,892 |
| 51000026 US1 & Jupiter <i>PB</i> | 28,582 | 25,742 | 2,840 |
| 51000032 Gateway Development <i>FM</i> | 27,523 | 24,789 | 2,735 |
| 52970001 Pasco / Hernando Expansion | 26,994 | 24,312 | 2,682 |
| 52990015 Bobcat Trail / Toledo Blade | 26,465 | 23,835 | 2,629 |
| 53990018 Carillon Lakes | 26,465 | 23,835 | 2,629 |
| 53990073 Royal Harbor (Pringle) | 26,465 | 23,835 | 2,629 |
| 52970053 Brandon East | 25,406 | 22,882 | 2,524 |
| 54990023 Cambridge Estates | 25,406 | 22,882 | 2,524 |
| 54001001 New Berlin Road Extension | 25,406 | 22,882 | 2,524 |
| 51990050 West Bay Club <i>FM</i> | 23,289 | 20,975 | 2,314 |
| 51010001 The Estuary at Grey Oakes <i>FM</i> | 22,230 | 20,022 | 2,209 |
| 52990077 Bloomingdale Ridge | 22,230 | 20,022 | 2,209 |
| 52001013 Deerpark, Livingston Rd | 22,230 | 20,022 | 2,209 |
| 52970015 Fairway Oaks (phase 3) | 22,230 | 20,022 | 2,209 |
| 53990025 Crane Lakes | 21,701 | 19,545 | 2,156 |
| 53000042 Hampton Park, Orange | 21,172 | 19,068 | 2,104 |
| 53990106 Weston Hills (total) | 21,172 | 19,068 | 2,104 |
| 52010010 Thurston Groves, 102nd Ave N | 20,113 | 18,115 | 1,998 |
| 52000071 Woodberry at Lakewood | 20,113 | 18,115 | 1,998 |
| 52990087 Centex & Bayshore | 19,055 | 17,161 | 1,893 |
| 52990032 Van Dyke /Lakeshore Estates | 19,055 | 17,161 | 1,893 |
| 52990021 Westchester | 19,055 | 17,161 | 1,893 |
| 54990035 North Creek / Amelia View | 19,055 | 17,161 | 1,893 |
| 53990031 Eastwood, (all) | 18,525 | 16,685 | 1,841 |
| 52010025 Old Grove - Greenfield | 17,996 | 16,208 | 1,788 |
| 52980025 Riverglen | 17,996 | 16,208 | 1,788 |
| 52010054 Secluded Oaks-Sarasota | 17,996 | 16,208 | 1,788 |
| 51990011 BallenIsles <i>P.B.</i> | 16,408 | 14,778 | 1,630 |
| 51990019 Martin County Expansion <i>P.B.</i> | 15,879 | 14,301 | 1,578 |
| 52001034 Brandon Ridge I | 15,879 | 14,301 | 1,578 |
| 52980023 Emerald Creek | 15,879 | 14,301 | 1,578 |
| 52970012 Hickory Lakes | 15,879 | 14,301 | 1,578 |
| 52010050 Mc Mullen Loop Rd.-Riverview | 15,879 | 14,301 | 1,578 |
| 52001014 Water Oak-Braden River Rd | 15,879 | 14,301 | 1,578 |
| 52990067 Wesley Point SR54 | 15,879 | 14,301 | 1,578 |
| 53990026 Crescent Lakes | 15,879 | 14,301 | 1,578 |
| 52010006 Camelot Woods Ph2 | 14,820 | 13,348 | 1,473 |
| 52000016 The Preserve at Fairway Oaks | 14,820 | 13,348 | 1,473 |
| 53000058 Viscaya Subdivision | 14,291 | 12,871 | 1,420 |
| 52010063 Englewood Project | 13,762 | 12,394 | 1,367 |
| 52000042 East Manatee 6" Steel | 13,232 | 11,918 | 1,315 |
| 52010066 Kenwood Park-University Park | 13,232 | 11,918 | 1,315 |
| 52980035 Riviera Dunes | 13,232 | 11,918 | 1,315 |
| 52970027 University "T&Z" Y & Park | 13,232 | 11,918 | 1,315 |
| 53000050 The Reserve at Cypress Point | 13,232 | 11,918 | 1,315 |
| 52001017 Danforth Place, (Richmond Pl) | - | 11,441 | 1,262 |

Budget 2002 Service Line Costs

| <u>Project with Description</u> | <u>Total Service Cost</u> | <u>Plastic</u> | <u>Steel</u> |
|---|---------------------------|----------------|--------------|
| 52010059 Hurley Rd.@ Bloomingdale Ave. | 12,703 | 11,441 | 1,262 |
| 52980034 Rosdale Highlands (combined) | 12,703 | 11,441 | 1,262 |
| 52990099 Saddlebrook Village | 12,703 | 11,441 | 1,262 |
| 52980037 The Hamptons | 12,703 | 11,441 | 1,262 |
| 52980026 Valrico Grove | 12,703 | 11,441 | 1,262 |
| 53990054 LPGA, Jubilee phase 1&2 | 12,703 | 11,441 | 1,262 |
| 54970002 Mayport Expansion | 12,703 | 11,441 | 1,262 |
| 52010003 Berkford Place | 11,644 | 10,488 | 1,157 |
| 52010076 The Oasis | 11,115 | 10,011 | 1,104 |
| 51010002 Quail Woods Courtyards <i>FM</i> | 10,586 | 9,534 | 1,052 |
| 52010022 River Pines Dubdivision | 10,586 | 9,534 | 1,052 |
| 53000066 LAUREL VALLEY IN THE PRESERVES | 10,586 | 9,534 | 1,052 |
| 53001005 Mission Inn: Howey in the Hill | 10,586 | 9,534 | 1,052 |
| 53990084 Stonehurst | 10,586 | 9,534 | 1,052 |
| 54990255 Lake Diamond Country Club | 10,586 | 9,534 | 1,052 |
| 54000008 Mandarin Expansion | 10,586 | 9,534 | 1,052 |
| 52010069 Cross Creek Section O, Phase 2 | 10,057 | 9,057 | 999 |
| 54001010 Summerton South residential | 10,057 | 9,057 | 999 |
| 52990013 River Club South | 9,527 | 8,581 | 947 |
| 52001029 Tampa Palms parcel 23 | 9,527 | 8,581 | 947 |
| 52980009 Ellenton | 8,998 | 8,104 | 894 |
| 52000024 Willow Brook - Sarasota | 8,469 | 7,627 | 841 |
| 52990063 Bloomingdale Trails | 7,410 | 6,674 | 736 |
| 51990126 Cloisters on the Bay <i>M.</i> | 6,881 | 6,197 | 684 |
| 52980028 Westwood Lakes | 6,881 | 6,197 | 684 |
| 51990016 Egret Landing area a,b,c <i>P.B.</i> | 6,352 | 5,720 | 631 |
| 52001032 Bayshore Trails-56 Homes | 6,352 | 5,720 | 631 |
| 52000008 Hammocks - Sarasota | 6,352 | 5,720 | 631 |
| 52001002 Tampa Palms 15 & 16 | 6,352 | 5,720 | 631 |
| 52001015 The Inlets-Pinnacle Dr | 6,352 | 5,720 | 631 |
| 52990016 Villa Rosa- Sarasota | 6,352 | 5,720 | 631 |
| 53001009 COUNTRY CLUB OAKS SUBDIV. | 6,352 | 5,720 | 631 |
| 53990123 Waterview Subdivision | 6,352 | 5,720 | 631 |
| 52970009 Brooksville Expansion | 5,822 | 5,244 | 578 |
| 51990029 Island Estates <i>N.M.</i> | 5,293 | 4,767 | 526 |
| ✓ 51010023 The Cove <i>P.B.</i> | 5,293 | 4,767 | 526 |
| 52990028 Oakhurst | 5,293 | 4,767 | 526 |
| 52990001 Venice Expansion | 5,293 | 4,767 | 526 |
| 53990015 Bright Water Place | 5,293 | 4,767 | 526 |
| 53990153 Silver Creek Port Orange | 5,293 | 4,767 | 526 |
| 54990264 Laurel Woods | 5,293 | 4,767 | 526 |
| 51990077 The Bears Club, Jupiter <i>P.B.</i> | 4,764 | 4,290 | 473 |
| 52980022 Richmond Place (combine) | 4,764 | 4,290 | 473 |
| 52990052 Lake June Estates | 4,234 | 3,814 | 421 |
| 54001004 Tierra Verde (The Glades) | 4,234 | 3,814 | 421 |
| 52980002 Lakeview Village #2 Sect. F & | 3,705 | 3,337 | 368 |
| 52980043 Maderia Beach Expansion | - 3,705 | 3,337 | 368 |

Budget 2002 Service Line Costs

| <u>Project with Description</u> | <u>Total Service Cost</u> | <u>Plastic</u> | <u>Steel</u> |
|---|---------------------------|----------------|--------------|
| 52990072 Garrison District Channel | 3,176 | 2,860 | 316 |
| 52001040 Portofino Project | 3,176 | 2,860 | 316 |
| 52990036 Silver Oaks | 3,176 | 2,860 | 316 |
| 52010031 The Plantations @ Tara | 3,176 | 2,860 | 316 |
| 52970054 301 / 54 / Zephyrhills | 3,176 | 2,860 | 316 |
| 53990065 Pennsylvannia Place | 3,176 | 2,860 | 316 |
| 53990134 The Milenia Project: Conroy & | 3,176 | 2,860 | 316 |
| 53001012 Winter Park Pointe | 3,176 | 2,860 | 316 |
| 54980003 Baker County Expansion | 3,176 | 2,860 | 316 |
| 54990251 Golden Ocala | 3,176 | 2,860 | 316 |
| 54001011 THE LANDINGS OFF OF HWY 390 | 3,176 | 2,860 | 316 |
| ✓ 51990001 I75 Broward Expansion <i>MM</i> | 2,646 | 2,384 | 263 |
| 52990026 River Crossing | 2,646 | 2,384 | 263 |
| 53010034 LAKE ADAIR PLACE | 2,646 | 2,384 | 263 |
| 53990091 The Park @ Wolf Branch | 2,646 | 2,384 | 263 |
| 54990256 Deer Path | 2,646 | 2,384 | 263 |
| 54990293 Deerpath | 2,646 | 2,384 | 263 |
| 54990269 Lemonwood 2 | 2,646 | 2,384 | 263 |
| 54990270 Silver Meadows Central (murphy) | 2,646 | 2,384 | 263 |
| 54990257 South Point | 2,646 | 2,384 | 263 |
| 52000077 Emerald Pointe, Longboat Key | 2,117 | 1,907 | 210 |
| 52980045 Hawks Harbor | 2,117 | 1,907 | 210 |
| 52990100 Pinewalk | 2,117 | 1,907 | 210 |
| 52010055 The Enclave-Sarasota | 2,117 | 1,907 | 210 |
| 53990140 Gipson Green Subdivision | 2,117 | 1,907 | 210 |
| 53990090 The Palms Country Club Resort | 2,117 | 1,907 | 210 |
| 54990283 Diamond Crest | 2,117 | 1,907 | 210 |
| 54990561 Preserve on the Bay | 2,117 | 1,907 | 210 |
| ✓ 51990119 Prosperity Pines <i>AB</i> | 1,588 | 1,430 | 158 |
| 52980005 Blake Project | 1,588 | 1,430 | 158 |
| 52970004 Citrus Park Mall | 1,588 | 1,430 | 158 |
| 52001030 Devonshire Lake Dr | 1,588 | 1,430 | 158 |
| 52970033 Preston Woods (bsf) | 1,588 | 1,430 | 158 |
| 52001007 The Pointe at Harbour Island | 1,588 | 1,430 | 158 |
| 53990013 Biscayne Heights | 1,588 | 1,430 | 158 |
| 53990071 Red Bug Loop & Acadia Woods | 1,588 | 1,430 | 158 |
| 53000017 The Preserve at Interlachen | 1,588 | 1,430 | 158 |
| 53990105 Westgate Resort | 1,588 | 1,430 | 158 |
| 54990532 Finistere Subdivision | 1,588 | 1,430 | 158 |
| 54990562 Magnolia Meadows | 1,588 | 1,430 | 158 |
| 54990289 Oak Leaf | 1,588 | 1,430 | 158 |
| 54010014 Run new 2" main line for Texas | 1,588 | 1,430 | 158 |
| 54990537 S Jan Drive | 1,588 | 1,430 | 158 |
| 54001008 S. Bertha Ave. | 1,588 | 1,430 | 158 |
| 51000005 Albertson's Plaza, Pembroke Pi <i>MM</i> | 1,059 | 953 | 105 |
| 52010028 ESPERANZA - BAY VISTA | 1,059 | 953 | 105 |
| 52980060 Havana Heights | - | 953 | 105 |

Budget 2002 Service Line Costs

| <u>Project with Description</u> | <u>Total Service Cost</u> | <u>Plastic</u> | <u>Steel</u> |
|---|---------------------------|----------------|--------------|
| 52000076 Hudson Street- Sarasota | 1,059 | 953 | 105 |
| 52000023 Monte Verde in Prestancia | 1,059 | 953 | 105 |
| 52990034 North Creek | 1,059 | 953 | 105 |
| 52970039 Old Oak | 1,059 | 953 | 105 |
| 52990088 Paradise Point Circle | 1,059 | 953 | 105 |
| 52970044 SR52 - US19 to Little Road | 1,059 | 953 | 105 |
| 53010009 Alafaya Tr. at Lake Underhill | 1,059 | 953 | 105 |
| 53990108 Festival Bay Mall | 1,059 | 953 | 105 |
| 53001006 The Fountains Shopping Center | 1,059 | 953 | 105 |
| 53010011 115 Main Street main extension | 1,059 | 953 | 105 |
| 53010014 1200 W. International Speedway | 1,059 | 953 | 105 |
| 53010004 337 Bill France Main Extension | 1,059 | 953 | 105 |
| 54990535 Lullwater Drive | 1,059 | 953 | 105 |
| 54010022 Moonlight Bay Dr | 1,059 | 953 | 105 |
| 54010006 Sewanee St. main line exst. | 1,059 | 953 | 105 |
| 54990254 Shalamar | 1,059 | 953 | 105 |
| 54990554 Summerwood Phase 2 | 1,059 | 953 | 105 |
| 54990555 Woodrun | 1,059 | 953 | 105 |
| 51990076 Broward County Correctional Fa <i>NM</i> | 529 | 477 | 53 |
| 51980001 Broward County Detention <i>NM</i> | 529 | 477 | 53 |
| 51010005 Jupiter Park of Commerce <i>P.B.</i> | 529 | 477 | 53 |
| 52001027 Aston Gardens ACLF | 529 | 477 | 53 |
| 52010067 BAYPOINTE SUBDIVISION | 529 | 477 | 53 |
| 52010044 Beef O'Brady's | 529 | 477 | 53 |
| 52970043 Brookside | 529 | 477 | 53 |
| 52010001 Commerce Park | 529 | 477 | 53 |
| 52010058 Community Svcs 3107 N 50th St | 529 | 477 | 53 |
| 52970003 CR581/SR54 (total buildout) | 529 | 477 | 53 |
| 52970050 Dade City Expansion | 529 | 477 | 53 |
| 52010007 Moffitt Cancer Center | 529 | 477 | 53 |
| 52010071 South Cross Bayou Water Recl | 529 | 477 | 53 |
| 52010034 West Park Village | 529 | 477 | 53 |
| 52001037 3409 & 3411 SAN LUIS ST. | 529 | 477 | 53 |
| 52010027 5119 W. LONGFELLOW AVE. | 529 | 477 | 53 |
| 53010046 Agri-Starts Inc. Extension | 529 | 477 | 53 |
| 53990121 Best Western Airport Inn - 810 | 529 | 477 | 53 |
| 53000007 Bridle Path: Mt. Dora | 529 | 477 | 53 |
| 53990023 City of Orlando | 529 | 477 | 53 |
| 53010033 Del Verde Way Main Extension | 529 | 477 | 53 |
| 53990047 International Festival | 529 | 477 | 53 |
| 53000054 Orange County Correctional | 529 | 477 | 53 |
| 53000024 Plaza Venezia | 529 | 477 | 53 |
| 53000023 Publix 1910 N. John Young Pkwy | 529 | 477 | 53 |
| 53001015 Publix main extension | 529 | 477 | 53 |
| 53990113 The Villas at Summer Bay | 529 | 477 | 53 |
| 53990096 Tuck's Knoll S/D | 529 | 477 | 53 |
| 53010045 U.S. Nutraceuticals | 529 | 477 | 53 |

Budget 2002 Service Line Costs

| <u>Project with Description</u> | <u>Total Service Cost</u> | <u>Plastic</u> | <u>Steel</u> |
|--|---------------------------|---------------------|---------------------|
| 53990098 Universal Studios Gate Staton | 529 | 477 | 53 |
| 53000012 University Blvd. | 529 | 477 | 53 |
| 53010026 Vacation Villages @ Parkway | 529 | 477 | 53 |
| 53010030 2500 S. Kirkman Road | 529 | 477 | 53 |
| 54010019 I.T. Corporation - Whitehouse | 529 | 477 | 53 |
| 54990506 LaValencia S/D | 529 | 477 | 53 |
| 54990514 Pelican Bay | 529 | 477 | 53 |
| 54000009 Revita - Orange Park | 529 | 477 | 53 |
| 54990515 Shadow Bay | 529 | 477 | 53 |
| 54010021 Southeast Toyota Dist, Center | 529 | 477 | 53 |
| Project Total | <u>\$ 5,760,842</u> | <u>\$ 5,188,453</u> | <u>\$ 572,389</u> |
| Scattered Services | 2,789,912 | 2,512,711 | 277,201 |
| Total New Services | <u>\$ 8,550,753</u> | <u>\$ 7,701,163</u> | <u>\$ 849,590</u> |
| Service Replacements | 691,050 | 440,050 | 251,000 |
| Total Services | <u>\$ 9,241,803</u> | <u>\$ 8,141,213</u> | <u>\$ 1,100,590</u> |

Projected 2003 Capital Budget

| | Budget 2002 | Adjusted 2002 | Projected 2003 | 2.86% Annual compound growth in CPI 1991-2001 Adjustments to Budget 2002 for Adjusted 2002 |
|---------------------------------|----------------|------------------|-------------------|---|
| Revenue Mains | \$ 27,079,409 | \$ 23,156,311 | \$ 26,772,427 | 5-Yr average adjusted to net out Div. 16 revenue mains plus \$3.0m for Gulfstream |
| Revenue Services | 8,550,753 | 8,550,753 | 8,778,261 | |
| Meters | 2,719,211 | 2,719,211 | 2,791,561 | |
| Meter Install | - | - | - | |
| Regulators | 636,185 | 636,185 | 653,112 | |
| Meter/Reg. Install - Res. | 1,801,995 | 1,801,995 | 1,849,940 | |
| Meter/Reg. Install - Comm. | 714,650 | 714,650 | 733,665 | |
| Industrial Installations | 304,950 | 304,950 | 313,064 | |
| Alternative Fueling Stations | 10,000 | 10,000 | 10,266 | |
| Meas. Reg. Sta. Equipment | 1,419,318 | 1,021,403 | 1,048,580 | 5-Yr average |
| Major Projects | - | - | - | |
| Miscellaneous | - | - | - | |
| | \$ 43,236,470 | \$ 38,915,458 | \$ 42,950,875 | |
| Service Replacements | \$ 691,050 | \$ 691,050 | \$ 709,437 | |
| Main Replacements | 2,389,396 | 2,389,396 | 2,452,970 | |
| System Improvements | 1,559,601 | 1,559,601 | 1,601,097 | |
| Municipal Improvements | 3,871,371 | 3,871,371 | 3,974,376 | |
| Cathodic Protection | 255,200 | 255,200 | 261,990 | |
| Transportation Vehicles | 2,388,009 | 1,655,722 | 2,021,866 | Average b/w 2002 Budget and 5 Yr. Average net of interim & new airplanes |
| Communication Equipment | 287,500 | 804,079 | 825,473 | 5-Yr average |
| Office Equipment | 2,471,112 | 3,456,963 | 3,548,942 | 5-Yr average |
| Tools & Shop Equipment | 487,100 | 272,357 | 279,604 | 5-Yr average |
| Power Operated Equipment | 362,600 | 187,537 | 192,527 | 5-Yr average |
| Testing/Meas. Equipment | 791,400 | 279,120 | 286,546 | 5-Yr average net of 1/2 of Metretek in 2002 Bud |
| Franchise Acquisitions | - | - | - | |
| Improvements to Property | 1,578,300 | 699,883 | 718,504 | 5-Yr average net of extraordinary improvements |
| Improvements to Leased Property | - | - | - | |
| Special System Upgrade | - | - | - | |
| Misc. Maintenance | 395,000 | 395,000 | 405,510 | |
| Total Maintenance | \$ 17,527,639 | \$ 16,517,279 | \$ 17,278,841 | |
| | | | \$ - | |
| Reimbursable Constr. - Net | - | - | - | |
| Removal Costs | 1,608,000 | 1,608,000 | 1,650,784 | |
| Total Maintenance/Removal | \$ 19,135,639 | \$ 18,125,279 | \$ 18,929,625 | |
| Total Capital | \$ 62,372,109 | \$ 57,040,737 | \$ 61,880,500 | |

(1) Unless otherwise noted, Adjusted 2002 is Budget 2002.

(2) Projected 2003 is Adjusted 2002 with indicated growth.

Analysis of Revenue Capital

| | Budget 2002 | Actual 2001 | Actual 2000 | Actual 1999 | Actual 1998 | 5-Yr Avg. 98-02 |
|------------------------------|----------------|----------------|----------------|----------------|----------------|--------------------|
| Revenue Mains | \$ 27,079,409 | \$ 33,014,610 | \$ 43,435,580 | \$ 41,254,824 | \$ 24,811,312 | \$ 33,919,147 |
| Revenue Services | 8,550,753 | 12,430,463 | 12,084,822 | 9,539,294 | 6,600,443 | 9,841,155 |
| Meters | 2,719,211 | 3,304,621 | 3,572,548 | 2,578,777 | 1,115,810 | 2,658,194 |
| Meter Install | - | - | - | - | - | - |
| Regulators | 636,185 | 686,490 | 559,666 | 570,057 | 479,468 | 586,373 |
| Meter/Reg. Install - Res. | 1,801,995 | 2,447,242 | 1,849,135 | 1,640,178 | 1,211,361 | 1,789,982 |
| Meter/Reg. Install - Comm. | 714,650 | 1,332,217 | 1,076,180 | 805,486 | 646,259 | 914,958 |
| Industrial Installations | 304,950 | 423,795 | 342,607 | 579,188 | 335,147 | 397,137 |
| Alternative Fueling Stations | 10,000 | (1,379) | 11,554 | 8,855 | - | 5,806 |
| Meas. Reg. Sta. Equipment | 1,419,318 | 748,649 | 1,466,766 | 958,590 | 513,694 | 1,021,403 |
| Major Projects | - | 20,051 | 60,276 | 61,231 | 2,608,715 | 550,054 |
| Miscellaneous | - | 497 | (112,615) | 2,594,828 | 2,452,249 | 986,992 |
| Total Revenue Producing | \$ 43,236,470 | \$ 54,407,255 | \$ 64,346,521 | \$ 60,591,308 | \$ 40,774,458 | \$ 52,671,202 |

EXTRAORDINARY EXPENSES

Division 16 : SW FL

| | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Revenue Mains | | 15,932,298 | 19,362,540 | 17,563,304 | 956,036 | |
| Revenue Services | | 2,303,716 | 1,403,774 | 88,797 | - | |
| Regulators | | 112,813 | 27,976 | 3,763 | - | |
| Meter/Reg. Install - Res. | | 170,177 | 16,477 | 21,375 | - | |
| Meter/Reg. Install - Comm. | | 255,704 | 118,022 | 11,780 | - | |
| Meas. Reg. Sta. Equipment | | 197,305 | 325,846 | (152,215) | 251,819 | |
| Miscellaneous | | - | - | (1,336,636) | 1,341,737 | |
| Adjusted Revenue Producing | \$ 43,236,470 | \$ 38,474,957 | \$ 44,983,980 | \$ 43,026,004 | \$ 39,818,422 | \$ 41,908,367 |
| <i>(adjusted for italicized items).</i> | | | | | | |

Revenue Capital Net of Div. 16 Revenue Mains

| | | | | | | |
|------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Revenue Mains | \$ 27,079,409 | \$ 17,082,311 | \$ 24,073,040 | \$ 23,691,520 | \$ 23,855,276 | \$ 23,156,311 |
| Revenue Services | 8,550,753 | 12,430,463 | 12,084,822 | 9,539,294 | 6,600,443 | 9,841,155 |
| Meters | 2,719,211 | 3,304,621 | 3,572,548 | 2,578,777 | 1,115,810 | 2,658,194 |
| Meter Install | - | - | - | - | - | - |
| Regulators | 636,185 | 686,490 | 559,666 | 570,057 | 479,468 | 586,373 |
| Meter/Reg. Install - Res. | 1,801,995 | 2,447,242 | 1,849,135 | 1,640,178 | 1,211,361 | 1,789,982 |
| Meter/Reg. Install - Comm. | 714,650 | 1,332,217 | 1,076,180 | 805,486 | 646,259 | 914,958 |
| Industrial Installations | 304,950 | 423,795 | 342,607 | 579,188 | 335,147 | 397,137 |
| Alternative Fueling Stations | 10,000 | (1,379) | 11,554 | 8,855 | - | 5,806 |
| Meas. Reg. Sta. Equipment | 1,419,318 | 748,649 | 1,466,766 | 958,590 | 513,694 | 1,021,403 |
| Major Projects | - | 20,051 | 60,276 | 61,231 | 2,608,715 | 550,054 |
| Miscellaneous | - | 497 | (112,615) | 2,594,828 | 2,452,249 | 986,992 |
| Total Revenue Producing | \$ 43,236,470 | \$ 38,474,957 | \$ 44,983,980 | \$ 43,028,004 | \$ 39,818,422 | \$ 41,908,367 |

EXHIBIT 5

P. 02/02

B132254154

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10:42

HUG-14-2002

PEOPLES GAS SYSTEM
Summary of Environmental Activity

TOTAL P. 02

| | | N. Miami | Fl. Lauderdale | Tampa | St. Petersburg | Orlando | Jacksonville | Miami | Lakeland | Ocala | General | Total Expenditures | Accumulated Amortization | Balance |
|----------|------------|--------------|----------------|--------------|----------------|------------|--------------|--------------|-----------|--------------|-----------|--------------------|--------------------------|--------------|
| Balance | 12/31/1997 | 4,352,571.34 | 216,476.26 | 2,249,052.06 | 383,114.24 | 3,475.81 | 23,058.93 | 952,073.65 | 21,332.65 | (546,464.39) | 10,338.75 | 7,665,029.30 | (6,896,000.00) | 769,029.30 |
| | | 26,071.86 | 0.00 | 101,167.26 | 0.00 | 0.00 | 39,920.46 | 61,688.25 | 3,053.56 | 663,377.70 | 0.00 | 895,279.09 | (1,315,493.69) (1) | |
| Balance | 12/31/1998 | 4,378,643.20 | 216,476.26 | 2,350,219.32 | 383,114.24 | 3,475.81 | 62,979.39 | 1,013,761.90 | 24,386.21 | 116,913.31 | 10,338.75 | 8,560,308.39 | (8,851,493.69) | (291,185.30) |
| | | 136,084.10 | 3,000.00 | 86,171.49 | 0.00 | 16,464.98 | 166,898.98 | 9,469.46 | 3,151.22 | (44,062.61) | 390.00 | 377,567.62 | (639,996.00) (2) | |
| Balance | 12/31/1999 | 4,514,727.30 | 219,476.26 | 2,436,390.81 | 383,114.24 | 19,940.79 | 229,878.37 | 1,023,231.36 | 27,537.43 | 72,850.70 | 10,728.75 | 8,937,876.01 | (9,491,489.69) | (553,613.68) |
| | | 70,957.87 | 0.00 | 386,633.14 | 0.00 | 12,849.22 | 268,595.34 | 1,190.34 | 542.19 | 88,293.05 | 0.00 | 829,061.15 | (639,996.00) | |
| Balance | 12/31/2000 | 4,585,685.17 | 219,476.26 | 2,823,023.95 | 383,114.24 | 32,790.01 | 498,473.71 | 1,024,421.70 | 28,079.62 | 161,143.75 | 10,728.75 | 9,766,937.16 | (10,131,485.69) | (364,548.53) |
| | | 267,724.86 | 0.00 | 145,280.90 | 0.00 | 41,144.00 | 19,442.23 | 883.91 | 488.00 | 41,242.36 | 28,365.06 | 544,571.32 | (639,996.00) | |
| Balance | 12/31/2001 | 4,853,410.03 | 219,476.26 | 2,968,304.85 | 383,114.24 | 73,934.01 | 517,915.94 | 1,025,305.61 | 28,567.62 | 202,386.11 | 39,093.81 | 10,311,508.48 | (10,771,481.69) | (459,973.21) |
| | | 107,098.37 | 0.00 | 450,914.89 | 0.00 | 99,887.10 | 19,273.99 | 309.60 | 291.70 | 72,925.42 | 14,332.27 | 765,033.34 | (373,331.00) | |
| Balance | 7/31/2002 | 4,960,508.40 | 219,476.26 | 3,419,219.74 | 383,114.24 | 173,821.11 | 537,189.93 | 1,025,615.21 | 28,859.32 | 275,311.53 | 53,426.08 | 11,076,541.82 | (11,144,812.69) | (68,270.87) |
| | | | | | | | | | | | | 1,699,322.87 | (640,000.00) | |
| Estimate | 12/31/2002 | | | | | | | | | | | 12,775,864.69 | (11,784,812.69) | 991,052.00 |
| | | | | | | | | | | | | 2,000,000.00 | (640,000.00) | |
| Estimate | 12/31/2003 | | | | | | | | | | | 14,775,864.69 | (12,424,812.69) | 2,351,052.00 |

(1) Adjustment based on 1996 overearnings docket - Docket No.971310-GU
(2) Amortization approved in Docket No. 980434-GU (\$640,000)



MIAMI

**Environmental Affairs
Memorandum**

Page 1 of 12

TO: Frank Sivard
FROM: Chris Gasinski
CC: Keith Martin, Greg Nelson, Jim Estes, and Mike Barney
DATE: July 26, 2002
SUBJECT: MGP Environmental Activity Summary – 2002 Update

Below please find a summary of the activities that have transpired at each of the former manufactured gas plant (MGP) sites since the inception of investigation and/or remediation efforts at the sites and a current activity update.

North Miami – Fulford Plant

- Investigation at the site began in 1985 when coal tar contaminated soils were discovered during the construction of a proposed administrative building and transportation facility on the property west of West Dixie Highway. Metro-Dade County Environmental Resources Management (DERM) stopped construction of the buildings upon discovery of the contamination. Because DERM would not allow construction to resume, PGS demolished the partially completed buildings in 1993.
- PGS entered into a three party Consent Agreement with the Florida Department of Environmental Protection (FDEP) and DERM in June 1990. A Contamination Assessment Report (CAR) defining the extent of contamination at the site was submitted to FDEP and DERM in 1990.
- During 1990 and 1991 approximately 8,400 tons of coal tar and coal tar contaminated soils were removed from the site and sent to a hazardous waste landfill. In 1995 an additional 270 tons of coal tar contaminated soils were removed as a result of the construction of a parking lot at the site. These soils were treated via thermal treatment at Rinker Material's rotary kiln.
- A Risk Assessment (RA) was prepared for the site and submitted to the regulatory agencies in July 1992. FDEP and DERM did not agree with all the exposure variables presented in the RA. Consequently, an addendum was prepared and submitted in January 1993. The agencies did not agree with the monitoring only plan (MOP) conclusions of the RA addendum and requested that a Feasibility Study (FS) examining available technologies to address groundwater be prepared. The FS was submitted in December 1993 and recommended the passive remedial method of biodegradation and groundwater monitoring



Environmental Affairs Memorandum

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for the site. Concurrent to the submittal of the FS, a Focused Groundwater Risk Assessment, which indicated that the groundwater at the site does not pose a significant health risk, was submitted.

- FDEP and DERM did not agree with the conclusions of the FS and RA related to groundwater contamination that had potentially migrated off site, and they requested PGS perform additional investigation of potential off site groundwater impacts.
- A Contamination Assessment Report Addendum was submitted in June 1996. The agencies responded to the Addendum with concerns about the on site lake sediments. The sediment samples did not contain enough sediment to accurately reflect the sampled locations.
- In 1998 PGS re-installed and sampled 4 on-site monitoring wells that were destroyed earlier. Also, additional lake sediment samples were taken and analyzed.
- In January 1999 PGS submitted a Supplemental Contamination Assessment Report Addendum (SCARA) containing the new sampling results to the agencies. The FDEP's response asked for additional wells and a comprehensive sampling event.
- In October 1999 PGS submitted a SCARA II to the agencies. The report contained data from a comprehensive sampling event. PGS also re-installed 4 monitoring wells that were destroyed off site. A toxicological analysis of the on site lake sediment was also submitted. PGS asked Chris Teaf of Hazardous Substance & Waste Management Research, Inc. (HSWMR) to perform the toxicological analysis of the on site lake sediment direct exposure risk. HSWMR found that exposure to sediments from the borrow pit lake at the North Miami Beach site does not indicate a hazard to human health.
- In early 2000 PGS developed a plan to sell the property west of West Dixie Hwy. Ideally the development plan would include capping a majority of the site which would eliminate direct human exposure routes to any residual impacts in surface soil remaining at the site. Also, future site plans to restrict access to the lake with a fence will further reduce the potential for exposure.
- In December 2000 PGS performed a remedial investigation at the site, including soil and ground water analyses. This investigation was requested by the regulators to fill data gaps in previous site investigations before site development could go forward. This report was submitted to the regulators in January 2001. PGS will use the new data to assess a final remedy for the site and to ensure that future site development activities are designed to meet the site's environmental needs.
- PGS has entered into a sales contract with a buyer for the western parcel located west of West Dixie Highway. PGS is working with the regulators and developers to designate the site as a Brownfields site. This designation will give the developer tax and other incentives



Environmental Affairs Memorandum

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to develop the site. Additionally, the developer is working to change the site's zoning to commercial use in order to build warehouses/storage units on site.

- After additional field data was conducted in August 2001, October 2001 and February 2002, a Redial Investigation Report (RIR) was submitted to the FDEP and DERM. To date, the FDEP has provided PGS with 2 comments, DERM has yet to submit their comments.
- A local land developer recently found significant quantities of coal tar impacted soils on his property in the City of Aventura. This site is located approximately 1.25 miles north of the North Miami Beach former MGP. The developer has requested that PGS pay him 2.2 million dollars to reimburse him for the costs associated with removing the impacted soils properly. Currently the impacted soils are being taken to the Pompano Beach Landfill. At this time, the developer has not provided any information to PGS that would suggest the coal tar came from the NMB site. There are no plans to reimburse the developer at this time.

Ft. Lauderdale – Cox Plant

- Assessment of the property began in 1986 at the request of Broward County Office of Natural Resources (BCONR). A CAR was submitted to BCONR in June 1987. BCONR requested that additional investigation be performed. In June 1991, PGS submitted a revised CAR to BCONR.
- PGS removed approximately 80 cubic yards of excessively contaminated soil, as defined in F.A.C. 62-770, from November 1992 through January 1993. Once the contaminated soil removal was completed, PGS submitted a Remedial Action Report, which recommended groundwater monitoring only plan (MOP) as the only future requirement. The BCONR accepted the MOP scenario, and after four rounds of quarterly sampling, as required by the F.A.C. 62-770. BCONR issued a no further action (NFA) letter for the site.
- PGS had considered deeding the property to the City of Ft. Lauderdale as a gift. However, after having an Environmental Site Assessment performed as part of their due diligence, the city asked Peoples Gas to indemnify them against any future environmental liability relating to the site. Peoples Gas was not willing to indemnify the city and negotiations ceased.
- In March 1998 PGS sold the subject site to the Broward County Hospital.

Miami – Rinker

- Site investigations began in 1987 as a result of the discovery of free phase floating product during the removal of leaking underground petroleum storage tanks (UST) on the parcel leased by Rinker Materials.



Environmental Affairs Memorandum

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- In December 1989 a lawsuit was filed to have the courts determine responsibility for site cleanup. The lawsuit was settled in September 1991, and a potentially responsible parties (PRP) group was formed to finance and perform investigation and remediation of the site. Several companies were allowed to exit after paying a lump sum for their share of environmental liability. That left PGS, Florida Power & Light Co., and Continental Holding, Inc. (successor to Florida Gas Company) as the three companies actively participating in the group. The settlement agreement requires contributions by the three PRP's of up to a combined maximum \$3,000,000 to be placed in a Trust Account for investigation and remediation. If a need exists for additional funds once the \$3,000,000 mark is reached negotiations would have to be re-opened. Each individual company is responsible for its own expenses incurred such as salaries, attorney's fees, etc.
- In 1993, coal tar resulting from the demolition of the MGP, was removed from a tunnel and six vaults surrounding the former holders. Due to the liquid nature of the coal tar, cement had to be used to stabilize/solidify the coal tar for transportation to a hazardous waste landfill. Approximately 1,810 tons of stabilized coal tar was removed from the site. In conjunction with the removal of the coal tar, a pilot test was performed to test the effectiveness of several devices at removing free phase product from a trench. Due to the slow rate of product migration into the trench, the devices tested were marginally effective at best. At the time of the pilot test, the trench was extended 50' and converted into an 18" horizontal well. The group operated an oil skimmer belt within the well to recover the product. Approximately 100 gallons of the product was recovered until the skimmer was removed in 1998.
- In April 1994 through May 1994 the PRP group removed subsurface piping that contained coal tar. Any contaminated soil encountered during the excavation of the pipe was also removed. A total of 347 tons of stabilized coal tar was removed from the piping and transported to a hazardous waste landfill. In addition, 516 tons of coal tar contaminated soils were thermally treated in a rotary cement kiln.
- A Risk Assessment (RA) has been prepared for the site, however DERM has not accepted the exposure scenarios for both on and off site groundwater. Additionally, the RA assumed that the free phase product would be removed. It is not certain how or whether the product can be remediated.
- A former UST, located on the parcel occupied by PGS, was removed in 1990. PGS was able to get the UST accepted in the state's petroleum cleanup program and submitted a CAR related to the petroleum contamination resulting from the UST. PGS has received \$41,825.54 as reimbursement for expenditures resulting from the performance of the Contamination Assessment, however due to the low petroleum site score, PGS does not anticipate additional work to be authorized.



Environmental Affairs Memorandum

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- Several phases of contamination assessments have been performed at the site. DERM accepted the Contamination Assessment in September 1997 and now requires a Remedial Action Plan be submitted.
- The PRP group proposed a pilot test for recovering free phase product in an open trench. DERM approved the concept of the pilot test and construction and operation began in late April 1998.
- The trench did not produce much free product due to site constraints it was installed at the leading edge of the plume. It was determined that the free product does not migrate quickly enough to render the trench successful. Therefore, the PRP group is pumping free product from on site monitoring wells. The PRP group conveyed these activities to DERM. However, no report detailing the group's free product pumping activities has been submitted to the agency.
- In October 1999, the PRP group submitted a Historical Land Use document to the agencies. This report was completed to address DERM's concern over arsenic contamination found in ground water at the site. The report identified possible offsite arsenic sources and provided scientific documentation to support the offsite arsenic source scenario.
- During the calendar year 2000 the PRP group led by FPL pumped free product from ground water monitoring wells at the site on a monthly basis. This free product recovery activity is expected to continue in calendar year 2002.

Jacksonville

- Preliminary investigations began at the site located 1445 West Church Street in 1986 as a result of the discovery of contamination on a portion of the original MGP property currently owned by Smurfit-Stone Container corporation (SSCC).
- In November 1988 PGS submitted a Preliminary Contamination Assessment Report (PCAR) to the FDEP. This investigation found both soil and ground water contamination on PGS property.
- In September 1997 the FDEP notified PGS that a Contamination Assessment would be required at the site. PGS submitted a Contamination Assessment Plan (CAP), which was subsequently approved by the FDEP.
- The Contamination Assessment (CA) was completed in January 1999. The CA discovered site impacts that appear to be from the previous MGP operations. These impacts include soil and groundwater contamination and a monitoring well containing free product. The report also concluded that more site investigation activity is needed to fully characterize the site.



Environmental Affairs Memorandum

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- Two buildings remaining at the site were demolished in 1999. The site is currently vacant and being used for limited storage.
- In June 1999 a Laser Induced Fluorescence (LIF) survey was conducted utilizing a Rapid Optical Screening Tool (ROST) in an effort to delineate the source of free product observed in MW-10 and MW-12 on the SSCC's site and in PMW-06 on the PGS site. The free product was observed in these monitoring wells on two different dates. Once in November 1998 and again in May 1999. The LIF/ROST investigation indicated an area of free product in the northeast portion of the site.
- In September 1999 PGS notified the FDEP of an interim remedial action work plan to remove free product and contaminated soils from the site. The excavation of 8,900 tons of material was completed in April 2000 in conjunction with SSCC's interim remedial action, which proposed removal of approximately 20,000 tons of material from the site. PGS split all investigation and remediation cost 50:50 with Continental Holdings, Inc. (CHI). CHI is the successor to Florida Gas. PGS's outside counsel has determined that CHI has responsibility for the majority of the liability for the site contamination.
- PGS is currently making an effort to renegotiate the 50:50 cost sharing agreement with CHI.
- In June 2000 an Initial Remedial Action Report (IRAR) was submitted to the FDEP. The purpose of the IRAR was to document the activities associated with the remedial action completed in April 2000. Based on comments by the FDEP, a Phase II IRAR was required. The phase II was submitted to the FDEP in 2001.
- A Supplemental Contamination Assessment Work Plan was submitted to and ultimately approved by the FDEP. Work associated with this Plan will be scheduled after the cost-sharing reallocation issue with CHI is resolved.
- SSCC currently has an approved (FDEP) work plan. They are waiting for our cost-sharing agreement issue to be resolved so that they may implement their work plan along with ours.
- Reportedly, CHI paid \$1,000,000 to SSCC to settle claim against CHI for the SSCC portion of the site.

Tampa

- A preliminary site investigation began in 1987 in preparation for a building expansion. The scope of this investigation was subsequently expanded based on the results of the preliminary work and alleged discovery of "creosote contamination" southeast of the site by the City of Tampa.



Environmental Affairs Memorandum

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- A Contamination Assessment Report (CAR) was submitted to the FDEP in July 1990. Also, in July 1990, PGS entered into a Consent Agreement with the FDEP to investigate and remediate the site. The FDEP requested a second phase to the investigation. A CAR Addendum was submitted in December 1993. PGS completed a third phase of additional assessment of the site and submitted a supplement to the CAR Addendum to FDEP in October 1996.
- In April 1996, PGS initiated an Interim Remedial Action Plan (IRAP). The intent of the IRAP was to address areas of visually impacted soil previously identified in the CAR and an area found to have free phase floating product as identified in the CAR Addendum. Approximately 12,000 tons of coal tar impacted soil debris was excavated and thermally treated in a tunnel kiln. Also, approximately 98,000 gallons of groundwater containing free phase product was removed and sent off site for proper disposal.
- PGS intends to eventually install an asphalt cap over the site. This action will depend on further site investigations. A Risk Assessment may also have to be prepared to determine whether site conditions present unacceptable health risks.
- In March 1998, PGS began additional Contamination Assessment (CA) activities requested by the FDEP. In December 1998, the Supplemental Contamination Assessment Report Addendum II (SCARA II) was submitted to the FDEP. This phase of the Contamination Assessment indicated the presence of the cyanide in the upper surficial aquifer above the ground water standard.
- In an effort to locate the source of cyanide contamination in the surficial aquifer PGS explored old MGP practices and interviewed former MGP workers. PGS learned that there was a possibility that during the MGP operation, box waste may have been buried in the southern portion of the site. Therefore, in June 1999 PGS conducted a soil investigation on a small parcel of CSX property adjacent to our site to the south. MGP box waste containing significant levels of cyanide was discovered on the CSX parcel. PGS gained CSX's permission and concurrence from FDEP to excavate approximately 2000 tons of impacted soil containing box waste in the form of oxides and deteriorated wood chips.
- In February 2000 approximately 2,200 tons of cyanide-impacted soil and box waste were removed from the CSX parcel and properly disposed. An interim remedial action report was generated and submitted to CSX and the regulators. In an October 18, 2000 letter to PGS, CSX requested that PGS remove other contaminants remaining on their site above residential standards. Since the remaining contaminants could be attributable to CSX's past operations and the site is industrial and not residential, PGS has not offered further remediation of the CSX parcel.
- Currently, PGS is working with the City of Tampa on their trolley project (Historic Electric Streetcar). PGS has conducted soil and groundwater sampling and analysis along the proposed trolley route in the vicinity of the former MGP site on Channelside Drive. Soil and



Environmental Affairs Memorandum

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groundwater impacts were identified. In an effort to support the City's trolley project, PGS reported these results to the City and offered help to manage the project to reduce human and environmental exposure liabilities during and after construction.

- December 2000, PGS negotiated an agreement with the City, in which PGS agreed to provide funds to pay for the trolley system modifications required due to MGP impacts in the area. This agreement gives PGS a liability release for any impacted media that may remain beneath the City's trolley system after construction in the defined area.
- July 2001, Ash Engineering, Inc. submitted to PGS, site improvement plans for the Tampa operations facility. Improvements include the addition of impervious area and a stormwater treatment facility.
- December 2001, ECT prepared a Soil and Dewatering Management Plan for the Trolley project.
- Construction associated with the Tampa Trolley project adjacent to the PGS Tampa office has been completed. Overall Trolley completion is expected in November 2002.
- June 2002, Jacques Whitford Company (JWC) initiated further on-site contamination assessment work. Work consisted of additional wells and collecting multiple soil samples, as well as digging some test trenches. Additional field work on-site is projected in 2002.

Lakeland

- In January 1992 the Environmental protection Agency (EPA) performed a site screening investigation, which concluded that by-products from the former MGP have contaminated soil. The report indicated that the contaminated soils are primarily located on property owned by Florida Tile and that additional investigation and/or remediation was necessary.
- In 1993 Florida Tile removed approximately 1,500 tons of coal tar and coal tar contaminated soil that was discovered during the construction of a storm water retention pond. In March 1994 Florida Tile filed suit against Continental Holdings, Inc., successor to Florida Gas Company, and Florida Power & Light Co. to recover all costs associated with the remediation.
- In October 1997 Florida Power & Light Company excavated approximately 4,200 tons of coal tar impacted soil from Florida Tile and PGS properties. A report was produced that summarized the activities and results.
- During December 1997 the FDEP performed an Expanded Site Investigation at the request of the USEPA. A report summarizing the activities and results was completed. In this



Environmental Affairs Memorandum

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report, Black & Veatch recommended further assessment in the northwest section of Florida Tile's property.

- In July 1998 Florida Power & Light Company excavated an additional 2,068 tons of impacted soils, piping, and demolition debris from the northwest section of Florida Tile's property. A report summarizing the activities and results was completed.
- In early 1999, Bill Pence performed a legal review of historical activities and the current environmental situation at the site. His review concluded that, at this time, no further action by PGS is warranted.
- December 1999, FPL requested a NFA from FDEP. FDEP denied that request, asking for additional site investigations and assessments.
- 2000-2002 FPL and FDEP continue negotiations regarding the extent of additional field work required at the site.

Orlando

- In 1991, the USEPA performed a site screening investigation. The investigation lead to an expanded site investigation (ESI), which was performed by the USEPA in 1995. The expanded site investigation report indicated that soil and groundwater impacts existed on several properties that were once part of the MGP. However, the cover letter to that report indicated that the USEPA did not intend to pursue any further action under CERCLA at the time.
- In 1998, PGS informally gathered a PRP group, which consists of PGS, Florida Power Corporation (FPC), Atlanta Gas & Light Company (AGL), and Continental Holdings Incorporated (CHI). The PRP group agreed to share the costs of a site historical review. The report, received in September 1999, gives a complete historical overview of the site development since 1987.
- In 1999, PGS worked to formally establish the PRP group and the PRP's cost allocations to address the site. PGS estimates its share of site rehabilitation costs can be negotiated to between 10-15 % of the overall unknown costs.
- In early 2000, PGS held meetings with the PRP's in an effort to negotiate the allocation of liability and associated costs to move forward and address the site. With the exception of AGL, the PRP's did not want to address the site unless required by regulators and would not discuss liability allocations.



Environmental Affairs Memorandum

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- AGL expressed interest in teaming with PGS to address the site aside from the PRP group. Timing is important to AGL because they have concerns about losing rate recovery. In lieu of further investigation at the site, AGL proposed that PGS accept AGL's share of liability for clean up costs for a lump sum payment. PGS declined to accept the additional liabilities for these future uncertain remediation costs.
- December 2001, GEI conducted fieldwork associated with the EPA approved work plan. Results of the field work revealed 5' of coal tar at a depth of 200' below the surface. It was later learned that the coal tar was injected down a stormwater drainage well maintained by the City of Orlando.
- The PRP group is currently negotiating with the City of Orlando and adjacent landowners to join the PRP group. PGS is currently paying 15% of the costs to the PRP group.
- Based on the discovery of coal tar at depth, additional investigations will be required. The PRP group recently selected JWC from a group of 6 consultants to perform the next phase of work. A strategy meeting is currently scheduled on August 20th in Raleigh N.C.

St. Petersburg – Dome Site

- As part of a property swap with the City of St. Petersburg, PGS acquired ownership of a parcel of property that had been part of a former MGP. PGS transferred the property back to the City of St. Petersburg to be used as property for the St. Petersburg Dome development. PGS agreed to demolish the existing gas holders prior to releasing the property.
- During construction of the Dome several workers were exposed to by-products present in the soil allegedly from the former MGP. These workers filed suit against the City. As a result of our limited involvement with the former MGP, PGS was eventually named in the lawsuit. The suit went to trial and the jury ruled in favor of the defendants.
- PGS has not been required to perform any investigation or remediation related to the site. The costs incurred by PGS have resulted solely from litigation regarding the site.
- Currently, there is no remedial activity at the site. The Tropicana Field covers the site.

Ocala

- PGS acquired the liability for the Ocala manufactured gas plant site as part the acquisition of the West Florida Natural Gas Company (WFNG). The property is now owned by ABC Svinga Brothers, Inc. and is currently used as part of a scrap metal yard.



Environmental Affairs Memorandum

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- At the request of the FDEP, WFNG performed several phases of contamination assessment at the subject site.
- In June 1990 WFNG excavated approximately 10,000 tons of coal tar and coal tar impacted soils as part of an interim remedial action. The property owner believes that a low area exists over the previous excavation, causing the area to be unsuitable for scrap metal storage due to standing water and a lack of soil stability.
- In 1991 WFNG determined that dense non-aqueous phase liquids (DNAPL) are present at the site. A report was submitted to the FDEP concluding that DNAPL recovery is not feasible.
- In spring 1999, the EPA completed an expanded site investigation (ESI). The work performed by the EPA's contractor during the ESI was documented by PGS as substandard and PGS duplicated the sampling and testing performed by EPA's contractor. PGS intends to use this information to supplement our comments on the ESI draft report and refute any claims of cost recovery brought by the EPA against PGS for costs incurred by the EPA for the ESI.
- In April 2000 PGS received a Special Notice Letter from EPA. The letter was to notify PGS that the EPA would start the Superfund listing process unless PGS agreed to voluntarily clean up the site. PGS notified the EPA with a letter of intent dated April 27, 2000 that it would continue to address the site on a voluntary clean up basis. Additionally, the EPA required negotiations to begin between PGS and EPA on an Administrative Order on Consent and Scope of Work.
- In May 2000 PGS met with the EPA at their offices in Atlanta to discuss the Administrative Order on Consent (AOC) and any further site remedial investigations required. PGS informed the EPA that as part of the final site end use plans it would cap the entire former MGP site area. This action will meet the owner's end use requests that PGS make the site accessible to his business operation. The cap will provide a long-term barrier to human health exposures. Additionally, a cap will greatly reduce and possibly stop the mobility of any remaining surficial contaminants to groundwater.
- In July 2000 PGS submitted a Remedial Investigation (RI) Work Plan to the USEPA for their review. The report included a summary of all the data previously gathered at the site and a proposal for the future remedial investigations to fill any data gaps.
- In December 2000 PGS again met with the EPA at their offices in Atlanta. This meeting was to finalize the draft Administrative Order on Consent (AOC) and to discuss further remedial investigations required.
- In early 2001, PGS signed the AOC agreement with the EPA.



Environmental Affairs Memorandum

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- The Remedial Investigation/Feasibility Study Work Plan has been approved by the EPA and will be implemented August 26th 2002.
- Plans to Cap the site with 7 inches of concrete after this work plan is completed are currently being discussed to respond to property owners concerns regarding the quality of previous fill placed on site. The cap may also be incorporated into a final remedy to eliminate any additional soil excavation on-site.

/ NORTH & CENTRAL REGIONS

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State of Florida

**Public Service Commission****-M-E-M-O-R-A-N-D-U-M-**

DATE : OCTOBER 11, 2002

TO : C. EDWARD MILLS
BUREAU CHIEF SAFETY
BUREAU OF SAFETY
DIVISION OF AUDITING & SAFETY, TALLAHASSEE

FROM : ROGER W. FLETCHER
UTILITY SYSTEMS ENGINEER, BUREAU OF SAFETY
DIVISION OF AUDITING & SAFETY
ORLANDO DISTRICT OFFICE

RE : TECO-PEOPLES GAS SYSTEM - RATE CASE
DOCKET NUMBER 020384-GU
PLANT ALLOCATION (SCHEDULE B-5 & G-1)
CENTRAL AND NORTHERN REGIONS

BRIEF

The engineering staff (Robert Trotter and Roger Fletcher) of the Bureau of Gas Safety was assigned to verify common plant allocations for the Central and Northern regions of the TECO-Peoples Gas System, as contained in their Minimum Filing Requirements (MFRs), Schedule B-5, pages 13-15 and Schedule G-1, pages 197-200 and pages 203-206.

The assigned evaluation was conducted during the period from August 16, 2002 through September 13, 2002. These evaluations consisted of an on site inspection of land and structures to verify the use and usefulness of each common plant item and to calculate an allocation between regulated and nonregulated utility operations of the facilities.

RECOMMENDATION

It is recommended that the findings of this report be entered into the record of TECO-Peoples Gas System Rate Case, Docket Number 020384-GU and that all necessary allocations and adjustments be made by Commission Analysts.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

DISCUSSION

The evaluation of the common plant allocation for the Historic Base Test Year focused on individual line items shown in Schedule B-5, "Allocation of Common Plant." A copy of this schedule is attached as Exhibit 1. Findings of the evaluation are listed below according to account and line item.

Base Test YearSchedule B-5, Account 374, page 13 & 14

Total Adjustments Account 374: \$22,834 Reduction (See Items 2,3,5,6,18,20,22,28 & 29)

- 1) Account: 374 - page 13, line 20
Description: Land -Orlando (601 Robinson Street, Parcel 2)
Utility Allocation: \$41,315 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 2) Account: 374 - page 13, line 21
Description: Land - Orlando (Fairvilla Site-Hwy. 441)
Utility Allocation: \$1,997 - 100% utility
Staff Findings: This land is the site of a propane transfer station. There is no regulated utility usage of this property. The entire value of the land should be removed from rate base, i.e., 100% non-utility.
- 3) Account: 374 - page 13, line 22
Description: Land - Orlando (Oakland Hills@Fiesta Ln. & Durango Way)
Utility Allocation: \$1,008 - 100% utility
Staff Findings: It was determined that this lot is vacant with no apparent regulated utility usage. The entire value of the property should be removed from rate base, i.e., 100% nonutility.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 4) Account: 374, page 13, line 23
Description: Land - Orlando (Plant Site-600 W. Robinson)
Utility Allocation: \$49,693 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 5) Account: 374, page 13, line 24
Description: Land-Eustis (Office Site-1724 Kurt Street)
Utility Allocation: \$9,000 - 100% utility
Staff Findings: Total land area is approximately 86,858 square feet. Propane tanks belonging to Heritage Propane Company are on 1,508 square feet. It is recommended that \$156 be removed from rate base. $(1,508 \text{ sq. ft.} / 86,858 \text{ sq. ft.} \times \$9,000 = \$156)$
- 6) Account: 374, page 13, line 25
Description: Land - Eustis (Industrial Park, Parcel 1)
Utility Allocation: \$500 - 100% utility
Staff Findings: This property is the North of the office property and was sold to Heritage Propane Company. The entire value of the land should be removed from rate base, i.e., \$500 nonutility
- 7) Account: 374, page 13, line 26
Description: Land-Mt. Dora (Gate Station-Wolf Branch Road)
Utility Allocation: \$8,516 - 100% utility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 8) Account: 374, page 13, line 27
Description: Land-Jacksonville (Capper Rd. Gate Station)
Utility Allocation: \$22,989 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 9) Account: 374, page 13, line 28
Description: Land-Jacksonville (Jericho Road Gate Station)
Utility Allocation: \$13,282 - 100% utility
Staff Findings: No adjustments, accept as stated
- 10) Account: 374, page 13, line 29
Description: Land-Jacksonville (Cedar Hill Gate Station)
Utility Allocation: \$1,582 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 11) Account: 374, page 13, line 30
Description: Land-Jacksonville (Church Street Plant Site)
Utility Allocation: \$39,371 - 100% utility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 12) Account: 374, page 13, line 31
Description: Land-Jacksonville (King Street Regulator Station)
Utility Allocation: \$200 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 13) Account: 374, page 13, line 32
Description: Land-Jacksonville (Magnolia & McCoy Regulator Station)
Utility Allocation: \$986 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 14) Account: 374, page 13, line 33
Description: Land-Jacksonville (Oak & Edison Regulator Station)
Utility Allocation: \$300 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 15) Account: 374, page 13, line 34
Description: Land-Jacksonville (Newman Bet & Orange Hat)
Utility Allocation: \$400 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 16) Account: 374, page 13, line 35
Description: Land-Jacksonville (11th Street Warrens Replat, Parcel 7)
Utility Allocation: \$539 - 100% utility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 17) Account: 374, page 13, line 36
Description: Land-Jacksonville (Pearl Plaza Regulator Station)
Utility Allocation: \$1,000 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 18) Account: 374, page 13, line 37
Description: Land-Jacksonville (Phillips Hwy. Plant Property)
Utility Allocation: \$314,616 - 100% utility
Staff Findings: Total land area is 218,600 square feet. Propane tanks are on 9,600 square feet. It is recommended that \$13,817 be removed from rate base.
(9,600 sq. ft. / 218,600 sq. ft. x \$314,616 = \$13,817)
- 19) Account: 374, page 13, line 38
Description: Land-Jacksonville (Southside Regulator Station)
Utility Allocation: \$12,947 - 100 % utility
Staff Findings: No adjustments, accept as stated.
- 20) Account: 374, page 13, line 39
Description: Land-Jacksonville (Doten S/D Regulator Station)
Utility Allocation: \$538 - 100% utility
Staff Findings: This regulator station was retired in calendar year 1992. The property has no regulated utility usage. The entire value should be removed from rate base, i.e., \$538 nonutility.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 21) Account: 374, page 13, line 42
Description: Land-Daytona (1722 Ridgewood Ave., Holly Hill)
Utility Allocation: \$155,747 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 22) Account: 374, page 13, line 43
Description: Land-Daytona (Gate Station Site, Parcel 3)
Utility Allocation: \$4,393 - 100% utility
Staff Findings: Total land area of this property is approximately 74,296 square feet. Heritage Propane Company has operations on this property. Currently, there is an area of 5,200 square feet where propane cylinders and propane vehicle are stored. Another 12,358 square feet is the site of propane bulk tanks and related equipment. It is therefore recommended that \$1,038 be removed from rate base, i.e., \$1,038 nonutility.
(17,558 sq. ft. / 74,926 sq. ft. x \$4,393 = \$1,038)
- 23) Account: 374, page 13, line 44
Description: Land-Daytona (Regulator Station Site-Industrial Park)
Utility Allocation: \$477 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 24) Account: 374, page 13, line 47
Description: Land-Panama City (301 Maple Avenue)
Utility Allocation: \$84,869 - utility & \$6,881- nonutility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 25) Account: 374, page 13, line 48
Description: Land-Panama City (Gulf Asphalt Gate Station)
Utility Allocation: \$23,645 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 26) Account: 374, page 13, line 49
Description: Land-Panama City (Maple Avenue Gate Station)
Utility Allocation: \$3,080 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 27) Account: 374, page 14, line 2
Description: Land-Panama City (3rd Ave. & Maple)
Utility Allocation: \$72,746 - 100% Nonutility
Staff Findings: No adjustment, accept as stated.
- 28) Account: 374, page 14, line 3
Description: Appraisal-Ocala (8th Ave. & 16th Street)
Utility Allocation: \$800 - 100% utility
Staff Findings: This parcel of property was not purchased by the utility. The appraisal cost would therefore be an expense item and booked in Account 186 "Miscellaneous Deferred Debits." It is recommended that the total value of the appraisal be removed from rate base, i.e., \$800 - nonutility.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 29) Account: 374, page 14, line 4
Description: Ocala-Environmental Audit-Land
Utility Allocation: \$2980 - 100 % utility
Staff Findings: The environmental audit to clean up contaminated land is not a rate base item. This cost is a nonrecurring expense and should be booked in Account 186 "Miscellaneous Deferred Debits" and amortized. It is recommended that the entire \$2,980 value of the environmental audit be removed from rate base.
- 30) Account: 374, page 14, line 5
Description: Land-Ocala (316 SW 33rd Avenue)
Utility Allocation: \$66,200 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 31) Account: 374, page 14, line 6
Description: Land-Ocala (Levy County Gate Station)
Utility Allocation: \$41,114 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 32) Account: 374, page 14, line 7
Description: Land-Ocala (Levy County Gate Station)
Utility Allocation: \$1,000 - 100% utility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 33) Account: 374, page 14, line 8
Description: Land-Ocala (Silver Springs Gate Station)
Utility Allocation: \$28,038 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 34) Account: 374, page 14, line 9
Description: Land-Ocala (Right of Way, Baseline Road)
Utility Allocation: \$1,200 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 35) Account: 374, page 14, line 10
Description: Ocala-Legal Fees (Richard, Blinn & Halden)
Utility Allocation: \$10,336 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 36) Account: 374, page 14, line 11
Description: Ocala-Survey (Gate Station Property)
Utility Allocation: \$250 - 100% utility
Staff Findings: No adjustment, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

Base Test Year**Schedule B-5, Account 375, Pages 14 & 15****Total Adjustments Account 375:** \$12,844 Reduction (see Items 3, 13, & 15)

- 1) Account: 375, page 14, line 30
Description: Orlando Office Building (600 Robinson Street)
Utility Allocation: \$1,067,522 - 100% utility
Staff Findings: No adjustment, accept as started.
Lease Area - 1,245 sq.ft. - TECO Partners
996 sq.ft. - BGA

- 2) Account: 375, page 14, line 31
Description: Orlando Warehouse
Utility Allocation: \$145,287 - 100% utility
Staff Findings: No adjustment, accept as stated.

- 3) Account: 375, page 14, line 32
Description: Triangle Office Building (Eustis)
Utility Allocation: \$474,167 - 100% utility
Staff Findings: TECO Partners has one employee that works in the Eustis Division on a part-time basis. An office is dedicated to TECO Partners for use by this employee. According to information presented in staff Audit Request Number 14, attached as Exhibit 2, no lease revenues are received from TECO Partners at this location. The office measures 8.5' x 9' or 76 square feet, which represents 1.35% of the total office area of 5,612 square feet. It is recommended that 1.35% of the office value or \$6,421 be removed from rate base due to the nonutility usage of the office space.
(76 sq. ft / 5,612 sq. ft. x \$474,167 = \$6,421)

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 4) Account: 375, page 14, line 33
Description: Triangle - Warehouse - Eustis
Utility Allocation: \$44,753 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 5) Account: 375, page 14, line 34
Description: Triangle - Welding Shop - Eustis
Utility Allocation: \$4,526 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 6) Account: 375, page 14, line 35
Description: Jacksonville-Office Building-Phillips Highway
Utility Allocation: \$2,054,384 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 7) Account: 375, page 14, line 36
Description: Jacksonville-Distribution Area-1745 Church Street
Utility Allocation: \$39,022 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 8) Account: 375, page 14, line 37
Description: Jacksonville Equipment Building
Utility Allocation: \$24,536 - 100% utility
Staff Findings: No adjustment, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 9) Account: 375, page 14, line 38
Description: Jacksonville Maintenance Building
Utility Allocation: \$146,865 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 10) Account: 375, page 14, line 39
Description: Jacksonville Warehouse
Utility Allocation: \$201,806 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 11) Account: 375, page 14, line 46
Description: Daytona Office Building-Ridgewood Avenue
Utility Allocation: \$443,286 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 12) Account: 375, page 14, line 47
Description: Daytona Utility Shed
Utility Allocation: \$4,220 - 100% utility
Staff Findings: No adjustment, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 13) Account: 375, page 15, line 6
- Description: Panama City Office Building - Maple Avenue
- Utility Allocation: \$78,805 - utility \$6,390 - nonutility
- Staff Findings: Staff determined that an additional 900 square feet of the office building is not used and useful. An area 51' x 18' in the vicinity of the training center and meter reading offices was found to be a dead area where a number of empty file cabinets are stored. It is recommended that an additional 4.5% of the office building's value or \$3,834 be removed from rate base. It was further discovered that according to the information presented in response to staff's Audit Request Number 14 (see Exhibit 2), the office space used by TECO Partners employees did not generate any lease revenues during the Base Test Year period of calendar year 2001. This office measures 11' x 11' or an area of 121 square feet. This area represents .6% of the total square footage of the office space. It is therefore recommended that an additional \$515 should be removed from rate base due to the nonutility usage of the area by TECO Partners. The total recommended adjustment to nonutility usage is \$4,349.
(1021 sq.ft. / 20,000 sq.ft. x \$85,195 = \$4,349)
- 14) Account: 375, page 15, line 7
- Description: Panama City - Shed
- Utility Allocation: \$2,193 - 100% utility
- Staff Findings: No adjustment, accept as stated.
- 15) Account: 375, page 15, line 8
- Description: Ocala Office Building - 33rd Avenue
- Utility Allocation: \$54,104 - 100% utility

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

Staff Findings: It was determined that according to the information presented in response to staff's Audit Request Number 14 (see Exhibit 2), the office space used by TECO Partners employees did not generate any lease revenues during the Base Test Year period of calendar year 2001. Three offices are occupied by TECO Partners employees. The offices measure 15' x 10', 9' x 18', and 10' x 12' for a total area of 432 square feet. This area represents 3.84% of the total square footage of the office space. It is therefore recommended that \$2,078 should be removed from rate base due to the nonutility usage of the area occupied by TECO Partners.
(432 sq. ft. / 11250 sq. ft. x \$54,104 = \$2078)

Base Test Year**Schedule B-5, Account 390, Page 15****Total Adjustments Account 390: \$46,105 Reduction (see items 1 & 3)**

- 1) **Account:** 390, page 15, line 11
Description: Panama City - Division Office
Utility Allocation: \$677,818 - utility \$54,958 - nonutility
Staff Findings: An additional 5.1% or \$37,408 should be removed from rate base to reflect nonutility usage area of 1,021 sq. ft. See explanation on page 14 of this memorandum, item 13.
(1,021 sq.ft. / 20,000 sq.ft. x \$732,776 = \$37,408)

- 2) **Account:** 390, page 15, line 12
Description: Ocala Storage Buildings
Utility Allocation: \$5,511 - 100% utility
Staff Findings: No adjustment, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 3) **Account:** 390, page 15, line 13
- Description:** Ocala Division Office
- Utility Allocation:** \$226,480 - 100% utility
- Staff Findings:** It is recommended that 3.84% or \$8,697 be removed from rate
 base to reflect the nonutility usage for the 432 sq.ft. of office
 space occupied by TECO Partners.
 (432 sq.ft. / 11,250 sq.ft. x \$226,480 = \$8,697)

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October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

Base Test Year + 1Schedule G-1, Account 374, page 197 & 198Total Adjustments Account 374: \$23,834 Reduction (See Items 2,3,5,6,17,18,20,22,28 & 29)

- 1) Account: 374 - page 197, line 20
Description: Land -Orlando (601 Robinson Street, Parcel 2)
Utility Allocation: \$41,315 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 2) Account: 374 - page 197, line 21
Description: Land - Orlando (Fairvilla Site-Hwy. 441)
Utility Allocation: \$1,997 - 100% utility
Staff Findings: This land is the site of a propane transfer station. There is no regulated utility usage of this property. The entire value of the land should be removed from rate base, i.e., 100% non-utility.
- 3) Account: 374 - page 197, line 22
Description: Land - Orlando (Oakland Hills@Fiesta Ln. & Durango Way)
Utility Allocation: \$1,008 - 100% utility
Staff Findings: It was determined that this lot is vacant with no apparent regulated utility usage. The entire value of the property should be removed from rate base, i.e., 100% nonutility.

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RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 4) Account: 374, page 197, line 23
Description: Land - Orlando (Plant Site-600 W. Robinson)
Utility Allocation: \$49,693 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 5) Account: 374, page 197, line 24
Description: Land-Eustis (Office Site-1724 Kurt Street)
Utility Allocation: \$9,000 - 100% utility
Staff Findings: Total land area is approximately 86,858 square feet. Propane tanks belonging to Heritage Propane Company are on 1,508 square feet. It is recommended that \$156 be removed from rate base. $(1,508 \text{ sq. ft.} / 86,858 \text{ sq. ft.} \times \$9,000 = \$156)$
- 6) Account: 374, page 197, line 25
Description: Land - Eustis (Industrial Park, Parcel 1)
Utility Allocation: \$500 - 100% utility
Staff Findings: This property is the North of the office property and was sold to Heritage Propane Company. The entire value of the land should be removed from rate base, i.e., \$500 nonutility
- 7) Account: 374, page 197, line 26
Description: Land-Mt. Dora (Gate Station-Wolf Branch Road)
Utility Allocation: \$8,516 - 100% utility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 8) Account: 374, page 197, line 27
 Description: Land-Jacksonville (Capper Rd. Gate Station)
 Utility Allocation: \$22,989 - 100% utility
 Staff Findings: No adjustments, accept as stated.
- 9) Account: 374, page 197, line 28
 Description: Land-Jacksonville (Jericho Road Gate Station)
 Utility Allocation: \$13,282 - 100% utility
 Staff Findings: No adjustments, accept as stated
- 10) Account: 374. Page 197, line 29
 Description: Land-Jacksonville (Cedar Hill Gate Station)
 Utility Allocation: \$1,582 - 100% utility
 Staff Findings: No adjustments, accept as stated.
- 11) Account: 374, page 197, line 30
 Description: Land-Jacksonville (Church Street Plant Site)
 Utility Allocation: \$39,371 - 100% utility
 Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 12) Account: 374, page 197, line 31
Description: Land-Jacksonville (King Street Regulator Station)
Utility Allocation: \$200 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 13) Account: 374, page 197, line 32
Description: Land-Jacksonville (Magnolia & McCoy Regulator Station)
Utility Allocation: \$986 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 14) Account: 374, page 197, line 33
Description: Land-Jacksonville (Oak & Edison Regulator Station)
Utility Allocation: \$300 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 15) Account: 374, page 197, line 34
Description: Land-Jacksonville (Newman Bet & Orange Hat)
Utility Allocation: \$400 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 16) Account: 374, page 197, line 35
Description: Land-Jacksonville (11th Street Warrens Replat, Parcel 7)
Utility Allocation: \$539 - 100% utility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 17) Account: 374, page 197, line 36
Description: Land-Jacksonville (Pearl Plaza Regulator Station)
Utility Allocation: \$1,000 - 100% utility
Staff Findings: This regulator station was retired in calendar year 2001. Currently the land is not being used for any regulated utility activity. It is recommended that the value of this property be removed from rate base, i.e., \$1,000 nonutility
- 18) Account: 374, page 197, line 37
Description: Land-Jacksonville (Phillips Hwy. Plant Property)
Utility Allocation: \$314,616 - 100% utility
Staff Findings: Total land area is 218,600 square feet. Propane tanks are on 9,600 square feet. It is recommended that \$13,817 be removed from rate base.
(9,600 sq. ft. / 218,600 sq. ft. x \$314,616 = \$13,817)
- 19) Account: 374, page 197, line 38
Description: Land-Jacksonville (Southside Regulator Station)
Utility Allocation: \$12,947 - 100 % utility
Staff Findings: No adjustments, accept as stated.
- 20) Account: 374, page 198, line 2
Description: Land-Jacksonville (Doten S/D Regulator Station)
Utility Allocation: \$538 - 100% utility
Staff Findings: This regulator station was retired in calendar year 1992. The property has no regulated utility usage. The entire value should be removed from rate base, i.e., \$538 nonutility

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 21) Account: 374, page 198, line 5
Description: Land-Daytona (1722 Ridgewood Ave., Holly Hill)
Utility Allocation: \$155,747 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 22) Account: 374, page 198, line 6
Description: Land-Daytona (Gate Station Site, Parcel 3)
Utility Allocation: \$4,393 - 100% utility
Staff Findings: Total land area of this property is approximately 74,296 square feet. Heritage Propane Company has operations on this property. Currently, there is an area of 5,200 square feet where propane cylinders and propane vehicle are stored. Another 12,358 square feet is the site of propane bulk tanks and related equipment. It is therefore recommended that \$1,038 be removed from rate base, i.e., \$1,038 nonutility ($17,558 \text{ sq. ft.} / 74,926 \text{ sq. ft.} \times \$4,393 = \$1,038$)
- 23) Account: 374, page 198, line 7
Description: Land-Daytona (Regulator Station Site-Industrial Park)
Utility Allocation: \$477 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 24) Account: 374, page 198, line 10
Description: Land-Panama City (301 Maple Avenue)
Utility Allocation: \$84,869 - utility & \$6,881 nonutility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 25) Account: 374, page 198, line 11
Description: Land-Panama City (Gulf Asphalt Gate Station)
Utility Allocation: \$23,645 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 26) Account: 374, page 198, line 12
Description: Land-Panama City (Maple Avenue Gate Station)
Utility Allocation: \$3,080 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 27) Account: 374, page 198, line 13
Description: Land-Panama City (3rd Ave. & Maple)
Utility Allocation: \$72,746 - 100% Nonutility
Staff Findings: No adjustment, accept as stated.
- 28) Account: 374, page 198, line 14
Description: Appraisal-Ocala (8th Ave. & 16th Street)
Utility Allocation: \$800 - 100% utility
Staff Findings: This parcel of property was not purchased by the utility. The appraisal cost would therefore be an expense item and booked in Account 186 "Miscellaneous Deferred Debits." It is recommended that the total value of the appraisal be removed from rate base, i.e., \$800 - nonutility.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 29) Account: 374, page 198, line 15
Description: Ocala-Environmental Audit-Land
Utility Allocation: \$2980 - 100 % utility
Staff Findings: The environmental audit to clean up contaminated land is not a rate base item. This cost is a nonrecurring expense and should be booked in Account 186 "Miscellaneous Deferred Debits" and amortized. It is recommended that the entire \$2,980 value of the environmental audit be removed from rate base.
- 30) Account: 374, page 198, line 16
Description: Land-Ocala (316 SW 33rd Avenue)
Utility Allocation: \$66,200 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 31) Account: 374, page 198, line 17
Description: Land-Ocala (Levy County Gate Station)
Utility Allocation: \$41,114 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 32) Account: 374, page 198, line 18
Description: Land-Ocala (Levy County Gate Station)
Utility Allocation: \$1,000 - 100% utility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 33) Account: 374, page 198, line 19
Description: Land-Ocala (Silver Springs Gate Station)
Utility Allocation: \$28,038 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 34) Account: 374, page 198, line 20
Description: Land-Ocala (Right of Way, Baseline Road)
Utility Allocation: \$1,200 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 35) Account: 374, page 198, line 21
Description: Ocala-Legal Fees (Richard, Blinn & Halden)
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- 36) Account: 374, page 198, line 22
Description: Ocala-Survey (Gate Station Property)
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October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

Base Test Year + 1Schedule G-1, Account 375, Pages 198 & 199Total Adjustments Account 375: \$12,844 Reduction (see Items 3, 13, & 15)

- 1) Account: 375, page 199, line 6
Description: Orlando Office Building (600 Robinson Street)
Utility Allocation: \$1,067,522 - 100% utility
Staff Findings: No adjustment, accept as started.
Lease Area - 1,245 sq.ft. - TECO Partners
996 sq.ft. - BGA
- 2) Account: 375, page 199, line 7
Description: Orlando Warehouse
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- 3) Account: 375, page 199, line 8
Description: Triangle Office Building (Eustis)
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Staff Findings: TECO Partners has one employee that works in the Eustis Division on a part-time basis. An office is dedicated to TECO Partners for use by this employee. According to information presented in staff Audit Request Number 14, attached as Exhibit 2, no lease revenues are received from TECO Partners at this location. The office measures 8.5' x 9' or 76 square feet, which represents 1.35% of the total office area of 5,612 square feet. It is recommended that 1.35% of the office value or \$6,421 be removed from rate base due to the nonutility usage of the office space.
(76 sq. ft / 5,612 sq. ft. x \$474,167 = \$6,421)

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October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 4) Account: 375, page 199, line 9
Description: Triangle - Warehouse - Eustis
Utility Allocation: \$44,753 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 5) Account: 375, page 199, line 10
Description: Triangle - Welding Shop - Eustis
Utility Allocation: \$4,526 - 100% utility
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- 6) Account: 375, page 199, line 11
Description: Jacksonville-Office Building-Phillips Highway
Utility Allocation: \$2,054,384 - 100% utility
Staff Findings: No adjustment, accept as stated.
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Utility Allocation: \$39,022 - 100% utility
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- 9) Account: 375, page 199, line 14
 Description: Jacksonville Maintenance Building
 Utility Allocation: \$146,865 - 100% utility
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- 10) Account: 375, page 199, line 15
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 Staff Findings: No adjustment, accept as stated.
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 Description: Daytona Office Building-Ridgewood Avenue
 Utility Allocation: \$443,286 - 100% utility
 Staff Findings: No adjustment, accept as stated.
- 12) Account: 375, page 199, line 23
 Description: Daytona Utility Shed
 Utility Allocation: \$4,220 - 100% utility
 Staff Findings: No adjustment, accept as stated.

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RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 13) Account: 375, page 199, line 29
- Description: Panama City Office Building - Maple Avenue
- Utility Allocation: \$78,805 - utility \$6,390 - nonutility
- Staff Findings: Staff determined that an additional 900 square feet of the office building is not used and useful. An area 51' x 18' in the vicinity of the training center and meter reading offices was found to be a dead area where a number of empty file cabinets are stored. It is recommended that an additional 4.5% of the office building's value or \$3,834 be removed from rate base. It was further discovered that according to the information presented in response to staff's Audit Request Number 14, (see Exhibit 2), the office space used by TECO Partners employees did not generate any lease revenues during the Base Test Year period of calendar year 2001. This office measures 11' x 11' or an area of 121 square feet. This area represents .6% of the total square footage of the office space. It is therefore recommended that an additional \$515 should be removed from rate base due to the nonutility usage of the area by TECO Partners. The total recommended adjustment to nonutility usage is \$4,349.
(1021 sq.ft. / 20,000 sq.ft. x \$85,195 = \$4,349)
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- Description: Panama City - Shed
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- Staff Findings: No adjustment, accept as stated.
- 15) Account: 375, page 199, line 31
- Description: Ocala office Building - 33rd Avenue
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October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

Staff Findings: It was determined that according to the information presented in response to staff's Audit Request Number 14 (see Exhibit 2), the office space used by TECO Partners employees did not generate any lease revenues during the Base Test Year period of calendar year 2001. Three offices are occupied by TECO Partners employees. The offices measure 15' x 10', 9' x 18', and 10' x 12' for a total area of 432 square feet. This area represents 3.84% of the total square footage of the office space. It is therefore recommended that \$2,078 should be removed from rate base due to the nonutility usage of the area occupied by TECO Partners.
(432 sq. ft. / 11250 sq. ft. x \$54,104 = \$2078)

Base Test Year + 1**Schedule G-1, Account 390, Page 199****Total Adjustments Account 390: \$46,105 Reduction (see Items 1 & 3)**

- 1) Account: 390, page 199, line 35
Description: Panama City - Division Office
Utility Allocation: \$677,818 - utility \$54,958 - nonutility
Staff Findings: An additional 5.1% or \$37,408 should be removed from rate base to reflect nonutility usage area of 1,021 sq.ft. See explanation on page 14 of this memorandum, Item 13.
(1,021 sq.ft. / 20,000 sq. ft. x \$732,776 = \$37,408)
- 2) Account: 390, page 199, line 36
Description: Ocala Storage Buildings
Utility Allocation: \$5,511 - 100% utility
Staff Findings: No adjustment, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 3) Account: 390, page 199, line 37
- Description: Ocala Division Office
- Utility Allocation: \$226,480 - 100% utility
- Staff Findings: It is recommended that 3.84% or \$8,697 be removed from rate
 base to reflect the nonutility usage for the 432 sq.ft. of office
 space occupied by TECO Partners.
 (432 sq.ft. / 11,250 sq.ft. x \$226,480 = \$8,697)

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

Projected Test YearSchedule G-1, Account 374, page 203 & 204Total Adjustments Account 374: \$24,234 Reduction (See items 2,3,5,6,15,17,18,20,22,28 & 29)

- 1) Account: 374 - page 203, line 20
Description: Land -Orlando (601 Robinson Street, Parcel 2)
Utility Allocation: \$41,315 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 2) Account: 374 - page 203, line 21
Description: Land - Orlando (Fairvilla Site-Hwy. 441)
Utility Allocation: \$1,997 - 100% utility
Staff Findings: This land is the site of a propane transfer station. There is no regulated utility usage of this property. The entire value of the land should be removed from rate base, i.e., 100% non-utility.
- 3) Account: 374 - page 203, line 22
Description: Land - Orlando (Oakland Hills@Fiesta Ln. & Durango Way)
Utility Allocation: \$1,008 - 100% utility
Staff Findings: It was determined that this lot is vacant with no apparent regulated utility usage. The entire value of the property should be removed from rate base, i.e., 100% nonutility.

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RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 4) Account: 374, page 203, line 23
Description: Land - Orlando (Plant Site-600 W. Robinson)
Utility Allocation: \$49,693 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 5) Account: 374, page 203, line 24
Description: Land-Eustis (Office Site-1724 Kurt Street)
Utility Allocation: \$9,000 - 100% utility
Staff Findings: Total land area is approximately 86,858 square feet. Propane tanks belonging to Heritage Propane Company are on 1,508 square feet. It is recommended that \$156 be removed from rate base. (1,508 sq. ft. / 86,858 sq. ft. x \$9,000 = \$156)
- 6) Account: 374, page 203, line 25
Description: Land - Eustis (Industrial Park, Parcel 1)
Utility Allocation: \$500 - 100% utility
Staff Findings: This property is the North of the office property and was sold to Heritage Propane Company. The entire value of the land should be removed from rate base, i.e., \$500 nonutility
- 7) Account: 374, page 203, line 26
Description: Land-Mt. Dora (Gate Station-Wolf Branch Road)
Utility Allocation: \$8,516 - 100% utility
Staff Findings: No adjustments, accept as stated.

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RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 8) Account: 374, page 203, line 27
Description: Land-Jacksonville (Capper Rd. Gate Station)
Utility Allocation: \$22,989 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 9) Account: 374, page 203, line 28
Description: Land-Jacksonville (Jericho Road Gate Station)
Utility Allocation: \$13,282 - 100% utility
Staff Findings: No adjustments, accept as stated
- 10) Account: 374. Page 203, line 29
Description: Land-Jacksonville (Cedar Hill Gate Station)
Utility Allocation: \$1,582 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 11) Account: 374, page 203, line 30
Description: Land-Jacksonville (Church Street Plant Site)
Utility Allocation: \$39,371 - 100% utility
Staff Findings: No adjustments, accept as stated.

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RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 12) Account: 374, page 203, line 31
Description: Land-Jacksonville (King Street Regulator Station)
Utility Allocation: \$200 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 13) Account: 374, page 203, line 32
Description: Land-Jacksonville (Magnolia & McCoy Regulator Station)
Utility Allocation: \$986 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 14) Account: 374, page 203, line 33
Description: Land-Jacksonville (Oak & Edison Regulator Station)
Utility Allocation: \$300 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 15) Account: 374, page 203 , line 34
Description: Land-Jacksonville (Newman Bet & Orange Hat)
Utility Allocation: \$400 - 100% utility
Staff Findings: This regulator station was retired in calendar year 2001. Currently, the land is not being used for any regulated utility activity. It is recommended that the value of this property be removed from rate base, i.e., \$400 nonutility

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RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 16) Account: 374, page 203, line 35
Description: Land-Jacksonville (11th Street Warrens Replat, Parcel 7)
Utility Allocation: \$539 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 16) Account: 374, page 203, line 36
Description: Land-Jacksonville (Pearl Plaza Regulator Station)
Utility Allocation: \$1,000 - 100% utility
Staff Findings: This regulator station was retired in calendar year 2001. Currently the land is not being used for any regulated utility activity. It is recommended that the value of this property be removed from rate base, i.e., \$1,000 nonutility
- 17) Account: 374, page 203, line 37
Description: Land-Jacksonville (Phillips Hwy. Plant Property)
Utility Allocation: \$314,616 - 100% utility
Staff Findings: Total land area is 218,600 square feet. Propane tanks are on 9,600 square feet. It is recommended that \$13,817 be removed from rate base.
(9,600 sq. ft. / 218,600 sq. ft. x \$314,616 = \$13,817)
- 18) Account: 374, page 203, line 38
Description: Land-Jacksonville (Southside Regulator Station)
Utility Allocation: \$12,947 - 100 % utility
Staff Findings: No adjustments, accept as stated.

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RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 19) Account: 374, page 204, line 2
- Description: Land-Jacksonville (Doten S/D Regulator Station)
- Utility Allocation: \$538 - 100% utility
- Staff Findings: This regulator station was retired in calendar year 1992. The property has no regulated utility usage. The entire value should be removed from rate base, i.e., \$538 nonutility
- 20) Account: 374, page 204, line 5
- Description: Land-Daytona (1722 Ridgewood Ave., Holly Hill)
- Utility Allocation: \$155,747 - 100% utility
- Staff Findings: No adjustments, accept as stated.
- 21) Account: 374, page 204, line 6
- Description: Land-Daytona (Gate Station Site, Parcel 3)
- Utility Allocation: \$4,393 - 100% utility
- Staff Findings: Total land area of this property is approximately 74,296 square feet. Heritage Propane Company has operations on this property. Currently, there is an area of 5,200 square feet where propane cylinders and propane vehicle are stored. Another 12,358 square feet is the site of propane bulk tanks and related equipment. It is therefore recommended that \$1,038 be removed from rate base, i.e. \$1,038 nonutility.
(17,558 sq. ft. / 74,926 sq. ft. x \$4,393 = \$1,038)

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RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 22) Account: 374, page 204, line 7
Description: Land-Daytona (Regulator Station Site-Industrial Park)
Utility Allocation: \$477 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 23) Account: 374, page 204, line 10
Description: Land-Panama City (301 Maple Avenue)
Utility Allocation: \$84,869 - utility & \$6,881- nonutility
Staff Findings: No adjustments, accept as stated.
- 24) Account: 374, page 204, line 11
Description: Land-Panama City (Gulf Asphalt Gate Station)
Utility Allocation: \$23,645 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 25) Account: 374, page 204, line 12
Description: Land-Panama City (Maple Avenue Gate Station)
Utility Allocation: \$3,080 - 100% utility
Staff Findings: No adjustments, accept as stated.

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RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 26) Account: 374, page 204, line 13
Description: Land-Panama City (3rd Ave. & Maple)
Utility Allocation: \$72,746 - 100% Nonutility
Staff Findings: No adjustment, accept as stated.
- 27) Account: 374, page 204, line 14
Description: Appraisal-Ocala (8th Ave. & 16th Street)
Utility Allocation: \$800 - 100% utility
Staff Findings: This parcel of property was not purchased by the utility. The appraisal cost would therefore be an expense item and booked in Account 186 "Miscellaneous Deferred Debits." It is recommended that the total value of the appraisal be removed from rate base, i.e., \$800 - nonutility
- 28) Account: 374, page 204, line 15
Description: Ocala-Environmental Audit-Land
Utility Allocation: \$2980 - 100 % utility
Staff Findings: The environmental audit to clean up contaminated land is not a rate base item. This cost is a nonrecurring expense and should be booked in Account 186 "Miscellaneous Deferred Debits" and amortized. It is recommended that the entire \$2,980 value of the environmental audit be removed from rate base.
- 29) Account: 374, page 204, line 16
Description: Land-Ocala (316 SW 33rd Avenue)
Utility Allocation: \$66,200 - 100% utility
Staff Findings: No adjustments, accept as stated.

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RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 30) Account: 374, page 204, line 17
Description: Land-Ocala (Levey County Gate Station)
Utility Allocation: \$41,114 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 31) Account: 374, page 204, line 18
Description: Land-Ocala (Levey County Gate Station)
Utility Allocation: \$1,000 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 32) Account: 374, page 204, line 19
Description: Land-Ocala (Silver Springs Gate Station)
Utility Allocation: \$28,038 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 33) Account: 374, page 204, line 20
Description: Land-Ocala (Right of Way, Baseline Road)
Utility Allocation: \$1,200 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 34) Account: 374, page 204, line 21
Description: Ocala-Legal Fees (Richard, Blinn & Halden)
Utility Allocation: \$10,336 - 100% utility
Staff Findings: No adjustment, accept as stated.

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RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 35) Account: 374, page 204, line 22
Description: Ocala-Survey (Gate Station Property)
Utility Allocation: \$250 - 100% utility
Staff Findings: No adjustment, accept as stated.

Projected Test Year

Schedule G-1, Account 375, Pages 204 & 205

Total Adjustments Account 375: \$12,844 Reduction (see Items 3, 13, & 15)

- 1) Account: 375, page 205, line 6
Description: Orlando Office Building (600 Robinson Street)
Utility Allocation: \$1,067,522 - 100% utility
Staff Findings: No adjustment, accept as stated.
Lease Area - 1,245 sq.ft. - TECO Partners
996 sq.ft. - BGA
- 2) Account: 375, page 205, line 7
Description: Orlando Warehouse
Utility Allocation: \$145,287 - 100% utility
Staff Findings: No adjustment, accept as stated.

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October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 3) Account: 375, page 205, line 8
- Description: Triangle Office Building (Eustis)
- Utility Allocation: \$474,167 - 100% utility
- Staff Findings: TECO Partners has one employee that works in the Eustis Division on a part-time basis. An office is dedicated to TECO Partners for use by this employee. According to information presented in staff Audit Request Number 14, attached as Exhibit 2, no lease revenues are received from TECO Partners at this location. The office measures 8.5' x 9' or 76 square feet, which represents 1.35% of the total office area of 5,612 square feet. It is recommended that 1.35% of the office value or \$6,421 be removed from rate base due to the nonutility usage of the office space.
(76 sq. ft / 5,612 sq. ft. x \$474,167 = \$6,421)
- 4) Account: 375, page 205, line 9
- Description: Triangle - Warehouse - Eustis
- Utility Allocation: \$44,753 - 100% utility
- Staff Findings: No adjustment, accept as stated.
- 5) Account: 375, page 205, line 10
- Description: Triangle - Welding Shop - Eustis
- Utility Allocation: \$4,526 - 100% utility
- Staff Findings: No adjustment, accept as stated.

Memorandum

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 6) Account: 375, page 205, line 11
Description: Jacksonville-Office Building-Phillips Highway
Utility Allocation: \$2,054,384 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 7) Account: 375, page 205, line 12
Description: Jacksonville-Distribution Area-1745 Church Street
Utility Allocation: \$39,022 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 8) Account: 375, page 205, line 13
Description: Jacksonville Equipment Building
Utility Allocation: \$24,536 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 9) Account: 375, page 205, line 14
Description: Jacksonville Maintenance Building
Utility Allocation: \$146,865 - 100% utility
Staff Findings: No adjustment, accept as stated.
-

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 10) Account: 375, page 205, line 15
Description: Jacksonville Warehouse
Utility Allocation: \$201,806 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 11) Account: 375, page 205, line 22
Description: Daytona Office Building-Ridgewood Avenue
Utility Allocation: \$443,286 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 12) Account: 375, page 205, line 23
Description: Daytona Utility Shed
Utility Allocation: \$4,220 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 13) Account: 375, page 205, line 29
Description: Panama City Office Building - Maple Avenue
Utility Allocation: \$78,805 - utility \$6,390 - nonutility

Memorandum

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

Staff Findings:

Staff determined that an additional 900 square feet of the office building is not used and useful. An area 51' x 18' in the vicinity of the training center and meter reading offices was found to be a dead area where a number of empty file cabinets are stored. It is recommended that an additional 4.5% of the office building's value or \$3,834 be removed from rate base. It was further discovered that according to the information presented in response to staff's Audit Request Number 14, (see Exhibit 2), the office space used by TECO Partners employees did not generate any lease revenues during the Base Test Year period of calendar year 2001. This office measures 11' x 11' or an area of 121 square feet. This area represents .6% of the total square footage of the office space. It is therefore recommended that an additional \$515 should be removed from rate base due to the nonutility usage of the area by TECO Partners. The total recommended adjustment to nonutility usage is \$4,349.
(1021 sq.ft. / 20,000 sq.ft. x \$85,195 = \$4,349)

- 14) Account: 375, page 205, line 30
Description: Panama City - Shed
Utility Allocation: \$2,193 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 15) Account: 375, page 205, line 31
Description: Ocala office Building - 33rd Avenue
Utility Allocation: \$54,104 - 100% utility

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

Staff Findings: It was determined that according to the information presented in response to staff's Audit Request Number 14 (see Exhibit 2), the office space used by TECO Partners employees did not generate any lease revenues during the Base Test Year period of calendar year 2001. Three offices are occupied by TECO Partners employees. The offices measures 15' x 10', 9' x 18', and 10' x 12' for a total area of 432 square feet. This area represents 3.84% of the total square footage of the office space. It is therefore recommended that \$2,078 should be removed from rate base due to the nonutility usage of the area occupied by TECO Partners.
(432 sq. ft. / 11250 sq. ft. x \$54,104 = \$2,078)

Projected Test Year
Schedule G-1, Account 390, Page 205
Total Adjustments Account 390: \$46,105 Reduction (see Items 1 & 2)

- 1) Account: 390, page 205, line 35
Description: Panama City - Division Office
Utility Allocation: \$677,818 - utility \$54,958 - nonutility
Staff Findings: An additional 5.1% or \$37,408 should be removed from rate base to reflect nonutility usage area of 1,021 sq.ft. See explanation on page 14 of this memorandum, item 13.
(1,021 sq.ft. / 20,000 sq.ft. x \$732,776 = \$37,408)

- 2) Account: 390, page 205, line 36
Description: Ocala Storage Buildings
Utility Allocation: \$5,511 - 100% utility
Staff Findings: No adjustment, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 3) Account: 390, page 205, line 37
- Description: Ocala Division Office
- Utility Allocation: \$226,480 - 100% utility
- Staff Findings: It is recommended that 3.84% or \$8,697 be removed from rate
 base to reflect the nonutility usage for the 432 sq.ft. of office
 space occupied by TECO Partners.
 (432 sq.ft. / 11,250 sq.ft. x \$226,480 = \$8,697)

EXHIBIT 1

Minimum Filing Requirements

Schedules B-5 & G-1

Base Test Year

Schedule B-5

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING THE REGULATED AND NON-REGULATED ITEMS OF COMMON PLANT WITH THE 13 MONTH AVERAGE OF THE HISTORIC BASE YEAR SEGREGATED BY THE AMOUNTS ACCORDING TO REGULATED AND NON-REGULATED ITEMS. THE METHOD OF ALLOCATING BETWEEN REGULATED AND NON-REGULATED PORTIONS SHALL BE DESCRIBED.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/01
WITNESS: B. NARZISSENFELD

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384 - GU

| LINE NO. | A/C NO. | DESCRIPTION | Dec-00 | Jan-01 | Feb-01 | Mar-01 | Apr-01 | May-01 | Jun-01 | Jul-01 | Aug-01 | Sep-01 | Oct-01 | Nov-01 | Dec-01 | 13 MONTH AVERAGE |
|----------|---------|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|------------------|
| 1 | 374 | LAND & LAND RIGHTS | \$ 1,516,973 | \$ 1,516,973 | \$ 1,516,973 | \$ 1,516,973 | \$ 1,516,973 | \$ 1,516,973 | \$ 1,516,973 | \$ 1,674,589 | \$ 1,674,589 | \$ 1,674,589 | \$ 1,674,589 | \$ 1,674,589 | \$ 1,663,873 | \$ 1,588,894 |
| 2 | 375 | STRUCTURES & IMPROVEMENTS | 14,778,768 | 14,753,674 | 14,753,674 | 14,723,352 | 14,512,015 | 14,512,015 | 14,512,015 | 14,651,747 | 14,934,828 | 14,934,828 | 14,942,230 | 14,902,348 | 11,256,317 | 14,474,447 |
| 3 | 390 | STRUCTURES & IMPROVEMENTS | 966,118 | 966,118 | 966,118 | 964,362 | 964,362 | 964,362 | 964,362 | 964,362 | 964,362 | 964,362 | 964,362 | 964,362 | 964,362 | 964,767 |
| 4 | 390.02 | STRUCTURES & IMPROVEMENTS-Leasehold | 84,044 | 84,044 | 84,044 | 72,405 | 72,405 | 72,405 | 72,405 | 72,405 | 72,405 | 72,405 | 72,405 | 72,405 | 72,405 | 58,095 |
| 5 | 391 | OFFICE EQUIPMENT | 2,749,907 | 2,749,907 | 2,749,907 | 2,567,278 | 2,539,425 | 2,539,425 | 2,403,088 | 2,412,721 | 2,392,547 | 2,392,547 | 2,392,547 | 2,392,547 | 2,392,547 | 2,513,415 |
| 6 | 391.01 | COMPUTER EQUIPMENT | 16,361,639 | 16,361,639 | 16,353,549 | 16,361,274 | 16,279,230 | 16,277,312 | 16,040,634 | 16,171,921 | 16,190,808 | 16,129,224 | 16,229,757 | 16,242,744 | 16,261,438 | 16,250,859 |
| 7 | 391.02 | OFFICE MACHINES | 461,062 | 461,062 | 461,062 | 460,058 | 452,502 | 452,502 | 461,831 | 461,831 | 460,652 | 465,437 | 465,437 | 465,437 | 465,437 | 459,828 |
| 8 | 391.03 | OFFICE FURNITURE/EQUIPMENT | 615,466 | 615,466 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 388,918 |
| 9 | 392.01 | AUTO & TRUCK LESS THAN 1/2 TON | 7,941,850 | 7,930,883 | 7,930,883 | 7,887,563 | 7,774,311 | 7,608,458 | 7,289,353 | 7,496,038 | 7,154,772 | 7,327,892 | 7,653,238 | 7,730,955 | 7,760,119 | 7,652,793 |
| 10 | 392.02 | AUTO & TRUCK 3/4 - 1 TON | 1,158,212 | 1,158,212 | 1,158,212 | 1,158,212 | 1,158,212 | 1,158,212 | 1,158,212 | 1,295,637 | 1,325,490 | 1,510,597 | 1,726,847 | 1,761,512 | 1,791,017 | 1,347,583 |
| 11 | 392.03 | AIRPLANES | 0 | 0 | 0 | 1,356,103 | 1,356,103 | 1,356,103 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 776,771 |
| 12 | 392.04 | TRAILERS, OTHER | 259,945 | 259,945 | 259,945 | 258,643 | 258,643 | 258,643 | 258,643 | 267,910 | 261,489 | 261,489 | 261,489 | 261,489 | 258,961 | 260,152 |
| 13 | 392.05 | TRUCKS OVER 1 TON | 1,068,423 | 1,068,423 | 1,068,423 | 1,068,423 | 999,050 | 992,124 | 972,180 | 1,075,066 | 1,015,229 | 1,015,229 | 1,139,803 | 1,139,803 | 1,139,803 | 1,058,614 |
| 14 | 393 | STORES EQUIPMENT | 69,060 | 69,060 | 69,060 | 69,060 | 63,792 | 63,792 | 63,792 | 63,792 | 60,283 | 60,283 | 60,283 | 60,283 | 60,283 | 64,063 |
| 15 | 394 | TOOLS, SHOP, GARAGE EQUIP | 3,127,594 | 3,127,594 | 3,127,594 | 3,100,054 | 3,024,629 | 3,024,401 | 3,024,401 | 3,060,035 | 3,060,035 | 3,056,653 | 3,066,538 | 3,079,626 | 3,111,516 | 3,078,205 |
| 16 | 394.01 | TOOLS, SHOP, GARAGE EQUIP | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 |
| 17 | 395 | LABORATORY EQUIPMENT | 129,741 | 129,741 | 129,741 | 129,741 | 129,560 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,634 |
| 18 | 396 | POWER OPERATED EQUIPMENT | 1,837,334 | 1,837,334 | 1,837,334 | 1,834,685 | 1,778,368 | 1,778,227 | 1,778,227 | 1,812,886 | 1,806,207 | 1,806,207 | 1,765,678 | 1,776,603 | 1,771,972 | 1,801,620 |
| 19 | 397 | COMMUNICATION EQUIPMENT | 3,594,292 | 3,594,292 | 3,594,292 | 3,459,990 | 3,259,942 | 3,259,919 | 3,259,919 | 3,265,867 | 3,263,951 | 3,263,951 | 3,263,951 | 3,263,951 | 3,263,951 | 3,354,482 |
| 20 | 398 | MISC EQUIPMENT | 308,342 | 308,342 | 308,342 | 308,342 | 308,142 | 308,142 | 308,142 | 308,142 | 308,142 | 308,142 | 308,142 | 308,142 | 312,895 | 308,577 |
| 21 | | TOTAL | \$ 57,197,755 | \$ 57,181,695 | \$ 56,885,864 | \$ 57,813,228 | \$ 56,964,474 | \$ 56,789,305 | \$ 54,721,139 | \$ 55,701,237 | \$ 55,549,067 | \$ 55,842,328 | \$ 56,584,610 | \$ 56,696,366 | \$ 59,176,082 | \$ 56,696,701 |

| LINE NO. | A/C NO. | DESCRIPTION | 13 MONTH AVERAGE | NONUTILITY % | 13 MONTH AVG NONUTILITY |
|----------|---------|-------------------------------------|------------------|--------------|-------------------------|
| 22 | 374 | LAND & LAND RIGHTS | \$1,588,894 | 8.3% | \$132,605 |
| 23 | 375 | STRUCTURES & IMPROVEMENTS | 14,474,447 | 2.8% | 409,637 |
| 24 | 390 | STRUCTURES & IMPROVEMENTS | 964,767 | 5.7% | 54,958 |
| 25 | 390.02 | STRUCTURES & IMPROVEMENTS-Leasehold | 58,095 | 0.0% | 0 |
| 26 | 391 | OFFICE EQUIPMENT | 2,513,415 | 0.0% | 0 |
| 27 | 391.01 | COMPUTER EQUIPMENT | 16,250,859 | 2.5% | 401,621 |
| 28 | 391.02 | OFFICE MACHINES | 459,828 | 0.0% | 0 |
| 29 | 391.03 | OFFICE FURNITURE/EQUIPMENT | 388,916 | 0.0% | 0 |
| 30 | 392.01 | AUTO & TRUCK LESS THAN 1/2 TON | 7,652,793 | 0.0% | 0 |
| 31 | 392.02 | AUTO & TRUCK 3/4 - 1 TON | 1,347,583 | 0.0% | 0 |
| 32 | 392.03 | AIRPLANES | 776,771 | 0.0% | 0 |
| 33 | 392.04 | TRAILERS, OTHER | 260,152 | 0.0% | 0 |
| 34 | 392.05 | TRUCKS OVER 1 TON | 1,058,614 | 0.0% | 0 |
| 35 | 393 | STORES EQUIPMENT | 64,063 | 0.0% | 0 |
| 36 | 394 | TOOLS, SHOP, GARAGE EQUIPMENT | 3,076,205 | 0.0% | 0 |
| 37 | 394.01 | TOOLS, SHOP, GARAGE EQUIPMENT | 168,986 | 0.0% | 0 |
| 38 | 395 | LABORATORY EQUIPMENT | 129,634 | 0.0% | 0 |
| 39 | 396 | POWER OPERATED EQUIPMENT | 1,801,620 | 0.0% | 0 |
| 40 | 397 | COMMUNICATION EQUIPMENT | 3,354,482 | 0.0% | 0 |
| 41 | 398 | MISC EQUIPMENT | 308,577 | 0.0% | 0 |
| 42 | | TOTAL | \$56,696,701 | | \$998,821 |

METHOD OF ALLOCATION

BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY

DEPENDENT UPON THE APPLICATION, BASED ON A COMBINATION OF CUSTOMER COUNT, CHECKS PROCESSED, # OF BILLS & # OF USER

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY. PEOPLES GAS SYSTEM

DOCKET NO: 020384 - GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS.

TYPE OF DATA SHOWN.
HISTORIC BASE YEAR DATA: 12/31/01
WITNESS: B. NARZISSENFELD

13-MONTH AVERAGE

| LINE NO. | A/C NO | DESCRIPTION & ADDRESS | PLANT | | | ACCUMULATED DEPRECIATION/AMORTIZATION | | | BASIS FOR ALLOCATION |
|----------|--------|--|-------------|-------------|-------------|---------------------------------------|-------------|-------|--|
| | | | UTILITY | NON-UTILITY | TOTAL | UTILITY | NON-UTILITY | TOTAL | |
| 1 | 374 | LAND-COX PLANT, 398 N W 7TH AVE., FT LAUDERDALE PARCEL # 2 | \$0 | \$9,891 | \$9,891 | | | | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 2 | 374 | NMI-LAND-COCONUT CREEK REG STA, 100 W ATLANTIC BLVD,POMP,PAR# 4 | 12,413 | 0 | 12,413 | | | | |
| 3 | 374 | NMI-LAND-PLANTATION GATE STA, PETERS ROAD PARCEL # 5 | 22,954 | 0 | 22,954 | | | | |
| 4 | 374 | NMI-LAND-FULFORD PLANT, 15779 W DIXIE HWY,N MIAMI BCH,PARCEL # 1 | 38,351 | 0 | 38,351 | | | | |
| 5 | 374 | TPA-EASEMENT-NEBRASKA AVE FROM BIRD ST SOUTH 432 FT | 5,334 | 0 | 5,334 | | | | |
| 6 | 374 | TPA-LAND - GATE STATION @ LITHIA PINECREST RD | 8,000 | 0 | 8,000 | | | | |
| 7 | 374 | TPA-LAND RIGHTS-PURCHASE FOR NW GATE STATION | 8,909 | 0 | 8,909 | | | | |
| 8 | 374 | TPA-LAND-CSX RR PROPERTY W OF 13 ST @ FRANK ADAMO DR (SR 80) | 7,960 | 0 | 7,960 | | | | |
| 9 | 374 | TPA-LAND-ESTUARY PLANT, 1300 N. 13TH STREET, TAMPA- PARCEL #1 | 41,797 | 0 | 41,797 | | | | |
| 10 | 374 | TPA-LAND-ESTUARY PLANT, SOUTH OF RAILROAD, TAMPA- PARCEL #2 | 2,768 | 0 | 2,768 | | | | |
| 11 | 374 | TPA-LAND-PORT SUTTON GATE STATION,78TH & MADISON- PARCEL #3 | 4,939 | 0 | 4,939 | | | | |
| 12 | 374 | STP-LAND-LOT N SIDE, 1800 9TH AVE N., ST PETE, PARCEL #2 | 0 | 41,445 | 41,445 | | | | |
| 13 | 374 | STP-LAND-MAIN GATE STATION, 77TH AVE & 18TH WAY, ST PETE, PAR #4 | 2,928 | 0 | 2,928 | | | | |
| 14 | 374 | STP-LAND-NORTH GATE STATION,13800 62 ST N, ST PETE, PARCEL #3 | 18,535 | 0 | 18,535 | | | | |
| 15 | 374 | STP-LAND-PLANT SITE, 1800 9TH AVE N, ST PETE (SWAP W/CITY 6405) | 8,930 | 1,573 | 8,504 | | | | |
| 16 | 374 | STP-LAND-REG STATION, 3 AVE S & 16 STREET S, PARCEL #7 | 500 | 0 | 500 | | | | |
| 17 | 374 | STP-LAND-REG STATION, S SIDE 30 AVE N, WEST OF 16 ST N, PAR #8 | 3,000 | 0 | 3,000 | | | | |
| 18 | 374 | STP-LAND-REG STATION, S SIDE 30 AVE S, WEST OF 30 ST S., PAR #5 | 3,800 | 0 | 3,800 | | | | |
| 19 | 374 | STP-MDBH1020, MADIERA BEACH-EASEMENT @ 127 AVE TREASURE ISLAND | 2,900 | 0 | 2,900 | | | | |
| 20 | 374 | ORL-LAND-DIST YARD, 601 W. ROBINSON STREET, PARCEL # 2 | 41,315 | 0 | 41,315 | | | | |
| 21 | 374 | ORL-LAND-FAIRVILLA SITE, US HWY 441,N OF SILVER STAR, PARCEL #3 | 1,997 | 0 | 1,997 | | | | |
| 22 | 374 | ORL-LAND-OAKLAND HILLS, FIESTA LANE & DURANGO WAY, PARCEL # 4 | 1,008 | 0 | 1,008 | | | | |
| 23 | 374 | ORL-LAND-PLANT SITE, 600 W ROBINSON STREET, PARCEL # 1 | 49,693 | 0 | 49,693 | | | | |
| 24 | 374 | TRI-LAND-DIVISION OFFICE SITE,1724 KURT ST,EUSTIS, PARCEL # 2 | 9,000 | 0 | 9,000 | | | | |
| 25 | 374 | TRI-LAND-EUSTIS INDUSTRIAL PARK,MTR STA SITE, PARCEL # 1 | 500 | 0 | 500 | | | | |
| 26 | 374 | TRI-LAND-MT. DORA GATE STATION,WOLF BRANCH RD,PARCEL # 3 | 8,518 | 0 | 8,518 | | | | |
| 27 | 374 | JAX-LAND - CAPPER ROAD GATE STATION, PARCEL # 16 | 22,989 | 0 | 22,989 | | | | |
| 28 | 374 | JAX-LAND - JERICHO ROAD GATE STATION, PARCEL # 15 | 13,282 | 0 | 13,282 | | | | |
| 29 | 374 | JAX-LAND-CEDER HILLS GATE STATION SITE, PARCEL # 3 | 1,582 | 0 | 1,582 | | | | |
| 30 | 374 | JAX-LAND-CHURCH STREET PLANT SITE, PARCEL # 1 | 39,371 | 0 | 39,371 | | | | |
| 31 | 374 | JAX-LAND-KING STREET BET FORBES & POST ST,REG STA, PARCEL #8 | 200 | 0 | 200 | | | | |
| 32 | 374 | JAX-LAND-MAGNOLIA & MCCOY STREETS,REG STA, PARCEL #11 | 986 | 0 | 986 | | | | |
| 33 | 374 | JAX-LAND-OAK STREET & EDISON AVE REG STA, PARCEL # 4 | 300 | 0 | 300 | | | | |
| 34 | 374 | JAX-LAND-PART OF LOT 3 BL 138,NEWMAN BET STATE&ORANGE HAT,PAR#8 | 400 | 0 | 400 | | | | |
| 35 | 374 | JAX-LAND-PART OF LOT 5 BL 12, 11 ST WARRENS REPLAT,PARCEL #7 | 539 | 0 | 539 | | | | |
| 36 | 374 | JAX-LAND-PEARL PLAZA SILVER & 24TH STREET,REG STA, PARCEL #9 | 1,000 | 0 | 1,000 | | | | |
| 37 | 374 | JAX-LAND-PHILLIPS HWY PLANT PROPERTY, PARCEL #14 | 314,616 | 0 | 314,616 | | | | |
| 38 | 374 | JAX-LAND-SOUTHSIDE REG STA,PIONESSA PROPERTY, PARCEL #13 | 12,947 | 0 | 12,947 | | | | |
| 39 | 374 | JAX-LAND-W 12 FT OF N 12 FT LOT 1 BL 32 DOTEN S/D,REG STA,PAR#5 | 538 | 0 | 538 | | | | |
| 40 | 374 | SMI-PLANT SITE - NW 1ST AVE & NW 17TH ST, PARCEL # 1 | 39,181 | 0 | 39,181 | | | | |
| 41 | 374 | LAK-LAND - PEACHTREE PLANT SITE (PARCEL # 1) | 1,245 | 88 | 1,313 | | | | |
| 42 | 374 | DAY-LAND-1722 RIDGEWOOD AVE, HOLY HILL FL 32117 | 155,747 | 0 | 155,747 | | | | |
| 43 | 374 | DAY-LAND-GATE STATION SITE, PARCEL # 3 | 4,393 | 0 | 4,393 | | | | |
| 44 | 374 | DAY-LAND-REGULATOR STA SITE, PARCEL # 1 (INDUSTRIAL PARK) | 477 | 0 | 477 | | | | |
| 45 | 374 | SAR-LAND - GATE STATION, 12th & CENTRAL, SARASOTA | 50,000 | 0 | 50,000 | | | | |
| 46 | 374 | PBG-LAND - PBG OPERATIONS FACILITY 1383 JUPITER PARK DR | 230,941 | 0 | 230,941 | | | | |
| 47 | 374 | PC -LAND-301 MAPLE AVE | 84,869 | 6,881 | 91,750 | | | | |
| 48 | 374 | PC -LAND-GULF ASPHALT GATE STATION | 23,645 | 0 | 23,645 | | | | |
| 49 | 374 | PC -LAND-MAPLE AVE GATE STATION | 3,080 | 0 | 3,080 | | | | |
| 50 | 374 | SUB TOTALS CONTINUED ON B-5 p. 3 | \$1,304,372 | \$59,859 | \$1,364,231 | \$0 | \$0 | \$0 | |

SUPPORTING SCHEDULES:

RECAP SCHEDULES: B-5 p 1

SCHEDULE B-5

DETAIL OF COMMON PLANT

PAGE 3 OF 4

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/01
WITNESS: B. NARZISSENFELD

| | | | 13-MONTH AVERAGE | | | | | | |
|----------|--------|---|------------------|-------------|--------------|---------------------------------------|-------------|-------------|--|
| LINE NO. | A/C NO | DESCRIPTION & ADDRESS | PLANT | | | ACCUMULATED DEPRECIATION/AMORTIZATION | | | BASIS FOR ALLOCATION |
| | | | UTILITY | NON-UTILITY | TOTAL | UTILITY | NON-UTILITY | TOTAL | |
| 1 | 374 | SUB TOTALS FROM B-5 p. 2 | \$1,304,372 | \$59,859 | \$1,364,231 | | | | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 2 | 374 | PC -Land @ corner of 3rd Ave & Maple (next to Panama City Office) | 0 | 72,746 | 72,746 | | | | |
| 3 | 374 | OCA-APPRAISAL - 8TH AVE & 16TH STREET | 800 | 0 | 800 | | | | |
| 4 | 374 | OCA-ENVIRONMENTAL AUDIT - LAND | 2,980 | 0 | 2,980 | | | | |
| 5 | 374 | OCA-LAND - 316 SW 33RD AVE | 66,200 | 0 | 66,200 | | | | |
| 6 | 374 | OCA-LAND - LEVEY COUNTY GATE STATION | 41,114 | 0 | 41,114 | | | | |
| 7 | 374 | OCA-LAND - LEVEY COUNTY GATE STATION | 1,000 | 0 | 1,000 | | | | |
| 8 | 374 | OCA-LAND - SILVER SPRINGS GATE STATION | 28,038 | 0 | 28,038 | | | | |
| 9 | 374 | OCA-LAND RIGHTS - RIGHT OF WAY / BASELINE RD | 1,200 | 0 | 1,200 | | | | |
| 10 | 374 | OCA-LEGAL FEES - RICHARD, BLINN & HALDEN | 10,336 | 0 | 10,336 | | | | |
| 11 | 374 | OCA-SURVEY - GATE STATION PROPERTY | 250 | 0 | 250 | | | | |
| 12 | 374 | TOTAL | \$1,456,290 | \$132,605 | \$1,588,894 | \$0 | \$0 | \$0 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 13 | 375 | NMI-FULFORD WEST & PREVIOUS OFFICE | 3,370,120 | 0 | 3,370,120 | 527,414 | 0 | 527,414 | |
| 14 | 375 | NMI-OFFICE BLDG - FULFORD | 258,312 | 0 | 258,312 | 51,192 | 0 | 51,192 | |
| 15 | 375 | NMI-ENGINE BLDG | 63,740 | 0 | 63,740 | 27,800 | 0 | 27,800 | |
| 16 | 375 | NMI-METER SHOP | 51,293 | 0 | 51,293 | 12,356 | 0 | 12,356 | |
| 17 | 375 | NMI-WAREHOUSE - FULFORD | 249,677 | 0 | 249,677 | 102,572 | 0 | 102,572 | |
| 18 | 375 | TPA-OFFICE BLDG - CHANNELSIDE/13 ST | 1,997,062 | 0 | 1,997,062 | 384,209 | 0 | 384,209 | |
| 19 | 375 | TPA-FIRE TRAINING FACILITY | 14,261 | 0 | 14,261 | 5,608 | 0 | 5,608 | |
| 20 | 375 | TPA-GAS CONTROL BLDG | 16,875 | 0 | 16,875 | 9,371 | 0 | 9,371 | |
| 21 | 375 | TPA-MAINTENANCE BLDG | 13,068 | 0 | 13,068 | 4,889 | 0 | 4,889 | |
| 22 | 375 | TPA-STORAGE BLDG | 5,370 | 0 | 5,370 | 4,965 | 0 | 4,965 | |
| 23 | 375 | TPA-TRANSPORTATION BLDG | 56,180 | 0 | 56,180 | 19,845 | 0 | 19,845 | |
| 24 | 375 | TPA-WAREHOUSE BLDG | 140,679 | 0 | 140,679 | 33,454 | 0 | 33,454 | |
| 25 | 375 | TPA-WELDING SHOP | 20,312 | 0 | 20,312 | 6,167 | 0 | 6,167 | |
| 26 | 375 | STP-OFFICE BLDG - 9TH AVE | 1,649,937 | 374,526 | 2,024,463 | 364,072 | 82,642 | 446,714 | |
| 27 | 375 | STP-ANNEX BLDG | 28,672 | 0 | 28,672 | 4,582 | 0 | 4,582 | |
| 28 | 375 | STP-STORAGE BLDG | 36,716 | 0 | 36,716 | 9,896 | 0 | 9,896 | |
| 29 | 375 | STP-WAREHOUSE BLDG | 126,273 | 0 | 126,273 | 32,816 | 0 | 32,816 | |
| 30 | 375 | ORL-OFFICE BLDG - 600 ROBINSON | 1,067,522 | 0 | 1,067,522 | 233,334 | 0 | 233,334 | |
| 31 | 375 | ORL-WAREHOUSE | 145,287 | 0 | 145,287 | 47,110 | 0 | 47,110 | |
| 32 | 375 | TRI-OFFICE BLDG- KURT | 474,167 | 0 | 474,167 | 103,409 | 0 | 103,409 | |
| 33 | 375 | TRI-WAREHOUSE | 44,753 | 0 | 44,753 | 3,069 | 0 | 3,069 | |
| 34 | 375 | TRI-WELDING SHOP | 4,526 | 0 | 4,526 | 683 | 0 | 683 | |
| 35 | 375 | JAX-OFFICE BLDG - PHILIPS HWY | 2,054,384 | 0 | 2,054,384 | 477,479 | 0 | 477,479 | |
| 36 | 375 | JAX-DISTRIBUTION AREA - 1745 CHURCH ST | 39,022 | 0 | 39,022 | 22,249 | 0 | 22,249 | |
| 37 | 375 | JAX-EQUIP BLDG | 24,536 | 0 | 24,536 | 6,207 | 0 | 6,207 | |
| 38 | 375 | JAX-MAINTENANCE BLDG | 146,866 | 0 | 146,866 | 377 | 0 | 377 | |
| 39 | 375 | JAX-WAREHOUSE | 201,806 | 0 | 201,806 | 51,857 | 0 | 51,857 | |
| 40 | 375 | SMI-OFFICE BLDG - 17TH ST | 487,460 | 0 | 487,460 | 157,596 | 0 | 157,596 | |
| 41 | 375 | SMI-TOOL SHED | 1,377 | 0 | 1,377 | 96 | 0 | 96 | |
| 42 | 375 | SMI-TRAINING FACILITY | 4,301 | 0 | 4,301 | 566 | 0 | 566 | |
| 43 | 375 | SMI-WAREHOUSE | 32,758 | 0 | 32,758 | 18,855 | 0 | 18,855 | |
| 44 | 375 | LAK-OFFICE BLDG - KATHLEEN RD | 523,620 | 28,722 | 552,342 | 111,023 | 6,090 | 117,113 | |
| 45 | 375 | LAK-WAREHOUSE | 86,208 | 0 | 86,208 | 18,448 | 0 | 18,448 | |
| 46 | 375 | DAY-OFFICE BLDG - RIDGEWOOD AVE | 443,286 | 0 | 443,286 | 29,679 | 0 | 29,679 | |
| 47 | 375 | DAY-UTLITY SHED | 4,220 | 0 | 4,220 | 348 | 0 | 348 | |
| 48 | 375 | SUB TOTALS CONTINUED ON B-5 p. 4 | \$13,884,646 | \$403,248 | \$14,287,894 | \$2,881,593 | \$88,732 | \$2,970,325 | |

SUPPORTING SCHEDULES

RECAP SCHEDULES: B-5 p.1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384 - GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS.

TYPE OF DATA SHOWN:
HISTORIC BASE YEAR DATA: 12/31/01
WITNESS: B. NARZISSENFELD

13-MONTH AVERAGE

| LINE NO. | A/C NO. | DESCRIPTION & ADDRESS | PLANT | | | ACCUMULATED DEPRECIATION/AMORTIZATION | | | BASIS FOR ALLOCATION |
|----------|---------|---------------------------------|--------------|-------------|--------------|---------------------------------------|-------------|-------------|--|
| | | | UTILITY | NON-UTILITY | TOTAL | UTILITY | NON-UTILITY | TOTAL | |
| 1 | 375 | SUB TOTALS FROM B-5 p. 3 | \$13,884,848 | \$403,248 | \$14,287,894 | \$2,881,593 | \$88,732 | \$2,970,325 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 2 | 375 | HIG-FENCE FOR REGULATOR STATION | 1,174 | 0 | \$1,174 | 555 | 0 | 555 | |
| 3 | 375 | SAR-OFFICE BLDG | 11,352 | 0 | \$11,352 | 1,342 | 0 | 1,342 | |
| 4 | 375 | SAR-STORAGE SHED | 10,877 | 0 | \$10,877 | 1,897 | 0 | 1,897 | |
| 5 | 375 | SAR-WAREHOUSE | 4,938 | 0 | \$4,938 | 485 | 0 | 485 | |
| 6 | 375 | PC-OFFICE BLDGE - MAPLE AVE | 78,805 | 8,390 | \$85,195 | 8,803 | 535 | 7,138 | |
| 7 | 375 | PC-SHED | 2,193 | 0 | \$2,193 | 340 | 0 | 340 | |
| 8 | 375 | OCA-OFFICE BLDG - 33RD AVE | 54,104 | 0 | \$54,104 | 7,859 | 0 | 7,859 | |
| 9 | 375 | COR-MISC | 18,724 | 0 | \$18,724 | 1,428 | 0 | 1,428 | |
| 10 | 375 | TOTAL | \$14,084,810 | \$409,837 | \$14,474,447 | \$2,902,079 | \$89,267 | \$2,991,346 | |
| 11 | 390 | PC-DIVISION OFFICE | 877,818 | 54,958 | 732,778 | 109,388 | 8,888 | 118,238 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 12 | 390 | OCA-STORAGE BUILDINGS | 5,511 | 0 | 5,511 | 760 | 0 | 760 | |
| 13 | 390 | OCA-DIVISION OFFICE | 228,480 | 0 | 228,480 | 40,258 | 0 | 40,258 | |
| 14 | 390 | TOTAL | \$909,809 | \$54,958 | \$964,767 | \$150,385 | \$8,888 | \$159,253 | |
| 15 | 390.02 | HIG-DIVISION OFFICE | 30,901 | 0 | 30,901 | 30,901 | 0 | 30,901 | |
| 16 | 390.02 | PBG-DIVISION OFFICE | 27,193 | 0 | 27,193 | 27,193 | 0 | 27,193 | |
| 17 | 390.02 | TOTAL | \$58,095 | \$0 | \$58,095 | \$58,095 | \$0 | \$58,095 | |

Test Year + 1

Schedule G-1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING THE REGULATED AND NON-REGULATED ITEMS OF COMMON PLANT WITH THE 13 MONTH AVERAGE OF THE HISTORIC BASE YEAR + 1 SEGREGATED BY THE AMOUNTS ACCORDING TO REGULATED AND NON-REGULATED ITEMS. THE METHOD OF ALLOCATING BETWEEN REGULATED AND NON-REGULATED PORTIONS SHALL BE DESCRIBED.

TYPE OF DATA SHOWN
HISTORIC BASE YR + 1 12/31/02
WITNESS J P HIGGINS

COMPANY PEOPLES GAS SYSTEM

DOCKET NO: 020384-GU

| LINE NO | ACC NO | DESCRIPTION | Dec-01 | Jan-02 | Feb-02 | Mar-02 | Apr-02 | May-02 | Jun-02 | Jul-02 | Aug-02 | Sep-02 | Oct-02 | Nov-02 | Dec-02 | 13 MONTH AVERAGE |
|---------|--------|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------------|
| 1 | 374 | LAND AND LAND RIGHTS | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 |
| 2 | 375 | STRUCTURES AND IMPROVEMENTS | 14,908,758 | 15,040,283 | 15,171,808 | 15,303,333 | 15,434,858 | 15,566,383 | 15,697,908 | 15,829,433 | 15,960,958 | 16,092,483 | 16,224,008 | 16,355,533 | 16,487,058 | 15,887,808 |
| 3 | 390 | STRUCTURES AND IMPROVEMENTS | 964,362 | 960,849 | 957,335 | 953,823 | 950,309 | 946,796 | 943,283 | 939,770 | 936,257 | 932,743 | 929,230 | 925,717 | 922,204 | 943,283 |
| 4 | 390.02 | STRUCTURES & IMPROVEMENTS - Leasehold | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 |
| 5 | 391 | OFFICE FURNITURE | 2,500,930 | 2,551,411 | 2,592,891 | 2,634,550 | 2,676,120 | 2,717,699 | 2,759,258 | 2,800,828 | 2,842,397 | 2,883,966 | 2,925,536 | 2,967,105 | 3,008,675 | 2,758,573 |
| 6 | 391.01 | COMPUTER EQUIPMENT | 18,475,986 | 18,595,849 | 18,715,812 | 18,845,975 | 18,976,138 | 19,106,301 | 19,236,463 | 19,366,626 | 19,496,789 | 19,626,952 | 19,757,115 | 19,887,278 | 20,017,441 | 19,209,194 |
| 7 | 391.02 | OFFICE EQUIPMENT/MACHINES | 471,688 | 471,075 | 470,465 | 469,855 | 469,244 | 468,634 | 468,024 | 467,413 | 466,803 | 466,193 | 465,582 | 464,972 | 464,362 | 468,024 |
| 8 | 391.03 | OFFICE FURNITURE/EQUIP | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 |
| 9 | 392.01 | AUTO & TRUCK LESS THAN 1/2 TON | 7,831,215 | 8,564,703 | 9,273,190 | 9,981,878 | 10,690,496 | 11,399,114 | 12,107,732 | 12,816,350 | 13,524,968 | 14,233,586 | 14,942,204 | 15,650,822 | 16,359,440 | 9,378,669 |
| 10 | 392.02 | AUTO & TRUCK 3/4 TO 1 TON | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 |
| 11 | 392.03 | AIRPLANES | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 |
| 12 | 392.04 | TRAILERS, OTHER | 262,891 | 261,899 | 261,108 | 260,316 | 259,524 | 258,732 | 257,940 | 257,149 | 256,357 | 255,565 | 254,773 | 253,981 | 253,190 | 257,840 |
| 13 | 392.05 | TRUCKS OVER 1 TON | 1,139,803 | 1,131,497 | 1,123,191 | 1,114,886 | 1,106,580 | 1,098,274 | 1,089,969 | 1,081,663 | 1,073,357 | 1,065,052 | 1,056,746 | 1,048,440 | 1,040,135 | 1,089,969 |
| 14 | 393 | STORES EQUIPMENT | 83,229 | 82,693 | 82,156 | 81,620 | 81,084 | 80,548 | 80,012 | 79,476 | 78,940 | 78,404 | 77,868 | 77,332 | 76,796 | 80,012 |
| 15 | 394 | TOOLS SHOP & GARAGE EQUIPMENT | 3,206,789 | 3,245,811 | 3,284,833 | 3,317,755 | 3,351,077 | 3,384,399 | 3,417,721 | 3,451,043 | 3,484,365 | 3,517,687 | 3,551,009 | 3,584,331 | 3,617,653 | 3,418,452 |
| 16 | 394.01 | TOOLS SHOP & GARAGE EQUIPMENT - CNG | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 | 168,986 |
| 17 | 395 | LABORATORY EQUIPMENT | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 |
| 18 | 396 | POWER OPERATED EQUIPMENT | 1,998,514 | 1,998,514 | 1,998,514 | 1,998,514 | 1,998,514 | 1,998,514 | 1,998,514 | 1,998,514 | 1,998,514 | 1,998,514 | 1,998,514 | 1,998,514 | 1,998,514 | 1,998,514 |
| 19 | 397 | COMMUNICATION EQUIPMENT | 3,478,713 | 3,478,713 | 3,478,713 | 3,478,713 | 3,478,713 | 3,478,713 | 3,478,713 | 3,478,713 | 3,478,713 | 3,478,713 | 3,478,713 | 3,478,713 | 3,478,713 | 3,478,713 |
| 20 | 398 | MISC. EQUIPMENT | 312,912 | 312,912 | 312,912 | 312,912 | 312,912 | 312,912 | 312,912 | 312,912 | 312,912 | 312,912 | 312,912 | 312,912 | 312,912 | 312,912 |
| 21 | | TOTAL | \$68,354,372 | \$67,436,666 | \$68,485,548 | \$69,560,928 | \$69,848,638 | \$70,115,060 | \$70,376,773 | \$70,621,487 | \$70,872,200 | \$71,122,913 | \$71,373,626 | \$71,624,339 | \$71,875,056 | \$69,973,940 |

| LINE NO | ACC NO | DESCRIPTION | 13 MONTH AVERAGE | NONUTILITY % | 13 MONTH AVG NONUTILITY |
|---------|--------|---------------------------------------|------------------|--------------|-------------------------|
| 22 | 374 | LAND AND LAND RIGHTS | \$2,252,873 | 0.2% | \$207,583 |
| 23 | 375 | STRUCTURES AND IMPROVEMENTS | 15,887,808 | 2.7% | 417,062 |
| 24 | 390 | STRUCTURES AND IMPROVEMENTS | 943,283 | 5.7% | 54,097 |
| 25 | 390.02 | STRUCTURES & IMPROVEMENTS - Leasehold | 28,216 | 0.0% | 0 |
| 26 | 391 | OFFICE FURNITURE | 2,758,573 | 0.0% | 0 |
| 27 | 391.01 | COMPUTER EQUIPMENT | 19,209,194 | 2.8% | 502,046 |
| 28 | 391.02 | OFFICE EQUIPMENT/MACHINES | 468,024 | 0.0% | 0 |
| 29 | 391.03 | OFFICE FURNITURE/EQUIP | 347,725 | 0.0% | 0 |
| 30 | 392.01 | AUTO & TRUCK LESS THAN 1/2 TON | 9,378,669 | 0.0% | 0 |
| 31 | 392.02 | AUTO & TRUCK 3/4 TO 1 TON | 1,915,721 | 0.0% | 0 |
| 32 | 392.03 | AIRPLANES | 6,029,716 | 0.0% | 0 |
| 33 | 392.04 | TRAILERS, OTHER | 257,840 | 0.0% | 0 |
| 34 | 392.05 | TRUCKS OVER 1 TON | 1,089,969 | 0.0% | 0 |
| 35 | 393 | STORES EQUIPMENT | 80,012 | 0.0% | 0 |
| 36 | 394 | TOOLS SHOP & GARAGE EQUIPMENT | 3,418,452 | 0.0% | 0 |
| 37 | 394.01 | TOOLS SHOP & GARAGE EQUIPMENT - CNG | 168,986 | 0.0% | 0 |
| 38 | 395 | LABORATORY EQUIPMENT | 129,578 | 0.0% | 0 |
| 39 | 396 | POWER OPERATED EQUIPMENT | 1,998,514 | 0.0% | 0 |
| 40 | 397 | COMMUNICATION EQUIPMENT | 3,509,701 | 0.0% | 0 |
| 41 | 398 | MISC. EQUIPMENT | 312,912 | 0.0% | 0 |
| 42 | | TOTAL | \$69,973,970 | | \$1,180,768 |

METHOD OF ALLOCATION

BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY

DEPENDENT UPON THE APPLICATION, BASED ON A COMBINATION OF CUSTOMER COUNT, CHECKS PROCESSED, # OF BILLS & # OF USER IDS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT FOR THE HISTORIC BASE YEAR + 1. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS

TYPE OF DATA SHOWN

HISTORIC BASE YR + 1 12/31/02

WITNESS J. P. HIGGINS

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

| 13 MONTH AVERAGE | | | | | | METHOD OF ALLOCATION | | | |
|------------------|--------|--|-------------|-------------|-------------|---------------------------------------|-------------|-------|--|
| LINE NO | A/C NO | DESCRIPTION & ADDRESS | PLANT | | | ACCUMULATED DEPRECIATION/AMORTIZATION | | | |
| | | | UTILITY | NON-UTILITY | TOTAL | UTILITY | NON-UTILITY | TOTAL | |
| 1 | 374 | SOUTH FLORIDA REGIONAL OFFICE | \$589,000 | \$0 | \$589,000 | \$0 | \$0 | \$0 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 2 | 374 | NMI-LAND-COCONUT CREEK REG STA, 100 W ATLANTIC BLVD,POMP,PAR# | 12,413 | 0 | 12,413 | | | | |
| 3 | 374 | NMI-LAND-PLANTATION GATE STA, PETERS ROAD PARCEL # 5 | 22,954 | 0 | 22,954 | | | | |
| 4 | 374 | NMI-LAND-FULFORD PLANT, 15779 W DIXIE HWY,N MIAMI BCH,PARCEL # 1 | 38,351 | 0 | 38,351 | | | | |
| 5 | 374 | TPA-EASEMENT-NEBRASKA AVE FROM BIRD ST SOUTH 432 FT | 5,334 | 0 | 5,334 | | | | |
| 6 | 374 | TPA-LAND - GATE STATION @ LITHIA PINECREST RD | 8,000 | 0 | 8,000 | | | | |
| 7 | 374 | TPA-LAND RIGHTS-PURCHASE FOR NW GATE STATION | 8,909 | 0 | 8,909 | | | | |
| 8 | 374 | TPA-LAND-CSX RR PROPERTY W OF 13 ST @ FRANK ADAMO DR (SR 60) | 7,960 | 0 | 7,960 | | | | |
| 9 | 374 | TPA-LAND-ESTUARY PLANT, 1300 N 13TH STREET, TAMPA- PARCEL #1 | 41,797 | 0 | 41,797 | | | | |
| 10 | 374 | TPA-LAND-ESTUARY PLANT, SOUTH OF RAILROAD, TAMPA- PARCEL #2 | 2,768 | 0 | 2,768 | | | | |
| 11 | 374 | TPA-LAND-PORT SUTTON GATE STATION,78TH & MADISON- PARCEL #3 | 4,939 | 0 | 4,939 | | | | |
| 12 | 374 | STP-LAND-LOT N SIDE, 1800 9TH AVE N., ST PETE, PARCEL #2 | 0 | 41,445 | 41,445 | | | | |
| 13 | 374 | STP-LAND-MAIN GATE STATION, 77TH AVE & 18TH WAY, ST PETE, PAR #4 | 2,928 | 0 | 2,928 | | | | |
| 14 | 374 | STP-LAND-NORTH GATE STATION,13800 82 ST N., ST PETE, PARCEL #3 | 18,535 | 0 | 18,535 | | | | |
| 15 | 374 | STP-LAND-PLANT SITE, 1800 9TH AVE N., ST PETE (SWAP WICITY 8405) | 6,931 | 1,573 | 8,504 | | | | |
| 16 | 374 | STP-LAND-REG STATION, 3 AVE S & 16 STREET S, PARCEL #7 | 500 | 0 | 500 | | | | |
| 17 | 374 | STP-LAND-REG STATION, S SIDE 30 AVE N,WEST OF 16 ST N., PAR #6 | 3,000 | 0 | 3,000 | | | | |
| 18 | 374 | STP-LAND-REG STATION, S SIDE 30 AVE S,WEST OF 30 ST S., PAR #5 | 3,800 | 0 | 3,800 | | | | |
| 19 | 374 | STP-MDBH1020, MADIERA BEACH-EASEMENT @ 127 AVE TREASURE ISLAN | 2,900 | 0 | 2,900 | | | | |
| 20 | 374 | ORL-LAND-DIST YARD, 601 W. ROBINSON STREET, PARCEL # 2 | 41,315 | 0 | 41,315 | | | | |
| 21 | 374 | ORL-LAND-FAIRVILLA SITE, US HWY 441,N OF SILVER STAR, PARCEL #3 | 1,997 | 0 | 1,997 | | | | |
| 22 | 374 | ORL-LAND-OAKLAND HILLS, FIESTA LANE & DURANGO WAY, PARCEL # 4 | 1,008 | 0 | 1,008 | | | | |
| 23 | 374 | ORL-LAND-PLANT SITE, 600 W ROBINSON STREET, PARCEL # 1 | 49,693 | 0 | 49,693 | | | | |
| 24 | 374 | TRI-LAND-DIVISION OFFICE SITE,1724 KURT ST,EUSTIS, PARCEL # 2 | 9,000 | 0 | 9,000 | | | | |
| 25 | 374 | TRI-LAND-EUSTIS INDUSTRIAL PARK,MTR STA SITE, PARCEL # 1 | 500 | 0 | 500 | | | | |
| 26 | 374 | TRI-LAND-MT. DORA GATE STATION,WOLF BRANCH RD.,PARCEL # 3 | 8,518 | 0 | 8,518 | | | | |
| 27 | 374 | JAX-LAND - CAPPER ROAD GATE STATION, PARCEL # 16 | 22,989 | 0 | 22,989 | | | | |
| 28 | 374 | JAX-LAND - JERICHO ROAD GATE STATION, PARCEL # 15 | 13,282 | 0 | 13,282 | | | | |
| 29 | 374 | JAX-LAND-CEDER HILLS GATE STATION SITE, PARCEL # 3 | 1,582 | 0 | 1,582 | | | | |
| 30 | 374 | JAX-LAND-CHURCH STREET PLANT SITE, PARCEL # 1 | 39,371 | 0 | 39,371 | | | | |
| 31 | 374 | JAX-LAND-KING STREET BET FORBES & POST ST,REG STA, PARCEL #8 | 200 | 0 | 200 | | | | |
| 32 | 374 | JAX-LAND-MAGNOLIA & MCCOY STREETS,REG STA, PARCEL #11 | 986 | 0 | 986 | | | | |
| 33 | 374 | JAX-LAND-OAK STREET & EDISON AVE REG STA, PARCEL # 4 | 300 | 0 | 300 | | | | |
| 34 | 374 | JAX-LAND-PART OF LOT 3 BL 138,NEWMAN BET STATE&ORANGE HAT,PAR# | 400 | 0 | 400 | | | | |
| 35 | 374 | JAX-LAND-PART OF LOT 5 BL 12 ,11 ST WARRENS REPLAT,PARCEL #7 | 539 | 0 | 539 | | | | |
| 36 | 374 | JAX-LAND-PEARL PLAZA SILVER & 24TH STREET,REG STA, PARCEL #9 | 1,000 | 0 | 1,000 | | | | |
| 37 | 374 | JAX-LAND-PHILLIPS HWY PLANT PROPERTY, PARCEL #14 | 314,616 | 0 | 314,616 | | | | |
| 38 | 374 | JAX-LAND-SOUTHSIDE REG STA,PIONESSA PROPERTY, PARCEL #13 | 12,947 | 0 | 12,947 | | | | |
| 374 | | SUB TOTALS CONTINUED ON G-1 p. 16b | \$1,299,257 | \$43,018 | \$1,342,275 | \$0 | \$0 | \$0 | |

SUPPORTING SCHEDULES G-5 p 1

RECAP SCHEDULES G-1 p 15

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO: 020384-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT FOR THE HISTORIC BASE YEAR + 1. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS

TYPE OF DATA SHOWN
HISTORIC BASE YR + 1: 12/31/02
WITNESS J P HIGGINS

| 13-MONTH AVERAGE | | | | | | METHOD OF ALLOCATION | | | |
|------------------|--------|---|-------------|-------------|-------------|---------------------------------------|-------------|-----------|--|
| LINE NO | A/C NO | DESCRIPTION & ADDRESS | PLANT | | | ACCUMULATED DEPRECIATION/AMORTIZATION | | | |
| | | | UTILITY | NON-UTILITY | TOTAL | UTILITY | NON-UTILITY | TOTAL | |
| 1 | 374 | SUB TOTALS FROM G1 p. 18a | \$1,299,257 | \$43,018 | \$1,342,275 | \$0 | \$0 | \$0 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 2 | 374 | JAX-LAND-W 12 FT OF N 12 FT LOT 1 BL 32 DOTEN S/D,REG STA,PAR#5 | 538 | 0 | 538 | | | | |
| 3 | 374 | SMI-PLANT SITE - NW 1ST AVE & NW 17TH ST, PARCEL # 1 | 39,181 | 0 | 39,181 | | | | |
| 4 | 374 | LAK-LAND - PEACHTREE PLANT SITE (PARCEL # 1) | 1,245 | 00 | 1,313 | | | | |
| 5 | 374 | DAY-LAND-1722 RIDGEWOOD AVE, HOLY HILL FL 32117 | 155,747 | 0 | 155,747 | | | | |
| 6 | 374 | DAY-LAND-GATE STATION SITE, PARCEL # 3 | 4,393 | 0 | 4,393 | | | | |
| 7 | 374 | DAY-LAND-REGULATOR STA SITE, PARCEL # 1 (INDUSTRIAL PARK) | 477 | 0 | 477 | | | | |
| 8 | 374 | SAR-LAND - GATE STATION, 12th & CENTRAL, SARASOTA | 50,000 | 0 | 50,000 | | | | |
| 9 | 374 | PBG-LAND - PBG OPERATIONS FACILITY 1363 JUPITER PARK DR | 230,941 | 0 | 230,941 | | | | |
| 10 | 374 | PC -LAND-301 MAPLE AVE | 84,869 | 6,881 | 91,750 | | | | |
| 11 | 374 | PC -LAND-GULF ASPHALT GATE STATION | 23,645 | 0 | 23,645 | | | | |
| 12 | 374 | PC -LAND-MAPLE AVE GATE STATION | 3,080 | 0 | 3,080 | | | | |
| 13 | 374 | PC -Land @ corner of 3rd Ave & Maple (next to Panama City Office) | 0 | 157,616 | 157,616 | | | | |
| 14 | 374 | OCA-APRAISAL - 8TH AVE @ 16TH STREET | 800 | 0 | 800 | | | | |
| 15 | 374 | OCA-ENVIRONMENTAL AUDIT - LAND | 2,980 | 0 | 2,980 | | | | |
| 16 | 374 | OCA-LAND - 316 SW 33RD AVE | 66,200 | 0 | 66,200 | | | | |
| 17 | 374 | OCA-LAND - LEVEY COUNTY GATE STATION | 41,114 | 0 | 41,114 | | | | |
| 18 | 374 | OCA-LAND - LEVEY COUNTY GATE STATION | 1,000 | 0 | 1,000 | | | | |
| 19 | 374 | OCA-LAND - SILVER SPRINGS GATE STATION | 28,038 | 0 | 28,038 | | | | |
| 20 | 374 | OCA-LAND RIGHTS - RIGHT OF WAY / BASELINE RD | 1,200 | 0 | 1,200 | | | | |
| 21 | 374 | OCA-LEGAL FEES - RICHARD, BLINN & HALDEN | 10,338 | 0 | 10,338 | | | | |
| 22 | 374 | OCA-SURVEY - GATE STATION PROPERTY | 250 | 0 | 250 | | | | |
| 23 | 374 | TOTAL | \$2,045,291 | \$207,583 | \$2,252,873 | \$0 | \$0 | \$0 | |
| 24 | 375 | SOUTH FLORIDA REGIONAL OFFICE | \$1,069,145 | \$0 | \$1,069,145 | \$28,878 | \$0 | \$28,878 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 25 | 375 | NMI-OFFICE BLDG - FULFORD | 258,312 | 0 | 258,312 | 54,159 | 0 | 54,159 | |
| 26 | 375 | NMI-ENGINE BLDG | 63,740 | 0 | 63,740 | 27,487 | 0 | 27,487 | |
| 27 | 375 | NMI-METER SHOP | 51,293 | 0 | 51,293 | 12,784 | 0 | 12,784 | |
| 28 | 375 | NMI-WAREHOUSE - FULFORD | 249,877 | 0 | 249,877 | 101,782 | 0 | 101,782 | |
| 29 | 375 | TPA-OFFICE BLDG - CHANNELSIDE/13 ST | 2,333,394 | 0 | 2,333,394 | 416,401 | 0 | 416,401 | |
| 30 | 375 | TPA-FIRE TRAINING FACILITY | 14,261 | 0 | 14,261 | 5,580 | 0 | 5,580 | |
| 31 | 375 | TPA-GAS CONTROL BLDG | 16,875 | 0 | 16,875 | 9,150 | 0 | 9,150 | |
| 32 | 375 | TPA-MAINTENANCE BLDG | 13,068 | 0 | 13,068 | 4,881 | 0 | 4,881 | |
| 33 | 375 | TPA-STORAGE BLDG | 5,370 | 0 | 5,370 | 4,758 | 0 | 4,758 | |
| 34 | 375 | TPA-TRANSPORTATION BLDG | 56,180 | 0 | 56,180 | 19,890 | 0 | 19,890 | |
| 35 | 375 | TPA-WAREHOUSE BLDG | 140,679 | 0 | 140,679 | 34,686 | 0 | 34,686 | |
| 36 | 375 | TPA-WELDING SHOP | 20,312 | 0 | 20,312 | 6,253 | 0 | 6,253 | |
| 37 | 375 | SUB TOTALS CONTINUED ON B-5 p. 18c | \$4,292,307 | \$0 | \$4,292,307 | \$724,700 | \$0 | \$724,700 | |

SUPPORTING SCHEDULES G-6 p. 1

RECAP SCHEDULES G-1 p. 15

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO: 020384-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT FOR THE HISTORIC BASE YEAR + 1. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS.

TYPE OF DATA SHOWN
HISTORIC BASE YR + 1. 12/31/02
WITNESS: J. P. HIGGINS

| | | | 13-MONTH AVERAGE | | | | | | METHOD OF ALLOCATION |
|---------|--------|--|------------------|-------------|--------------|---------------------------------------|-------------|-------------|--|
| LINE NO | A/C NO | DESCRIPTION & ADDRESS | PLANT | | | ACCUMULATED DEPRECIATION/AMORTIZATION | | | |
| | | | UTILITY | NON-UTILITY | TOTAL | UTILITY | NON-UTILITY | TOTAL | |
| 1 | 375 | SUB TOTALS FROM G1 p. 16b | \$4,292,307 | \$0 | \$4,292,307 | \$724,700 | \$0 | \$724,700 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 2 | 375 | STP-OFFICE BLDG - 9TH AVE | 1,682,848 | 381,951 | 2,064,599 | 381,292 | 88,551 | 469,842 | |
| 3 | 375 | STP-ANNEX BLDG | 28,872 | 0 | 28,872 | 4,987 | 0 | 4,987 | |
| 4 | 375 | STP-STORAGE BLDG | 36,716 | 0 | 36,716 | 10,138 | 0 | 10,138 | |
| 5 | 375 | STP-WAREHOUSE BLDG | 126,273 | 0 | 126,273 | 33,730 | 0 | 33,730 | |
| 6 | 375 | ORL-OFFICE BLDG - 600 ROBINSON | 1,067,522 | 0 | 1,067,522 | 244,096 | 0 | 244,096 | |
| 7 | 375 | ORL-WAREHOUSE | 145,287 | 0 | 145,287 | 47,517 | 0 | 47,517 | |
| 8 | 375 | TRI-OFFICE BLDG- KURT | 474,167 | 0 | 474,167 | 108,205 | 0 | 108,205 | |
| 9 | 375 | TRI-WAREHOUSE | 44,753 | 0 | 44,753 | 3,983 | 0 | 3,983 | |
| 10 | 375 | TRI-WELDING SHOP | 4,528 | 0 | 4,528 | 750 | 0 | 750 | |
| 11 | 375 | JAX-OFFICE BLDG - PHILIPS HWY | 2,777,839 | 0 | 2,777,839 | 514,419 | 0 | 514,419 | |
| 12 | 375 | JAX-DISTRIBUTION AREA - 1745 CHURCH ST | 39,022 | 0 | 39,022 | 21,897 | 0 | 21,897 | |
| 13 | 375 | JAX-EQUIP BLDG | 24,538 | 0 | 24,538 | 8,368 | 0 | 8,368 | |
| 14 | 375 | JAX-MAINTENANCE BLDG | 148,868 | 0 | 148,868 | 4,043 | 0 | 4,043 | |
| 15 | 375 | JAX-WAREHOUSE | 201,808 | 0 | 201,808 | 53,358 | 0 | 53,358 | |
| 16 | 375 | SMI-OFFICE BLDG - 17TH ST | 487,480 | 0 | 487,480 | 158,903 | 0 | 158,903 | |
| 17 | 375 | SMI-TOOL SHED | 1,377 | 0 | 1,377 | 124 | 0 | 124 | |
| 18 | 375 | SMI-TRAINING FACILITY | 4,301 | 0 | 4,301 | 835 | 0 | 835 | |
| 19 | 375 | SMI-WAREHOUSE | 32,758 | 0 | 32,758 | 18,380 | 0 | 18,380 | |
| 20 | 375 | LAK-OFFICE BLDG - KATHLEEN RD | 523,820 | 28,722 | 552,541 | 118,538 | 8,392 | 126,931 | |
| 21 | 375 | LAK-WAREHOUSE | 86,208 | 0 | 86,208 | 17,482 | 0 | 17,482 | |
| 22 | 375 | DAY-OFFICE BLDG - RIDGEWOOD AVE | 443,288 | 0 | 443,288 | 38,778 | 0 | 38,778 | |
| 23 | 375 | DAY-UTILITY SHED | 4,220 | 0 | 4,220 | 429 | 0 | 429 | |
| 24 | 375 | HIG-FENCE FOR REGULATOR STATION | 1,174 | 0 | 1,174 | 548 | 0 | 548 | |
| 25 | 375 | SAR-OFFICE BLDG-8281 VICO CT | 760,322 | 0 | 760,322 | 20,384 | 0 | 20,384 | |
| 26 | 375 | SAR-STORAGE SHED | 10,877 | 0 | 10,877 | 2,040 | 0 | 2,040 | |
| 27 | 375 | SAR-WAREHOUSE | 4,938 | 0 | 4,938 | 557 | 0 | 557 | |
| 28 | 375 | PBG-OFFICE BLDG-1383 JUPITER PARK DR | 683,331 | 0 | 683,331 | 18,878 | 0 | 18,878 | |
| 29 | 375 | PC -OFFICE BLDG - MAPLE AVE | 78,805 | 8,390 | 85,195 | 8,129 | 659 | 8,788 | |
| 30 | 375 | PC -SHED | 2,193 | 0 | 2,193 | 372 | 0 | 372 | |
| 31 | 375 | OCA-OFFICE BLDG - 33RD AVE | 54,104 | 0 | 54,104 | 8,878 | 0 | 8,878 | |
| 32 | 375 | SWF-OFFICE BLDG-5109 ENTERPRISE | 1,012,210 | 0 | 1,012,210 | 25,447 | 0 | 25,447 | |
| 33 | 375 | COR-MISC | 18,724 | 0 | 18,724 | 1,748 | 0 | 1,748 | |
| 34 | 375 | TOTALS | \$15,280,848 | \$417,062 | \$15,697,908 | \$2,585,226 | \$93,602 | \$2,688,828 | |
| 35 | 390 | PC -DIVISION OFFICE | 887,195 | 54,097 | 941,291 | 112,380 | 8,110 | 120,490 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 36 | 390 | OCA-STORAGE BUILDINGS | 5,511 | 0 | 5,511 | 781 | 0 | 781 | |
| 37 | 390 | OCA-DIVISION OFFICE | 218,480 | 0 | 218,480 | 41,359 | 0 | 41,359 | |
| 37 | 390 | TOTAL | \$889,186 | \$54,097 | \$943,283 | \$154,500 | \$9,110 | \$163,610 | |

SUPPORTING SCHEDULES G-8 p 1

RECAP SCHEDULES G-1 p 15

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY, PEOPLES GAS SYSTEM

DOCKET NO. 020384-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT FOR THE HISTORIC BASE YEAR + 1. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS

TYPE OF DATA SHOWN

HISTORIC BASE YR + 1 12/31/02

WITNESS J. P. HIGGINS

| | | | 13-MONTH AVERAGE | | | METHOD OF ALLOCATION | | | |
|---------|---------|-----------------------|------------------|-------------|----------|----------------------|---------------------------------------|-------------|-------|
| LINE NO | A/C NO. | DESCRIPTION & ADDRESS | PLANT | | | | ACCUMULATED DEPRECIATION/AMORTIZATION | | |
| | | | UTILITY | NON-UTILITY | TOTAL | | UTILITY | NON-UTILITY | TOTAL |
| 1 | 390.02 | HIG-DIVISION OFFICE | \$28,216 | \$0 | \$28,216 | \$28,216 | \$0 | \$28,216 | |
| 2 | 390.02 | TOTAL | \$28,216 | \$0 | \$28,216 | \$28,216 | \$0 | \$28,216 | |

Projected Test Year

Schedule G-1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: PROVIDE A SCHEDULE SHOWING THE REGULATED AND NON-REGULATED ITEMS OF COMMON PLANT WITH THE 13 MONTH AVERAGE OF THE PROJECTED TEST YEAR SEGREGATED BY THE AMOUNTS ACCORDING TO REGULATED AND NON-REGULATED ITEMS. THE METHOD OF ALLOCATING BETWEEN REGULATED AND NON-REGULATED PORTIONS SHALL BE DESCRIBED.

TYPE OF DATA SHOWN:
PROJECTED TEST YEAR: 12/31/03
WITNESS: J. P. HIGGINS

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

| LINE NO. | A/C NO. | DESCRIPTION | Dec-02 | Jan-03 | Feb-03 | Mar-03 | Apr-03 | May-03 | Jun-03 | Jul-03 | Aug-03 | Sep-03 | Oct-03 | Nov-03 | Dec-03 | 13 MONTH AVERAGE |
|----------|---------|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------------|
| 1 | 374 | LAND AND LAND RIGHTS | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 | \$2,252,873 |
| 2 | 375 | STRUCTURES AND IMPROVEMENTS | 16,487,058 | 16,546,975 | 16,606,891 | 16,666,806 | 16,726,725 | 16,786,641 | 16,846,556 | 16,906,475 | 16,966,391 | 17,026,308 | 17,086,225 | 17,146,141 | 17,206,058 | 16,846,556 |
| 3 | 390 | STRUCTURES AND IMPROVEMENTS | 922,204 | 918,691 | 915,178 | 911,664 | 908,151 | 904,638 | 901,125 | 897,612 | 894,098 | 890,585 | 887,072 | 883,559 | 880,046 | 901,125 |
| 4 | 390.02 | STRUCTURES & IMPROVEMENTS - Leasehold | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 | 28,216 |
| 5 | 391 | OFFICE FURNITURE | 3,008,675 | 3,075,581 | 3,142,488 | 3,209,394 | 3,276,301 | 3,343,208 | 3,410,114 | 3,477,021 | 3,543,927 | 3,610,834 | 3,677,741 | 3,744,647 | 3,811,554 | 3,410,114 |
| 6 | 391.01 | COMPUTER EQUIPMENT | 19,917,445 | 20,102,796 | 20,288,147 | 20,473,498 | 20,658,849 | 20,844,200 | 21,029,551 | 21,214,902 | 21,400,253 | 21,585,604 | 21,770,955 | 21,956,306 | 22,141,657 | 21,029,551 |
| 7 | 391.02 | OFFICE EQUIPMENT/MACHINES | 464,362 | 463,751 | 463,141 | 462,531 | 461,920 | 461,310 | 460,700 | 460,089 | 459,479 | 458,869 | 458,258 | 457,648 | 457,038 | 460,700 |
| 8 | 391.03 | OFFICE FURNITURE/EQUIP | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 | 347,725 |
| 9 | 392.01 | AUTO & TRUCK LESS THAN 1/2 TON | 9,269,040 | 9,663,858 | 10,458,676 | 11,053,494 | 10,974,312 | 10,895,130 | 10,815,948 | 10,736,766 | 10,657,584 | 10,578,402 | 10,499,220 | 10,420,038 | 10,340,856 | 10,504,871 |
| 10 | 392.02 | AUTO & TRUCK 3/4 TO 1 TON | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 | 1,915,721 |
| 11 | 392.03 | AIRPLANES | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 | 6,029,716 |
| 12 | 392.04 | TRAILERS, OTHER | 253,190 | 252,398 | 251,606 | 250,814 | 250,022 | 249,231 | 248,439 | 247,647 | 246,855 | 246,063 | 245,272 | 244,480 | 243,688 | 248,439 |
| 13 | 392.05 | TRUCKS OVER 1 TON | 1,040,135 | 1,031,829 | 1,023,523 | 1,015,218 | 1,006,912 | 998,606 | 990,301 | 981,995 | 973,689 | 965,384 | 957,078 | 948,772 | 940,467 | 990,301 |
| 14 | 393 | STORES EQUIPMENT | 56,803 | 56,268 | 55,732 | 55,197 | 54,661 | 54,126 | 53,590 | 53,055 | 52,519 | 51,984 | 51,448 | 50,913 | 50,377 | 53,590 |
| 15 | 394 | TOOLS SHOP & GARAGE EQUIPMENT | 3,617,653 | 3,634,634 | 3,651,614 | 3,668,594 | 3,685,575 | 3,702,555 | 3,719,535 | 3,736,516 | 3,753,496 | 3,770,476 | 3,787,457 | 3,804,437 | 3,821,417 | 3,719,535 |
| 16 | 394.01 | TOOLS SHOP & GARAGE EQUIPMENT - CNG | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 | 168,988 |
| 17 | 395 | LABORATORY EQUIPMENT | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 | 129,578 |
| 18 | 396 | POWER OPERATED EQUIPMENT | 2,132,819 | 2,140,837 | 2,148,854 | 2,156,872 | 2,164,889 | 2,172,907 | 2,180,924 | 2,188,942 | 2,196,959 | 2,204,977 | 2,212,994 | 2,221,012 | 2,229,029 | 2,181,924 |
| 19 | 397 | COMMUNICATION EQUIPMENT | 3,520,219 | 3,568,470 | 3,616,721 | 3,664,971 | 3,713,222 | 3,761,472 | 3,809,723 | 3,857,973 | 3,906,224 | 3,954,474 | 4,002,725 | 4,050,975 | 4,099,226 | 3,809,723 |
| 20 | 398 | MISC. EQUIPMENT | 312,839 | 312,827 | 312,815 | 312,802 | 312,790 | 312,778 | 312,766 | 312,754 | 312,741 | 312,729 | 312,717 | 312,705 | 312,693 | 312,766 |
| 21 | | TOTAL | \$71,875,056 | \$72,841,728 | \$73,808,400 | \$74,775,072 | \$75,087,744 | \$75,360,416 | \$75,633,088 | \$75,945,759 | \$76,238,431 | \$76,531,103 | \$76,823,775 | \$77,116,447 | \$77,409,119 | \$75,842,011 |

| | | | 13 MONTH AVERAGE | NONUTILITY % | 3 MONTH AVG NONUTILITY |
|----|--------|---------------------------------------|------------------|--------------|------------------------|
| 22 | 374 | LAND AND LAND RIGHTS | \$2,252,873 | 0.2% | \$207,583 |
| 23 | 375 | STRUCTURES AND IMPROVEMENTS | 16,846,556 | 2.5% | 417,062 |
| 24 | 390 | STRUCTURES AND IMPROVEMENTS | 901,125 | 5.8% | 52,435 |
| 25 | 390.02 | STRUCTURES & IMPROVEMENTS - Leasehold | 28,216 | 0.0% | 0 |
| 26 | 391 | OFFICE FURNITURE | 3,410,114 | 0.0% | 0 |
| 27 | 391.01 | COMPUTER EQUIPMENT | 21,029,551 | 2.4% | 502,046 |
| 28 | 391.02 | OFFICE EQUIPMENT/MACHINES | 460,700 | 0.0% | 0 |
| 29 | 391.03 | OFFICE FURNITURE/EQUIP | 347,725 | 0.0% | 0 |
| 30 | 392.01 | AUTO & TRUCK LESS THAN 1/2 TON | 10,504,871 | 0.0% | 0 |
| 31 | 392.02 | AUTO & TRUCK 3/4 TO 1 TON | 1,915,721 | 0.0% | 0 |
| 32 | 392.03 | AIRPLANES | 6,029,716 | 0.0% | 0 |
| 33 | 392.04 | TRAILERS, OTHER | 248,439 | 0.0% | 0 |
| 34 | 392.05 | TRUCKS OVER 1 TON | 990,301 | 0.0% | 0 |
| 35 | 393 | STORES EQUIPMENT | 53,590 | 0.0% | 0 |
| 36 | 394 | TOOLS SHOP & GARAGE EQUIPMENT | 3,719,535 | 0.0% | 0 |
| 37 | 394.01 | TOOLS SHOP & GARAGE EQUIPMENT - CNG | 168,988 | 0.0% | 0 |
| 38 | 395 | LABORATORY EQUIPMENT | 129,578 | 0.0% | 0 |
| 39 | 396 | POWER OPERATED EQUIPMENT | 2,181,924 | 0.0% | 0 |
| 40 | 397 | COMMUNICATION EQUIPMENT | 3,809,723 | 0.0% | 0 |
| 41 | 398 | MISC. EQUIPMENT | 312,766 | 0.0% | 0 |
| 42 | | TOTAL | \$75,342,011 | | \$1,179,126 |

METHOD OF ALLOCATION

BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY

DEPENDENT UPON THE APPLICATION, BASED ON A COMBINATION OF CUSTOMER COUNT, CHECKS PROCESSED, # OF BILLS & # OF USER ID'S

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT FOR THE PROJECTED TEST YEAR. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS.

TYPE OF DATA SHOWN:

PROJECTED TEST YEAR: 12/31/03

WITNESS: J. P. HIGGINS

| LINE NO. | A/C NO. | DESCRIPTION & ADDRESS | 13-MONTH AVERAGE | | | METHOD OF ALLOCATION | | |
|----------|---------|---|------------------|-------------|-------------|---------------------------------------|-------------|-------|
| | | | PLANT | | | ACCUMULATED DEPRECIATION/AMORTIZATION | | |
| | | | UTILITY | NON-UTILITY | TOTAL | UTILITY | NON-UTILITY | TOTAL |
| 1 | 374 | SOUTH FLORIDA REGIONAL OFFICE | \$589,000 | \$0 | \$589,000 | \$0 | \$0 | \$0 |
| 2 | 374 | NMI-LAND-COCONUT CREEK REG STA, 100 W ATLANTIC BLVD,POMP, | 12,413 | 0 | 12,413 | | | |
| 3 | 374 | NMI-LAND-PLANTATION GATE STA, PETERS ROAD PARCEL # 5 | 22,954 | 0 | 22,954 | | | |
| 4 | 374 | NMI-LAND-FULFORD PLANT, 15779 W DIXIE HWY,N MIAMI BCH,PARC | 38,351 | 0 | 38,351 | | | |
| 5 | 374 | TPA-EASEMENT-NEBRASKA AVE FROM BIRD ST SOUTH 432 FT | 5,334 | 0 | 5,334 | | | |
| 6 | 374 | TPA-LAND - GATE STATION @ LITHIA PINECREST RD | 8,000 | 0 | 8,000 | | | |
| 7 | 374 | TPA-LAND RIGHTS-PURCHASE FOR NW GATE STATION | 8,909 | 0 | 8,909 | | | |
| 8 | 374 | TPA-LAND-CSX RR PROPERTY W OF 13 ST @ FRANK ADAMO DR (SR | 7,960 | 0 | 7,960 | | | |
| 9 | 374 | TPA-LAND-ESTUARY PLANT, 1300 N. 13TH STREET, TAMPA- PARCEL | 41,797 | 0 | 41,797 | | | |
| 10 | 374 | TPA-LAND-ESTUARY PLANT, SOUTH OF RAILROAD, TAMPA- PARCEL | 2,766 | 0 | 2,766 | | | |
| 11 | 374 | TPA-LAND-PORT SUTTON GATE STATION,78TH & MADISON- PARCEL | 4,939 | 0 | 4,939 | | | |
| 12 | 374 | STP-LAND-LOT N SIDE, 1800 9TH AVE N., ST PETE, PARCEL #2 | 0 | 41,445 | 41,445 | | | |
| 13 | 374 | STP-LAND-MAIN GATE STATION, 77TH AVE & 18TH WAY, ST PETE, PA | 2,928 | 0 | 2,928 | | | |
| 14 | 374 | STP-LAND-NORTH GATE STATION,13800 62 ST N., ST PETE, PARCEL | 16,535 | 0 | 16,535 | | | |
| 15 | 374 | STP-LAND-PLANT SITE, 1800 9TH AVE N, ST PETE (SWAP WCITY B40 | 8,931 | 1,573 | 8,504 | | | |
| 16 | 374 | STP-LAND-REG STATION, 3 AVE S & 18 STREET S, PARCEL #7 | 500 | 0 | 500 | | | |
| 17 | 374 | STP-LAND-REG STATION, S SIDE 30 AVE N, WEST OF 18 ST N., PAR # | 3,000 | 0 | 3,000 | | | |
| 18 | 374 | STP-LAND-REG STATION, S SIDE 30 AVE S, WEST OF 30 ST S., PAR #5 | 3,800 | 0 | 3,800 | | | |
| 19 | 374 | STP-MDBH1020, MADIERA BEACH-EASEMENT @ 127 AVE TREASURE | 2,900 | 0 | 2,900 | | | |
| 20 | 374 | ORL-LAND-DIST YARD, 601 W. ROBINSON STREET, PARCEL # 2 | 41,315 | 0 | 41,315 | | | |
| 21 | 374 | ORL-LAND-FAIRVILLA SITE, US HWY 441,N OF SILVER STAR, PARCEL | 1,997 | 0 | 1,997 | | | |
| 22 | 374 | ORL-LAND-OAKLAND HILLS, FIESTA LANE & DURANGO WAY, PARCE | 1,008 | 0 | 1,008 | | | |
| 23 | 374 | ORL-LAND-PLANT SITE, 600 W. ROBINSON STREET, PARCEL # 1 | 49,693 | 0 | 49,693 | | | |
| 24 | 374 | TRI-LAND-DIVISION OFFICE SITE, 1724 KURT ST,EUSTIS, PARCEL # 2 | 9,000 | 0 | 9,000 | | | |
| 25 | 374 | TRI-LAND-EUSTIS INDUSTRIAL PARK,MTR STA SITE, PARCEL # 1 | 500 | 0 | 500 | | | |
| 26 | 374 | TRI-LAND-MT. DORA GATE STATION,WOLF BRANCH RD.,PARCEL # 3 | 8,516 | 0 | 8,516 | | | |
| 27 | 374 | JAX-LAND - CAPPER ROAD GATE STATION, PARCEL # 16 | 22,989 | 0 | 22,989 | | | |
| 28 | 374 | JAX-LAND - JERICHO ROAD GATE STATION, PARCEL # 15 | 13,282 | 0 | 13,282 | | | |
| 29 | 374 | JAX-LAND-CEDER HILLS GATE STATION SITE, PARCEL # 3 | 1,582 | 0 | 1,582 | | | |
| 30 | 374 | JAX-LAND-CHURCH STREET PLANT SITE, PARCEL # 1 | 39,371 | 0 | 39,371 | | | |
| 31 | 374 | JAX-LAND-KING STREET BET FORBES & POST ST,REG STA, PARCEL | 200 | 0 | 200 | | | |
| 32 | 374 | JAX-LAND-MAGNOLIA & MCCOY STREETS,REG STA, PARCEL #11 | 986 | 0 | 986 | | | |
| 33 | 374 | JAX-LAND-OAK STREET & EDISON AVE REG STA, PARCEL # 4 | 300 | 0 | 300 | | | |
| 34 | 374 | JAX-LAND-PART OF LOT 3 BL 138,NEWMAN BET STATE&ORANGE HA | 400 | 0 | 400 | | | |
| 35 | 374 | JAX-LAND-PART OF LOT 5 BL 12, 11 ST WARRENS REPLAT,PARCEL # | 539 | 0 | 539 | | | |
| 36 | 374 | JAX-LAND-PEARL PLAZA SILVER & 24TH STREET,REG STA, PARCEL | 1,000 | 0 | 1,000 | | | |
| 37 | 374 | JAX-LAND-PHILLIPS HWY PLANT PROPERTY, PARCEL #14 | 314,616 | 0 | 314,616 | | | |
| 38 | 374 | JAX-LAND-SOUTHSIDE REG STA,PIONESSA PROPERTY, PARCEL #13 | 12,947 | 0 | 12,947 | | | |
| 374 | | SUB TOTALS CONTINUED ON G-1 p 19b | \$1,299,257 | \$43,018 | \$1,342,275 | \$0 | \$0 | \$0 |

SUPPORTING SCHEDULES G-8 p.1

RECAP SCHEDULES: G-1 p.18

SCHEDULE G-1

DETAIL OF COMMON PLANT

PAGE 195 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT FOR THE PROJECTED TEST YEAR. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS.

TYPE OF DATA SHOWN

PROJECTED TEST YEAR: 12/31/03

WITNESS: J. P. HIGGINS

| 13-MONTH AVERAGE | | | | | | METHOD OF ALLOCATION | | | |
|------------------|---------|---|-------------|-------------|-------------|---------------------------------------|-------------|-----------|--|
| LINE NO. | A/C NO. | DESCRIPTION & ADDRESS | PLANT | | | ACCUMULATED DEPRECIATION/AMORTIZATION | | | |
| | | | UTILITY | NON-UTILITY | TOTAL | UTILITY | NON-UTILITY | TOTAL | |
| 1 | 374 | SUB TOTALS FROM G1 p. 19a | \$1,299,257 | \$43,018 | \$1,342,275 | \$0 | \$0 | \$0 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 2 | 374 | JAX-LAND-W 12 FT OF N 12 FT LOT 1 BL 32 DOTEN S/D,REG STA,PAR | 538 | 0 | 538 | | | | |
| 3 | 374 | SMI-PLANT SITE - NW 1ST AVE & NW 17TH ST, PARCEL # 1 | 39,181 | 0 | 39,181 | | | | |
| 4 | 374 | LAK-LAND - PEACHTREE PLANT SITE (PARCEL # 1) | 1,245 | 0 | 1,313 | | | | |
| 5 | 374 | DAY-LAND-1722 RIDGEWOOD AVE, HOLY HILL FL 32117 | 155,747 | 0 | 155,747 | | | | |
| 6 | 374 | DAY-LAND-GATE STATION SITE, PARCEL # 3 | 4,393 | 0 | 4,393 | | | | |
| 7 | 374 | DAY-LAND-REGULATOR STA SITE, PARCEL # 1 (INDUSTRIAL PARK) | 477 | 0 | 477 | | | | |
| 8 | 374 | SAR-LAND - GATE STATION, 12th & CENTRAL, SARASOTA | 50,000 | 0 | 50,000 | | | | |
| 9 | 374 | PBG-LAND - PBG OPERATIONS FACILITY 1363 JUPITER PARK DR | 230,941 | 0 | 230,941 | | | | |
| 10 | 374 | PC -LAND-301 MAPLE AVE | 84,859 | 8,881 | 91,750 | | | | |
| 11 | 374 | PC -LAND-GULF ASPHALT GATE STATION | 23,645 | 0 | 23,645 | | | | |
| 12 | 374 | PC -LAND-MAPLE AVE GATE STATION | 3,080 | 0 | 3,080 | | | | |
| 13 | 374 | PC -Land @ corner of 3rd Ave & Maple (next to Panama City Office) | 0 | 157,818 | 157,818 | | | | |
| 14 | 374 | OCA-APPRAISAL - 8TH AVE & 18TH STREET | 800 | 0 | 800 | | | | |
| 15 | 374 | OCA-ENVIRONMENTAL AUDIT - LAND | 2,980 | 0 | 2,980 | | | | |
| 16 | 374 | OCA-LAND - 316 SW 33RD AVE | 68,200 | 0 | 68,200 | | | | |
| 17 | 374 | OCA-LAND - LEVEY COUNTY GATE STATION | 41,114 | 0 | 41,114 | | | | |
| 18 | 374 | OCA-LAND - LEVEY COUNTY GATE STATION | 1,000 | 0 | 1,000 | | | | |
| 19 | 374 | OCA-LAND - SILVER SPRINGS GATE STATION | 28,038 | 0 | 28,038 | | | | |
| 20 | 374 | OCA-LAND RIGHTS - RIGHT OF WAY / BASELINE RD | 1,200 | 0 | 1,200 | | | | |
| 21 | 374 | OCA-LEGAL FEES - RICHARD, BLINN & HALDEN | 10,336 | 0 | 10,336 | | | | |
| 22 | 374 | OCA-SURVEY - GATE STATION PROPERTY | 250 | 0 | 250 | | | | |
| 23 | 374 | TOTAL | \$2,045,291 | \$207,583 | \$2,252,873 | \$0 | \$0 | \$0 | |
| 24 | 375 | SOUTH FLORIDA REGIONAL OFFICE | \$1,569,145 | \$0 | \$1,569,145 | \$54,998 | \$0 | \$54,998 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 25 | 375 | NMI-OFFICE BLDG - FULFORD | 406,962 | 0 | 406,962 | 62,054 | 0 | 62,054 | |
| 26 | 375 | NMI-ENGINE BLDG | 63,740 | 0 | 63,740 | 29,782 | 0 | 29,782 | |
| 27 | 375 | NMI-METER SHOP | 51,293 | 0 | 51,293 | 14,409 | 0 | 14,409 | |
| 28 | 375 | NMI-WAREHOUSE - FULFORD | 249,677 | 0 | 249,677 | 110,554 | 0 | 110,554 | |
| 29 | 375 | TPA-OFFICE BLDG - CHANNELSIDE/13 ST | 2,333,394 | 0 | 2,333,394 | 486,032 | 0 | 486,032 | |
| 30 | 375 | TPA-FIRE TRAINING FACILITY | 14,261 | 0 | 14,261 | 8,078 | 0 | 8,078 | |
| 31 | 375 | TPA-GAS CONTROL BLDG | 18,875 | 0 | 18,875 | 9,795 | 0 | 9,795 | |
| 32 | 375 | TPA-MAINTENANCE BLDG | 13,068 | 0 | 13,068 | 5,330 | 0 | 5,330 | |
| 33 | 375 | TPA-STORAGE BLDG | 5,370 | 0 | 5,370 | 5,008 | 0 | 5,008 | |
| 34 | 375 | TPA-TRANSPORTATION BLDG | 58,180 | 0 | 58,180 | 21,794 | 0 | 21,794 | |
| 35 | 375 | TPA-WAREHOUSE BLDG | 140,879 | 0 | 140,879 | 39,105 | 0 | 39,105 | |
| 36 | 375 | TPA-WELDING SHOP | 20,312 | 0 | 20,312 | 8,920 | 0 | 8,920 | |
| 37 | 375 | SUB TOTALS CONTINUED ON B-5 p. 19c | \$4,940,957 | \$0 | \$4,940,957 | \$851,834 | \$0 | \$851,834 | |

SUPPORTING SCHEDULES: G-6 p.1

RECAP SCHEDULES: G-1 p.18

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT FOR THE PROJECTED TEST YEAR. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS.

TYPE OF DATA SHOWN:

PROJECTED TEST YEAR. 12/31/03

WITNESS: J. P. HIGGINS

13-MONTH AVERAGE

| LINE NO. | A/C NO. | DESCRIPTION & ADDRESS | PLANT | | | ACCUMULATED DEPRECIATION/AMORTIZATION | | | METHOD OF ALLOCATION |
|----------|---------|--|--------------|-------------|--------------|---------------------------------------|-------------|-------------|--|
| | | | UTILITY | NON-UTILITY | TOTAL | UTILITY | NON-UTILITY | TOTAL | |
| 1 | 375 | SUB TOTALS FROM G1 p 19b | \$4,940,957 | \$0 | \$4,940,957 | \$851,834 | \$0 | \$851,834 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 2 | 375 | STP-OFFICE BLDG - 9TH AVE | 1,682,848 | 381,951 | 2,064,599 | 433,375 | 98,373 | 531,748 | |
| 3 | 375 | STP-ANNEX BLDG | 28,672 | 0 | 28,672 | 5,840 | 0 | 5,840 | |
| 4 | 375 | STP-STORAGE BLDG | 36,718 | 0 | 36,718 | 11,318 | 0 | 11,318 | |
| 5 | 375 | STP-WAREHOUSE BLDG | 128,273 | 0 | 128,273 | 37,758 | 0 | 37,758 | |
| 6 | 375 | ORL-OFFICE BLDG - 600 ROBINSON | 1,587,522 | 0 | 1,587,522 | 277,190 | 0 | 277,190 | |
| 7 | 375 | ORL-WAREHOUSE | 145,287 | 0 | 145,287 | 52,351 | 0 | 52,351 | |
| 8 | 375 | TRI-OFFICE BLDG- KURT | 474,167 | 0 | 474,167 | 122,900 | 0 | 122,900 | |
| 9 | 375 | TRI-WAREHOUSE | 44,753 | 0 | 44,753 | 5,228 | 0 | 5,228 | |
| 10 | 375 | TRI-WELDING SHOP | 4,528 | 0 | 4,528 | 883 | 0 | 883 | |
| 11 | 375 | JAX-OFFICE BLDG - PHILIPS HWY | 2,777,839 | 0 | 2,777,839 | 597,745 | 0 | 597,745 | |
| 12 | 375 | JAX-DISTRIBUTION AREA - 1745 CHURCH ST | 39,022 | 0 | 39,022 | 23,202 | 0 | 23,202 | |
| 13 | 375 | JAX-EQUIP BLDG | 24,538 | 0 | 24,538 | 7,175 | 0 | 7,175 | |
| 14 | 375 | JAX-MAINTENANCE BLDG | 148,868 | 0 | 148,868 | 7,914 | 0 | 7,914 | |
| 15 | 375 | JAX-WAREHOUSE | 201,808 | 0 | 201,808 | 59,780 | 0 | 59,780 | |
| 16 | 375 | SMI-OFFICE BLDG - 17TH ST | 487,460 | 0 | 487,460 | 175,202 | 0 | 175,202 | |
| 17 | 375 | SMI-TOOL SHED | 1,377 | 0 | 1,377 | 182 | 0 | 182 | |
| 18 | 375 | SMI-TRAINING FACILITY | 4,301 | 0 | 4,301 | 760 | 0 | 760 | |
| 19 | 375 | SMI-WAREHOUSE | 32,758 | 0 | 32,758 | 19,847 | 0 | 19,847 | |
| 20 | 375 | LAK-OFFICE BLDG - KATHLEEN RD | 523,820 | 28,722 | 552,341 | 132,898 | 7,279 | 139,976 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 21 | 375 | LAK-WAREHOUSE | 88,208 | 0 | 88,208 | 20,103 | 0 | 20,103 | |
| 22 | 375 | DAY-OFFICE BLDG - RIDGEWOOD AVE | 443,288 | 0 | 443,288 | 51,078 | 0 | 51,078 | |
| 23 | 375 | DAY-UTILITY SHED | 4,220 | 0 | 4,220 | 547 | 0 | 547 | |
| 24 | 375 | HIG-FENCE FOR REGULATOR STATION | 1,174 | 0 | 1,174 | 589 | 0 | 589 | |
| 25 | 375 | SAR-OFFICE BLDG-8281 VICO CT | 760,322 | 0 | 760,322 | 40,390 | 0 | 40,390 | |
| 26 | 375 | SAR-STORAGE SHED | 10,877 | 0 | 10,877 | 2,368 | 0 | 2,368 | |
| 27 | 375 | SAR-WAREHOUSE | 4,938 | 0 | 4,938 | 898 | 0 | 898 | |
| 28 | 375 | PBG-OFFICE BLDG-1363 JUPITER PARK DR | 683,331 | 0 | 683,331 | 34,122 | 0 | 34,122 | |
| 29 | 375 | PC-OFFICE BLDG - MAPLE AVE | 78,805 | 6,390 | 85,195 | 10,343 | 839 | 11,182 | |
| 30 | 375 | PC-SHED | 2,193 | 0 | 2,193 | 437 | 0 | 437 | |
| 31 | 375 | OCA-OFFICE BLDG - 33RD AVE | 54,104 | 0 | 54,104 | 10,270 | 0 | 10,270 | |
| 32 | 375 | SWF-OFFICE BLDG-5109 ENTERPRISE | 1,012,210 | 0 | 1,012,210 | 52,069 | 0 | 52,069 | |
| 33 | 375 | COR-MISC | 18,724 | 0 | 18,724 | 2,218 | 0 | 2,218 | |
| 34 | 375 | TOTALS | \$18,429,495 | \$417,062 | \$18,846,558 | \$3,048,182 | \$106,491 | \$3,154,673 | |
| 35 | 390 | PC-DIVISION OFFICE | 648,698 | 52,435 | 699,133 | 99,884 | 8,099 | 107,982 | BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY |
| 36 | 390 | OCA-STORAGE BUILDINGS | 5,511 | 0 | 5,511 | 694 | 0 | 694 | |
| 37 | 390 | OCA-DIVISION OFFICE | 198,480 | 0 | 198,480 | 38,787 | 0 | 38,787 | |
| 37 | 390 | TOTAL | \$848,690 | \$52,435 | \$901,125 | \$137,344 | \$8,099 | \$145,443 | |

SCHEDULE G-1

DETAIL OF COMMON PLANT

PAGE 104 OF 28

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

EXPLANATION: PROVIDE A SCHEDULE SHOWING A DETAILED DESCRIPTION OF EACH PARCEL OF LAND AND STRUCTURE BY ADDRESS OF COMMON UTILITY PLANT BY PRIMARY ACCOUNT FOR THE PROJECTED TEST YEAR. ALSO, SHOW THE 13-MONTH AVERAGE PLANT AND ACCUMULATED DEPRECIATION AMOUNT ALLOCATED TO UTILITY AND NON-UTILITY OPERATIONS AND THE ALLOCATION BASIS.

TYPE OF DATA SHOWN:

PROJECTED TEST YEAR: 12/31/03

WITNESS: J. P. HIGGINS

| LINE NO | A/C NO. | DESCRIPTION & ADDRESS | 13-MONTH AVERAGE | | | METHOD OF ALLOCATION | | |
|---------|---------|-----------------------|------------------|-------------|----------|---------------------------------------|-------------|----------|
| | | | PLANT | | | ACCUMULATED DEPRECIATION/AMORTIZATION | | |
| | | | UTILITY | NON-UTILITY | TOTAL | UTILITY | NON-UTILITY | TOTAL |
| 1 | 390 02 | HIG-DIVISION OFFICE | \$28,216 | \$0 | \$28,216 | \$28,216 | \$0 | \$28,216 |
| 2 | 390.02 | TOTAL | \$28,216 | \$0 | \$28,216 | \$28,216 | \$0 | \$28,216 |

SUPPORTING SCHEDULES: G-6 p 1

RECAP SCHEDULES: G-1 p 18

EXHIBIT 2

Company Response to Staff Audit Request # 14

Summary of Leased Properties

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Bruce Narzissenfeld UTILITY: Peoples Gas System

AUDIT MANAGER: Joseph Rohrbacher PREPARED BY: Roger Fletcher

REQUEST NUMBER: 14 DATE OF REQUEST: 08/13/02

AUDIT PURPOSE: Dkt 020384-GU: Rate Case

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 08/19/02

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: ☐ INCIDENT TO AN INQUIRY
☒ OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION: Property Leased to Others and Revenue therefrom:

Response should include, but not be limited to, the following:

1. Please provide a schedule of property and office space leased to others.

2. For each leased item, include dollar value of the leased property and square footage of land or office space as applicable. Please state the location of each leased item by PGS division. Show the date the lease originated and terminated, if applicable. State the annual revenue charged by PGS for each item of leased property and/ or office space. Tie the schedule totals of property to the schedule of Common Plant. Tie the revenue amount(s) to MFR revenue.

TO: AUDIT MANAGER (Joseph W. Rohrbacher)

DATE: 8/22/02

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY: _____
- (3) ☐ AND IN MY OPINION, ITEM(S) _____ IS (ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL. THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.
- (4) ☐ THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

[Signature]
(SIGNATURE AND TITLE OF RESPONDENT)

Distribution: Original: Utility (for completion and return to Auditor)
Copy: Audit File

2001 Leases

| Division | Location | Dollar Value of Land | Dollar Value of Building | Square footage | Originated | Terminated | Months Occupied | Amount/Month | Annual Revenue | Leased To | For |
|----------|---|----------------------|--------------------------|----------------|------------------|-------------------|-----------------|--------------|----------------|---------------|------------------------|
| 01 | 15779 West Dixie Hwy. North Miami, FL 33160 | 38,351 | N/A | N/A | August 1, 2000 | -- | 12.0 | 1,000.00 | 12,000.00 | Heritage | Storage & Rail Siding |
| 01 | 15779 West Dixie Hwy. North Miami, FL 33160 | 38,351 | 3,370,120 | 3,546 | January 1, 2001 | -- | 12.0 | 4,167.00 | 50,004.00 | Teco Partners | Office Space |
| 02 | 1400 Channelside Dr. Tampa, FL 33605 (01-02-400-931-01-800) | 41,797 | 1,997,062 | 2,427 | November 1, 1998 | January 18, 2002 | 12.0 | 4,045.00 | 48,540.00 | TEC | Office Space |
| 02 | 1400 Channelside Dr. Tampa, FL 33605 | 41,797 | N/A | N/A | August 1, 2000 | -- | 12.0 | 1,000.00 | 12,000.00 | Heritage | Storage & Rail Siding |
| 02 | 1400 Channelside Dr. Tampa, FL 33605 | 41,797 | 1,997,062 | 2,067 | August 1, 2000 | December 25, 2000 | 2.0 | 2,428.34 | 4,856.68 | Heritage | Office Space |
| 02 | 1400 Channelside Dr. Tampa, FL 33605 | 41,797 | 1,997,062 | 3,546 | January 1, 2001 | -- | 12.0 | 4,167.00 | 50,004.00 | Teco Partners | Office Space |
| 03 | 1800 9th Ave. N. St. Petersburg, FL | 8,504 | 2,024,463 | 1,550 | August 1, 2000 | October 1, 2001 | 9.0 | 1,821.25 | 16,391.25 | Heritage | Office Space |
| 03 | 1800 9th Ave. N. St. Petersburg, FL | 8,504 | N/A | N/A | August 1, 2000 | April 15, 2002 | 12.0 | 504.00 | 6,048.00 | Heritage | Storage & Fill Station |
| 04 | 600 W. Robinson St. Orlando, FL 32802 | 49,693 | 1,067,522 | 2,800 | August 1, 2000 | May 7, 2001 | 6.0 | 3,290.00 | 19,740.00 | Heritage | Office Space |
| 04 | 600 W. Robinson St. Orlando, FL 32802 | 49,693 | 1,067,522 | 3,546 | January 1, 2001 | -- | 12.0 | 4,167.00 | 50,004.00 | Teco Partners | Office Space |
| 04 | 600 W. Robinson St. Orlando, FL 32802 | 49,693 | 1,067,522 | 300 | January 1, 2001 | June 30, 2001 | 6.0 | 250.00 | 1,500.00 | BGA | Office Space |
| 04 | 600 W. Robinson St. Orlando, FL 32802 | 49,693 | 1,067,522 | 900 | July 1, 2001 | -- | 6.0 | 750.00 | 4,500.00 | BGA | Office Space |
| 04 | 1724 Kurt St. Eustice, FL | 9,000 | 474,167 | 1,500 | August 1, 2000 | November 6, 2000 | 2.0 | 1,762.50 | 3,525.00 | Heritage | Office Space |
| 05 | 1724 Kurt St. Eustice, FL | 9,000 | N/A | N/A | November 1, 2000 | -- | 14.0 | 400.00 | 5,600.00 | Heritage | Storage |
| 06 | 4040 Phillips Hwy. Jacksonville, FL 32207 | 314,616 | 2,054,384 | 3,000 | April 1, 2001 | -- | 9.0 | 3,525.00 | 31,725.00 | BGA | Office Space |
| 06 | 4040 Phillips Hwy. Jacksonville, FL 32207 | 314,616 | N/A | N/A | August 1, 2000 | -- | 12.0 | 234.38 | 2,812.56 | Heritage | Storage & Ra |
| 06 | 4040 Phillips Hwy. Jacksonville, FL 32207 | 314,616 | N/A | N/A | August 1, 2000 | August 1, 2000 | 2.0 | 1,083.00 | 2,166.00 | Heritage | Office Space |
| 06 | 4040 Phillips Hwy. Jacksonville, FL 32207 | 314,616 | 2,054,384 | 3,546 | January 1, 2001 | -- | 12.0 | 4,167.00 | 50,004.00 | Teco Partners | Office Space |
| 07 | 1616 N. Miami Ave. Miami, FL (14 Ave. & 15th St.) | 39,181 | N/A | N/A | -- | -- | 12.0 | 1,250.00 | 15,000.00 | CSR Rinker | Plant |
| 08 | 445 Kathleen Rd. Lakeland, FL | 1,245 | N/A | N/A | August 1, 2000 | -- | 12.0 | 250.00 | 3,000.00 | Heritage | Storage & FI |
| 08 | 445 Kathleen Rd. Lakeland, FL | 1,245 | N/A | 1,500 | August 1, 2000 | August 15, 2000 | 2.0 | 1,762.50 | 3,525.00 | Heritage | Storage & FI |
| 09 | 1626 Mason Ave. Daytona, FL | 4,393 | N/A | N/A | August 1, 2000 | -- | 12.0 | 182.50 | 2,194.80 | Heritage | Storage |
| 09 | Sanctuary, Flagler County Storage | 19,984 | N/A | N/A | August 1, 2000 | August 1, 2000 | 2.0 | 600.00 | 1,200.00 | Heritage | Storage |
| 09 | 1722 Ridgewood Ave. Holly Hill | 155,747 | 443,786 | 1,500 | August 1, 2000 | November 15, 2000 | 2.0 | 1,762.50 | 3,525.00 | Heritage | Office Space |
| 10 | 1085 W. Main St. Aven Park, FL | LEASED | LEASED | 1,550 | August 1, 2000 | June 30, 2001 | 6.0 | 1,821.25 | 10,927.50 | Heritage | Office Space |
| 11 | 1085 W. Main St. Aven Park, FL | LEASED | LEASED | 1,550 | July 1, 2001 | -- | 6.0 | 1,200.00 | 7,200.00 | Heritage | Office Space |
| 14 | 301 Maple Ave. Panama City, FL | 91,750 | 56,195 | 1,000 | August 1, 2000 | March 15, 2001 | 2.5 | 1,175.00 | 2,937.50 | Heritage | Office Space |
| 90 | 702 N. Franklin St. Tampa, FL 33602 | LEASED | LEASED | 20,093 | January 1, 2001 | -- | 12.0 | 23,612.00 | 283,344.00 | Teco Partners | Office Space |

764,174.19

01-XX-XXX-093-01-XX-X
01-02-400-931-01-800655,734.29
48,540.00
704,274.29

State of Florida



Public Service Commission

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

DATE : OCTOBER 14, 2002

TO : C. EDWARD MILLS
BUREAU CHIEF SAFETY
BUREAU OF SAFETY
DIVISION OF AUDITING & SAFETY, TALLAHASSEE

FROM : ROGER W. FLETCHER *RWF*
UTILITY SYSTEMS ENGINEER, BUREAU OF SAFETY
DIVISION OF AUDITING & SAFETY
ORLANDO DISTRICT OFFICE

RE : CAPITAL EXPENDITURES ASSUMPTIONS/TECO-PEOPLES GAS SYSTEM
RATE PROCEEDINGS - DOCKET # 020384 - GU
NORTH AND CENTRAL REGIONS

BRIEF

The engineering staff, Robert Trotter and Roger Fletcher, of the Bureau of Gas Safety conducted a review of the capital expenditure assumptions for the Peoples Gas System's North and Central Regions to determine reasonableness of the proposed expenditures and if any of the identifiable projects have been delayed or canceled which would impact the Projected Test Year plant-in-service accumulated depreciation and depreciation expense of its rate proceedings, Docket Number 020384-GU. This evaluation consisted of a review of the capital construction assumptions presented in the proposed budget for the Base Test Year +1, ending December 31, 2002. The utility's response to Audit Request Number 11 provides a list of the proposed projects included in the projected construction budget on which the assumptions in Schedule G-1, page 211, Accounts 376, 376.02, 380 and 380.02 of the MFRs were based. This review identified three situations where the listed construction projects would not occur during calendar year 2002 and adjustments may be necessary to remove project costs from Test Year +1 plant-in-service calculations. These adjustments are as follows:

- Construction projects completed prior to calendar year 2002 and related costs were included in previous years' plant-in-service calculations.
- Projects that have been canceled and no expenditures anticipated in calendar year 2002.
- Projects that have been postponed and will not occur during calendar year 2002, but have been rescheduled for calendar year 2003.

-2-

Memorandum

October 14, 2002

RE: **CAPITAL EXPENDITURES ASSUMPTIONS / TECO-PEOPLES GAS SYSTEM RATE PROCEEDINGS - DOCKET # 020384 - GU / NORTH AND CENTRAL REGIONS**

RECOMMENDATION

It is recommended that the \$11,545,971 proposed Capital Main Assumptions for the North and Central Regions of the Peoples Gas System, shown in Account 376 and 376.02, Schedule G-1, page 211 be reduced by \$1,571,133 as follows:

| | <u>Account 376.02 (Plastic)</u> | <u>Account 376 (Steel)</u> |
|---|-------------------------------------|--------------------------------|
| Capital main project that was completed prior to CY 2002: | \$118,750 | \$ 0 |
| Capital main project that was cancelled: | \$110,000 | \$ 0 |
| Capital main projects that have been postponed until CY 2003: | <u>\$787,219</u> | <u>\$555,164</u> |
| Totals | \$1,015,969 | \$555,164 |

DISCUSSION

The evaluation of capital main assumptions presented by TECO-Peoples Gas System, as contained in its Minimum Filing Requirements (MFRs), Schedule G-1, page 211, Accounts 376, 376.02, 380, and 380.02 consisted of a review of individual construction projects identified in the utility's response to staff Audit Request Number 11 attached as Exhibit 1. The response provided a detail of the construction projects proposed for the North and Central Regions for calendar year 2002. The response included the budget categories of Revenue Mains, Main Replacements, Municipal Improvements, and Cathodic Protection. Also included were the service line Accounts of Revenue Services and Service Replacement. The 2002 Capital Budget was the basis for the plant addition assumptions totaling \$11,545,971 shown in Exhibit 2. This budget included both identifiable projects totaling \$9,220,971 and estimates derived from either historic trending or allocation of total program dollars in the amount of \$2,325,000. The staff's evaluation focused primarily on the individual construction projects identified by the utility in its response to the audit request. The objective of the evaluation was to determine if the capital main assumptions were reasonable and if any of the identified projects have been delayed or cancelled and would impact the Projected Test Year plant-in-service accumulated depreciation and depreciation expense of its rate proceedings, Docket Number 020384-GU.

Staff evaluation determined that there were three situations where the proposed construction projects would not occur during calendar year 2002. It was determined that one project was completed prior to 2002 and the related costs were booked in previous years. The second situation resulted from a project that had been canceled and there would be no charges realized for the project. The third situation occurs when construction projects have been delayed and will not occur during calendar year 2002. Each of the three situations would result in an impact on the Projected Test Year plant-in-service accumulated depreciation and depreciation expense. Listed below are individual construction projects that will not take place during 2002 and adjustments may be necessary to remove the related costs from rate base calculations.

Memorandum

October 14, 2002

RE: CAPITAL EXPENDITURES ASSUMPTIONS / TECO-PEOPLES GAS SYSTEM RATE PROCEEDINGS - DOCKET # 020384 - GU / NORTH AND CENTRAL REGIONS

Project Completed Prior to Cy 2002

| <u>Region</u> | <u>Description</u> | <u>Total Adjustment</u> | <u>Plastic</u> | <u>Steel</u> |
|---------------|----------------------|-------------------------|----------------|--------------|
| North | 92-B-14 Spruce Creek | \$118,750 | \$118,750 | \$0 |

Project Has Been Cancelled. No Expenditures Will Occur During Cy 2002

| <u>Region</u> | <u>Description</u> | <u>Total Adjustment</u> | <u>Plastic</u> | <u>Steel</u> |
|---------------|----------------------------|-------------------------|----------------|--------------|
| Central | Bridgewater / Horizon West | \$110,000 | \$110,000 | \$0 |

Projects That Have Been Delayed and Will Not Occur Until CY 2003.

| <u>Region</u> | <u>Description</u> | <u>Total Adjustment</u> | <u>Plastic</u> | <u>Steel</u> |
|---------------|--|-------------------------|----------------|--------------|
| North | King & Mc Coy Creek | \$ 13,800 | \$ 13,800 | \$ 0 |
| North | Cinderella Lane | \$ 15,000 | \$ 9,900 | \$ 5,100 |
| North | 5 th Street / Mc Duff Avenue | \$ 60,000 | \$ 39,600 | \$ 20,400 |
| North | Murry Hill | \$ 25,000 | \$ 16,500 | \$ 8,500 |
| North | Hathaway Bridge Project | \$ 20,000 | \$ 13,200 | \$ 6,800 |
| North | 54001010 Summerton South Res. | \$ 5,815 | \$ 5,815 | \$ 0 |
| North | 54990282 Golfview | \$ 10,00 | \$ 10,000 | \$ 0 |
| North | 136A1-15 Ocala Western | \$ 7,747 | \$ 77,476 | \$ 0 |
| North | 54990284 Heather Island Preserve | \$ 50,000 | \$ 50,000 | \$ 0 |
| North | 54990293 Dearpath | \$ 13,541 | \$ 13,541 | \$ 0 |
| North | Fountain Subdivision | \$ 24,283 | \$ 24,283 | \$ 0 |
| North | 15 Heatherbrook | \$150,000 | \$150,000 | \$ 0 |
| North | NE 9 th Street & NE 14 th Street | \$ 5,796 | \$ 3,825 | \$ 1,971 |
| North | 15 NE 12 th Avenue | \$ 30,000 | \$ 19,800 | \$ 10,200 |
| North | Shores | \$ 30,000 | \$ 19,800 | \$ 10,200 |
| North | NW 14 th Street & Magnolia Avenue | \$ 13,854 | \$ 9,144 | \$ 4,710 |
| North | SE 31 st Street | \$ 7,818 | \$ 5,160 | \$ 2,658 |
| North | SHORES | \$ 50,000 | \$ 39,417 | \$ 10,583 |
| North | NE 12 th Street | \$ 30,000 | \$ 23,650 | \$ 6,350 |
| North | SE 24 th Terrace | \$ 25,000 | \$ 19,708 | \$ 5,292 |
| Central | Oviedo Extension / Orlando | \$400,000 | \$ 0 | \$400,000 |
| Central | Dodd Road / Orlando | \$ 75,000 | \$ 49,500 | \$ 25,500 |
| Central | US 27 Main Relocation | \$ 35,000 | \$ 23,100 | \$ 11,900 |
| | | \$1,342,383 | \$787,219 | \$555,164 |

Memorandum

October 14, 2002

RE: CAPITAL EXPENDITURES ASSUMPTIONS / TECO-PEOPLES GAS SYSTEM RATE
PROCEEDINGS - DOCKET # 020384 - GU / NORTH AND CENTRAL REGIONS

The Test Year +1 projected service line assumptions shown in Accounts 380 and 380.02, page 211 of Schedule G-1 were also reviewed and found to be reasonable. It appears that each service line assumption was developed using a known customer base on existing mains or on high probability main installations. No adjustments were identified through the evaluation process.

CONCLUSION

The 2002 Capital Budget was the basis for the capital main assumptions presented the Test Year +1 figures of Schedule G-1, page 211, Account 376 and 376.02. This budget included both identifiable projects and expenditures based on estimates derived from either historic trending or allocation of total program dollars. The staff evaluations determined that adjustments may be necessary to remove main assumption costs that will not occur as anticipated in calendar year 2002. It is recommended that total dollars shown in Account 376 - Mains Other Than Plastic be reduced by \$555,164 due to projects that have been delayed and will not occur in CY 2002, but will probably take place in the Projected Test Year of 2003. It is further recommended that Account 376.02 - Mains Plastic, be reduced by a total of \$1,015,969 due to proposed projects that will not occur in CY 2002. Only \$787,219 of this total will be carried forward into the Projected Test Year of 2003.

RWF
Attachments

EXHIBIT 1

Capital Main Assumptions
Schedule G-1, page 211
Accounts 376, 376.02, 380, and 380.02

Peoples Gas System
Florida Public Service Commission
Docket: 020384-GU-Rate Case
Request Number: 11

Please provide a detail of the individual construction projects included in the Monthly Plant Addition Summary...Accounts 376, 376.02, 380 and 380.02, page 211 of the MFRs. This detail should show a description or name of each construction project, total dollars associated with the project, and the month plant addition was included in the Monthly Plant Addition Summary. *[Note: Subsequent discussion with auditor determined that he desired both 2002 and 2003 information.]*

Please see attached detailed listing of Mains (376 and 376.02) and Services (380 and 380.02) for 2002 additions. Also, please see attached trend analysis of capital expenditures used in projection of 2003 expenditures. Finally, please refer to further explanations below.

Please note that the requested accounts comprise several budget line items. Specifically, the budget categories included in "Mains" are Revenue Mains, Main Replacements, Municipal Improvements, System Improvements, and Cathodic Protection. The line items included in "Services" are Revenue Services and Service Replacements. The detailed attachments provide information for all these budget categories.

For the year 2002, the Company used its capital budget as the basis for plant additions. Generally, detailed information by construction project is available for this year, at least to the extent that the project was known at the time the 2002 budget was prepared. In some cases, the annual budget for categories is based on either historical trending or an allocation of total program dollars (as in System Improvements), and therefore information may not be available on a project basis.

For the year 2003, a detailed trend analysis was performed for both revenue-producing and maintenance capital expenditures. This analysis was used as the basis for 2003 estimated capital expenditures. Only one specific project (\$3 million for Gulfstream-related mains) was added to the amounts determined in the trend analysis.

Finally, the audit request asked for specific months when project expenditures are estimated to occur. For the 2002 budget, the operating regions were asked to estimate their capital expenditures on a monthly basis. These estimates were used to form the capital budget and, accordingly, the monthly additions included in the MFRs for 2002. In the case of 2003, all expenditures were straight-lined throughout the year with the exception of vehicles, which are typically all purchased in the first quarter of an operating year.

Budget 2002 Main Costs

| <u>Project with Description</u> | <u>Capital Mains '02</u> | <u>Plastic</u> | <u>Steel</u> |
|---|--------------------------|----------------|--------------|
| 51000007 Andrx Pharmaceuticals | \$ 389,000 | \$ - | \$ 389,000 |
| 51000010 Northwest Broward Expansion | 1,000,000 | 1,000,000 | - |
| 51990061 Big Sky North (a2) | 20,000 | 20,000 | - |
| 51000026 US1 & Jupiter | 462,000 | 462,000 | - |
| 51010018 Mirasol at Golf Digest | 621,000 | 621,000 | - |
| 51010023 The Cove | 11,600 | 11,600 | - |
| 51010024 Jupiter Creek | 11,800 | 11,800 | - |
| 51990068 Jupiter Creek | 9,600 | 9,600 | - |
| 51990119 Prosperity Pines | 6,000 | 6,000 | - |
| 51000004 Fiddler's Creek | 1,200,000 | 1,200,000 | - |
| 51000017 The Brooks (shadow woods) | 250,000 | 250,000 | - |
| 51000019 Mediterra | 286,000 | 286,000 | - |
| 51000030 Tiburon, Collier County | 280,000 | 280,000 | - |
| 51000032 Gateway Development | 157,000 | 157,000 | - |
| 51010001 The Estuary at Grey Oaks | 160,000 | 160,000 | - |
| 51010002 Quail Woods Courtyards | 22,000 | 22,000 | - |
| 51010007 Miromar Lakes Development | 519,000 | 519,000 | - |
| 51010020 Rookery Pointe Development | 169,000 | 169,000 | - |
| 51010025 Sun City Development | 197,000 | 197,000 | - |
| 51980010 Naples / Ft Myers Expansion | 1,851,500 | 1,851,500 | - |
| 51980010 Naples / Ft Myers Expansion | 195,000 | 195,000 | - |
| Asphalt Plant - US31, Fort Myers | 200,000 | - | 200,000 |
| For Misc Revenue Mains | 500,000 | 500,000 | - |
| 52010044 Beef O'Brady's | 7,300 | 5,840 | 1,460 |
| 52010058 Community Srvcs 3107 N 50th St | 31,000 | 24,800 | 6,200 |
| 52010003 Berkford Place | 24,100 | 19,280 | 4,820 |
| 52001011 Cory Lake Isles | 52,900 | 42,320 | 10,580 |
| 52990032 Van Dyke /Lakeshore Estates | 28,800 | 23,040 | 5,760 |
| 52010027 5119 W. LONGFELLOW AVE. | 800 | 640 | 160 |
| 52010028 ESPERANZA - BAY VISTA | 1,600 | 1,280 | 320 |
| 52010026 Bella Vista Subdivision | 19,200 | 15,360 | 3,840 |
| 52010034 West Park Village | 7,300 | 5,840 | 1,460 |
| 52980010 West Meadows (total) | 152,000 | 121,600 | 30,400 |
| 52010035 West Hamptom, Racetrack Rd | 45,600 | 36,480 | 9,120 |
| 52010052 Waterchase, Racetrack Rd | 90,600 | 72,480 | 18,120 |
| 52010050 Mc Mullen Loop Rd.-Riverview | 24,000 | 19,200 | 4,800 |
| 52010067 BAYPOINTE SUBDIVISION | 800 | 640 | 160 |
| 52010069 Cross Creek Section O, Phase 2 | 15,200 | 12,160 | 3,040 |
| 52010059 Hurley Rd.@ Bloomingdale Ave. | 19,200 | 15,360 | 3,840 |
| 52010076 The Oasis | 23,300 | 18,640 | 4,660 |
| 52010081 Seven Oaks | 40,000 | 32,000 | 8,000 |
| 52010006 Camelot Woods Ph2 | 28,900 | 23,120 | 5,780 |
| 52010008 Mango Road and Lake Weeks | 179,600 | 143,680 | 35,920 |
| 52980017 Westchase (all) | 57,600 | 46,080 | 11,520 |
| 52001027 Aston Gardens ACLF | 7,300 | 5,840 | 1,460 |
| 52970003 CR581/SR54 (total buildout) | 7,300 | 5,840 | 1,460 |
| 52970053 Brandon East | 38,400 | 30,720 | 7,680 |
| 52980028 Westwood Lakes | 16,900 | 13,520 | 3,380 |
| 52970051 SR54 Willow Bend | - - 52,800 | 42,240 | 10,560 |

Budget 2002 Main Costs

| <u>Project with Description</u> | <u>Capital Mains '02</u> | <u>Plastic</u> | <u>Steel</u> |
|---|--------------------------|----------------|--------------|
| 52970006 Fish Hawk Ranch | 278,300 | 222,640 | 55,660 |
| 52001007 The Pointe at Harbour Island | 2,400 | 1,920 | 480 |
| 52001002 Tampa Palms 15 & 16 | 9,600 | 7,680 | 1,920 |
| 52001016 Grand Oaks, S. R. 54 | 68,000 | 54,400 | 13,600 |
| 52001017 Danforth Place, (Richmond Pl) | 19,200 | 15,360 | 3,840 |
| 52001004 Oakstead, SR 54 | 76,000 | 60,800 | 15,200 |
| 52001003 Somerset at Mulrennan & Hwy 60 | 98,500 | 78,800 | 19,700 |
| 52000071 Woodberry at Lakewood | 30,400 | 24,320 | 6,080 |
| 52001026 Lumsden Pointe-206 Homes | 60,800 | 48,640 | 12,160 |
| 52001029 Tampa Palms parcel 23 | 14,400 | 11,520 | 2,880 |
| 52001030 Devonshire Lake Dr | 2,400 | 1,920 | 480 |
| 52001034 Brandon Ridge I | 24,000 | 19,200 | 4,800 |
| 52001037 3409 & 3411 SAN LUIS ST. | 800 | 640 | 160 |
| 52001032 Bayshore Trails-56 Homes | 9,600 | 7,680 | 1,920 |
| 52001042 Olive Garden and Red Lobster | 62,000 | 49,600 | 12,400 |
| 52001013 Deerpark, Livingston Rd | 33,600 | 26,880 | 6,720 |
| 52001012 Mulrennan/Pearson Rd | 48,000 | 38,400 | 9,600 |
| 52970025 Lake Saint Charles | 67,200 | 53,760 | 13,440 |
| 52970019 Oak Grove (no gate now) | 67,200 | 53,760 | 13,440 |
| 52980023 Emerald Creek | 24,000 | 19,200 | 4,800 |
| 52980050 Arbor Greene (total) | 120,800 | 96,640 | 24,160 |
| 52970050 Dade City Expansion | 7,300 | 5,840 | 1,460 |
| 52990039 Carolwood Publix | 30,800 | 24,640 | 6,160 |
| 52980021 Meadowpointe 12-1 parcel 15 | 220,800 | 176,640 | 44,160 |
| 52990021 Westchester | 28,800 | 23,040 | 5,760 |
| 52990026 River Crossing | 4,000 | 3,200 | 800 |
| 52990052 Lake June Estates | 6,400 | 5,120 | 1,280 |
| 52990063 Bloomingdale Trails | 11,200 | 8,960 | 2,240 |
| 52990067 Wesley Point SR54 | 24,000 | 19,200 | 4,800 |
| 52990099 Saddlebrook Village | 19,200 | 15,360 | 3,840 |
| 52990077 Bloomingdale Ridge | 33,600 | 26,880 | 6,720 |
| 52990087 Centex & Bayshore | 28,800 | 23,040 | 5,760 |
| 52990100 Pinewalk | 3,200 | 2,560 | 640 |
| 52990072 Garrison District Channel | 67,500 | 54,000 | 13,500 |
| 52010010 Thurston Groves, 102nd Ave N | 30,400 | 24,320 | 6,080 |
| 52010071 South Cross Bayou Water Recl | 31,000 | 24,800 | 6,200 |
| 52980043 Maderia Beach Expansion | 74,800 | 59,840 | 14,960 |
| 52990028 Oakhurst | 8,000 | 6,400 | 1,600 |
| 52990088 Paradise Point Circle | 1,600 | 1,280 | 320 |
| 52010011 Lakeridge Falls - University | 57,700 | 46,160 | 11,540 |
| 52010022 River Pines Dubdivision | 16,000 | 12,800 | 3,200 |
| 52010025 Old Grove - Greenfield | 27,200 | 21,760 | 5,440 |
| 52010030 Greenbrook-Lakewood Ranch | 96,000 | 76,800 | 19,200 |
| 52010031 The Plantations @ Tara | 4,800 | 3,840 | 960 |
| 52010054 Secluded Oaks-Sarasota | 27,200 | 21,760 | 5,440 |
| 52010055 The Enclave-Sarasota | 3,200 | 2,560 | 640 |
| 52010065 Heritage Harbour | 20,800 | 16,640 | 4,160 |
| 52010066 Kenwood Park-University Park | 20,000 | 16,000 | 4,000 |
| 52010063 Englewood Project | -- 148,500 | 118,800 | 29,700 |

Budget 2002 Main Costs

| <u>Project with Description</u> | <u>Capital Mains '02</u> | <u>Plastic</u> | <u>Steel</u> |
|--|--------------------------|----------------|--------------|
| 52970027 University "T&Z" Y & Park | 20,000 | 16,000 | 4,000 |
| 52980044 Lakewood Ranch, (consolidate) | 264,000 | 211,200 | 52,800 |
| 52000023 Monte Verde in Prestancia | 1,600 | 1,280 | 320 |
| 52000024 Willow Brook - Sarasota | 12,800 | 10,240 | 2,560 |
| 52000008 Hammocks - Sarasota | 9,600 | 7,680 | 1,920 |
| 52990035 Waterleaf | 67,200 | 53,760 | 13,440 |
| 52000076 Hudson Street- Sarasota | 1,600 | 1,280 | 320 |
| 52000077 Emerald Pointe, Longboat Key | 3,200 | 2,560 | 640 |
| 52001014 Water Oak-Braden River Rd | 24,000 | 19,200 | 4,800 |
| 52001040 Portofino Project | 4,800 | 3,840 | 960 |
| 52001015 The Inlets-Pinnacle Dr | 9,600 | 7,680 | 1,920 |
| 52990001 Venice Expansion | 73,000 | 58,400 | 14,600 |
| 52980037 The Hamptons | 19,200 | 15,360 | 3,840 |
| 52980035 Riviera Dunes | 50,200 | 40,160 | 10,040 |
| 52980034 Rosdale Highlands (combined) | 19,200 | 15,360 | 3,840 |
| 52980009 Ellenton | 26,600 | 21,280 | 5,320 |
| 52980005 Blake Project | 21,900 | 17,520 | 4,380 |
| 52980045 Hawks Harbor | 3,200 | 2,560 | 640 |
| 52990013 River Club South | 14,400 | 11,520 | 2,880 |
| 52990036 Silver Oaks | 4,800 | 3,840 | 960 |
| 52990016 Villa Rosa- Sarasota | 9,600 | 7,680 | 1,920 |
| 52980042 Heron Creek North Port | 74,600 | 59,680 | 14,920 |
| 52990015 Bobcat Trail / Toledo Blade | 53,000 | 42,400 | 10,600 |
| 52000016 The Preserve at Fairway Oaks | 22,400 | 17,920 | 4,480 |
| 52970001 Pasco / Hernando Expansion | 443,400 | 354,720 | 88,680 |
| 52970009 Brooksville Expansion | 104,000 | 83,200 | 20,800 |
| Land O'Lakes | 450,000 | 360,000 | 90,000 |
| Englewood | 450,000 | 360,000 | 90,000 |
| East Manatee | 450,000 | 360,000 | 90,000 |
| Mango | 450,000 | 360,000 | 90,000 |
| New Misc | 450,000 | 360,000 | 90,000 |
| Connerton | 100,000 | 80,000 | 20,000 |
| UCF - Academic Villages | 15,000 | - | 15,000 |
| Super Target at Hunter's Creek | 10,000 | - | 10,000 |
| Thornton Rd. main installation | 15,000 | - | 15,000 |
| Custom Fabs, 109 5th St. | 10,000 | - | 10,000 |
| Orange County Animal Control | 15,000 | - | 15,000 |
| 2024 Wellfleet Ct./Auto Body | 10,000 | - | 10,000 |
| Sand Lake Pointe Apartments | 10,000 | 10,000 | - |
| The Waverly at Lake Eola | 25,000 | 25,000 | - |
| Perle Du Lac, Winter Park | 4,500 | 4,500 | - |
| 1300 Brookhaven Dr | 5,000 | 5,000 | - |
| 53000024, SAND LK RD & PHIL | 9,900 | - | 9,900 |
| 2550 MICHIGAN AVE | 8,800 | - | 8,800 |
| The Fountains Shopping Center | 5,000 | - | 5,000 |
| Central Ave Elementary School | 25,000 | - | 25,000 |
| Orange Tree Subdivision: US 27 | 30,000 | 30,000 | - |
| VALENCIA Woods Apartments | 15,000 | 15,000 | - |
| 53000026, 325 S ORANGE AVE | -- | 17,500 | - |

Budget 2002 Main Costs

| <u>Project with Description</u> | <u>Capital Mains '02</u> | <u>Plastic</u> | <u>Steel</u> |
|--|--------------------------|----------------|--------------|
| CRESENT LAKE SUBDIVISION | 40,000 | 40,000 | - |
| Waterford Point Apartments | 23,000 | 23,000 | - |
| SUMMER BAY RESORT CLERMONT | 5,000 | 5,000 | - |
| WESTGATE TIMESHARE RESORT | 25,000 | 25,000 | - |
| ATRIA, RED BUG LAKE RD | 17,100 | - | 17,100 |
| 98-A-4 SE ORLANOD EXPANS | 450,000 | - | 450,000 |
| MCINERNEY FORD | 9,000 | - | 9,000 |
| ORLANDO INT'L AIRPORT | 7,500 | - | 7,500 |
| 53990136 LITTLE LAKE BRYAN | 10,000 | - | 10,000 |
| 53990137 217 BOSTON AVE | 10,000 | - | 10,000 |
| 8500 VINELAND RD-OUTLET MAL | 10,000 | - | 10,000 |
| THE PALMS COUNTRY CL | 30,000 | 30,000 | - |
| INDIAN CREEK | 30,000 | 30,000 | - |
| 53990041 GREATER GROVES 7-9 | 15,000 | 15,000 | - |
| Mossy Oak Subdivision | 2,500 | 2,500 | - |
| U.S. Nutraceuticals | 50,000 | - | 50,000 |
| Bridle Path Subdivision | 5,000 | 5,000 | - |
| Mission Inn: Howey in the Hill | 30,000 | 30,000 | - |
| Waterman Hopital Expansion | 75,000 | - | 75,000 |
| ROYAL HARBOR TAVARES | 30,000 | 30,000 | - |
| Publix, Shepherd Rd.Lakeland | 25,000 | 25,000 | - |
| Juice Bowl Products, Inc. | 28,000 | - | 28,000 |
| 337 Bill France Main Extension | 8,500 | 8,500 | - |
| 115 Main Street main extension | 4,500 | 4,500 | - |
| 1200 W. International Speedway | 8,500 | 8,500 | - |
| CRANE LAKES PH 2 | 10,000 | 10,000 | - |
| Salvation Army on LPGA Blvd. | 7,400 | 7,400 | - |
| CRANE LAKES PH I | 6,500 | 6,500 | - |
| ABERDEEN @ ORMOND BEACH | 30,000 | 30,000 | - |
| New Project 1 | 6,000 | 6,000 | - |
| Residence Inn Westwood | 21,000 | - | 21,000 |
| Baldwin Park NTC / Orl. | 100,000 | - | 100,000 |
| Reunion 545 / Orl. | 175,000 | 150,000 | 25,000 |
| Bridgewater / Horizon West / Orl. | 110,000 | 110,000 | - |
| Universal Blvd. OCCC / Orl. | 300,000 | - | 300,000 |
| Oviedo Extension / Orl. | 400,000 | - | 400,000 |
| Cambridge Cove Apts. / Lkld 0870103005 | 45,000 | 45,000 | - |
| Greater Grove Project | 45,000 | 30,000 | 15,000 |
| Orlando New Apts | 45,000 | 30,000 | 15,000 |
| Daytona Unknown | 50,000 | 25,000 | 25,000 |
| Eustis Unknown | 50,000 | 25,000 | 25,000 |
| Lakeland Unknown | 50,000 | 25,000 | 25,000 |
| Orlando Unknown | 175,000 | 150,000 | 25,000 |
| St. Johns Golf & Country Club | 125,000 | 125,000 | - |
| Southampton Golf Club | 75,000 | 75,000 | - |
| 54000008 MANDARIN EXP | 455,000 | 455,000 | - |
| SUPPLY MAIN-WORLD GOLF VLG | 300,000 | - | 300,000 |
| SUTTON6 LAKES | 100,000 | 100,000 | - |
| 54980004 Ridgemoor | 15,000 | 15,000 | - |

Budget 2002 Main Costs

| <u>Project with Description</u> | <u>Capital Mains '02</u> | <u>Plastic</u> | <u>Steel</u> |
|---|--------------------------|----------------------|---------------------|
| 54-069902 JAMES ISLAND | 25,000 | 25,000 | |
| 54990023,CAMBRIDGE ESTATES | 100,000 | 100,000 | - |
| 54001010 Summerton South residential | 5,815 | 5,815 | - |
| 54010013 Bellevue Extension | 423,636 | 300,000 | 123,636 |
| 54990251 Golden Ocala | 100,000 | 100,000 | |
| 92-B-14 SPRUCE CREEK | 150,000 | 150,000 | - |
| 190-A-15 LADY LAKES-VILLAG | 1,400,000 | 1,300,000 | 100,000 |
| 54990274 Quail Meadows phase 2 | 10,000 | 10,000 | |
| 54990282 Golfview | 10,000 | 10,000 | |
| 136A1-15 OCALA WESTERN | 120,000 | 120,000 | |
| 54990278 Victoria Station | 13,250 | 13,250 | |
| 54990284 Heather Island Preserve | 50,000 | 50,000 | |
| 54990293 Deerpath | 13,541 | 13,541 | - |
| KING & MCCOYS CREEK | 13,800 | 13,800 | |
| DALTON WOODS | 23,922 | 23,922 | - |
| ANTHONY RD-WINN DIXIE | 14,062 | 14,062 | |
| FOUNTAIN SUBD | 24,283 | 24,283 | |
| Palencia | 350,000 | 350,000 | |
| Misc. Short Main Ext. -06 | 750,000 | 750,000 | |
| Misc.Short Main Ext. - 14 | 500,000 | 500,000 | |
| Pier Park | 125,000 | 125,000 | |
| Palmetto Trace | 64,000 | 64,000 | |
| 15...MISC. MAIN | 150,000 | 150,000 | |
| 15..BOYD DEV. | 200,000 | 200,000 | |
| 15..AUTUMN RIDGE | 50,000 | 50,000 | |
| 15...HEATHBROOK | 150,000 | 150,000 | |
| Gulfstream | 3,000,000 | - | 3,000,000 |
| Total New Mains | <u>\$ 27,079,409</u> | <u>\$ 19,830,393</u> | <u>\$ 7,249,016</u> |
| | | | |
| NE 9ST & NE 14 ST | 5,796 | 3,825 | 1,971 |
| Beaver St Bare Stl | 300,000 | 198,000 | 102,000 |
| Cinderella Lane | 15,000 | 9,900 | 5,100 |
| Forest Ave | 15,000 | 9,900 | 5,100 |
| 15.. NE 12TH AVE | 30,000 | 19,800 | 10,200 |
| 15...SHORES | 30,000 | 19,800 | 10,200 |
| Virginia Ave. Main Replacement | 8,000 | 5,280 | 2,720 |
| Lakeland Regional Medical | 7,100 | 4,686 | 2,414 |
| Ridgewood Main Replacement / Daytona | 75,000 | 49,500 | 25,500 |
| South FL Main Replacement 0870194002 / Lkld | 53,000 | 34,980 | 18,020 |
| Lakeland Bypass Replacement | 55,000 | 36,300 | 18,700 |
| Delany & Gore / Orl | 40,000 | 26,400 | 13,600 |
| Tangerine Place / Orl | 50,000 | 33,000 | 17,000 |
| Edgewater & Par / Orl. | 75,000 | 49,500 | 25,500 |
| Tampa | 300,000 | 198,000 | 102,000 |
| St. Petersburg | 300,000 | 198,000 | 102,000 |
| Sarasota | 200,000 | 132,000 | 68,000 |
| BRIDGE B/PALM IS & HIBISCUS | 30,500 | 20,130 | 10,370 |

Budget 2002 Main Costs

| <u>Project with Description</u> | <u>Capital Mains '02</u> | <u>Plastic</u> | <u>Steel</u> |
|--|--------------------------|----------------|--------------|
| South Region's Allocation CY02 | 800,000 | 528,000 | 272,000 |
| Total Main Replacements | \$ 2,389,396 | \$ 1,577,001 | \$ 812,395 |
| Riverland Village Ph-2, Ft. Lauderdale | 220,000 | 145,200 | 74,800 |
| Biscayne Blvd, Aventura | 155,600 | 102,696 | 52,904 |
| Msc. Projects | 100,000 | 66,000 | 34,000 |
| SR A1A, Lighthouse Point, Offsets | 80,000 | 52,800 | 27,200 |
| Riverland Village - Phase 1 | 76,600 | 50,556 | 26,044 |
| SR A1A (Indian Crk Dr), Miami Beach | 68,000 | 44,880 | 23,120 |
| Sunrise Blvd. (5) Offsets | 60,000 | 39,600 | 20,400 |
| N.W. 6 Ave, Pompano, Offsets | 37,500 | 24,750 | 12,750 |
| 02-Misc | 270,000 | 178,200 | 91,800 |
| FDOT US-41 McIntosh/SR-681 | 200,000 | 132,000 | 68,000 |
| Municipal - Siesta Key Project | 100,000 | 66,000 | 34,000 |
| 03- Misc | 72,000 | 47,520 | 24,480 |
| 11-Misc | 68,000 | 44,880 | 23,120 |
| Collier Parkway Road Widening | 55,000 | 36,300 | 18,700 |
| 20th St./ Crosstown Expressway | 50,000 | 33,000 | 17,000 |
| Windhorst Ave. @ Highview Ave. | 30,000 | 19,800 | 10,200 |
| Delaware & Arizona | 30,000 | 19,800 | 10,200 |
| 63rd Ave Municipal Rd Project | 30,000 | 19,800 | 10,200 |
| US 19 & TOUCAN TR HUDSON | 25,000 | 16,500 | 8,500 |
| Countyline Rd & Oakgrove Blvd | 20,000 | 13,200 | 6,800 |
| HORATIO ST AND WILLOW AVE-COT | 20,000 | 13,200 | 6,800 |
| BRYAN DAIRY & 66 ST | 20,000 | 13,200 | 6,800 |
| 65th St. & 78th A/N - Pinellas | 20,000 | 13,200 | 6,800 |
| Nova Road Port Orange | 150,000 | 99,000 | 51,000 |
| SR441 Taftvineland | 150,000 | 99,000 | 51,000 |
| SR 426 (Aloma Ave.) Relocation | 100,000 | 66,000 | 34,000 |
| SR 545 / Orl | 100,000 | 66,000 | 34,000 |
| Alafaya Trail & Muculloch | 100,000 | 66,000 | 34,000 |
| SR192 Michigan | 85,000 | 56,100 | 28,900 |
| Dodd Road / Orl. | 75,000 | 49,500 | 25,500 |
| Silver Star Road & Gate Sta. | 60,000 | 39,600 | 20,400 |
| CR 545 Main Relocation | 40,000 | 26,400 | 13,600 |
| US 27 Main relocation | 35,000 | 23,100 | 11,900 |
| Nova Road Ormond Beach | 25,000 | 16,500 | 8,500 |
| INGRAM AND MYRTLE RELOCATION | 20,700 | 13,662 | 7,038 |
| International Dr. & SR 528 | 20,100 | 13,266 | 6,834 |
| SR 530 B/BONNETT & SR 535 | 15,000 | 9,900 | 5,100 |
| SR 500 (US 441) Main Relocate | 15,000 | 9,900 | 5,100 |
| Bay Street Main Replacement | 15,000 | 9,900 | 5,100 |
| Central Blvd. at Mills | 14,000 | 9,240 | 4,760 |
| GRIFFIN ROAD PROJECT | 8,000 | 5,280 | 2,720 |
| LANE AVE | 250,000 | 165,000 | 85,000 |
| San Juan Reloc | 150,000 | 99,000 | 51,000 |
| SW 20th Street | 150,000 | 99,000 | 51,000 |
| SW 31st Street | - - 150,000 | 99,000 | 51,000 |

Budget 2002 Main Costs

| <u>Project with Description</u> | <u>Capital Mains '02</u> | <u>Plastic</u> | <u>Steel</u> |
|---|--------------------------|----------------------|---------------------|
| Beach Blvd | 75,000 | 49,500 | 25,500 |
| 5TH ST /MCDUFF AVE | 60,000 | 39,600 | 20,400 |
| Airport Rd | 40,000 | 26,400 | 13,600 |
| Oak St | 36,000 | 23,760 | 12,240 |
| Point Meadows Dr. | 30,000 | 19,800 | 10,200 |
| MURRY HILL | 25,000 | 16,500 | 8,500 |
| MLK Blvd | 20,000 | 13,200 | 6,800 |
| Hath Bridge Proj | 20,000 | 13,200 | 6,800 |
| NW 14 ST & MAGNOLIA AVE | 13,854 | 9,144 | 4,710 |
| DERPATH3 | 8,194 | 5,408 | 2,786 |
| SE 31ST STREET | 7,818 | 5,160 | 2,658 |
| Total Municipal Improvements | <u>\$ 3,871,366</u> | <u>\$ 2,555,102</u> | <u>\$ 1,316,264</u> |
| Shores | 50,000 | 39,417 | 10,583 |
| NE 12th Street | 30,000 | 23,650 | 6,350 |
| Westside Ind. Park | 30,000 | 23,650 | 6,350 |
| SE 24TH Terrace | 25,000 | 19,708 | 5,292 |
| Myrtle Ave Backfeed | 15,000 | 11,825 | 3,175 |
| Orlando Unknown | 100,000 | 78,833 | 21,167 |
| Daytona Unknown | 50,000 | 39,417 | 10,583 |
| Lakeland Unknown | 50,000 | 39,417 | 10,583 |
| Eustis Unknown | 50,000 | 39,417 | 10,583 |
| Millenia Blvd & Oakridge rd ex | 25,000 | 19,708 | 5,292 |
| 53990132,6161 JONES AVE | 25,000 | 19,708 | 5,292 |
| 02-Dale Mabry | 300,000 | 236,500 | 63,500 |
| 11- Siesta Key | 125,000 | 98,542 | 26,458 |
| 02-Culbreath | 100,000 | 78,833 | 21,167 |
| 03- US 19 - Pasco | 100,000 | 78,833 | 21,167 |
| 02-Misc | 50,000 | 39,417 | 10,583 |
| 03- Misc | 25,000 | 19,708 | 5,292 |
| Las Olas Blvd @ ICWW | 112,500 | 88,687 | 23,813 |
| Collins Ave, Bal Harbour | 112,500 | 88,687 | 23,813 |
| Copans Road Backfeed | 84,600 | 66,693 | 17,907 |
| Davie Blvd & New River | 50,000 | 39,417 | 10,583 |
| Miami Gate Station Upgrade | 50,000 | 39,417 | 10,583 |
| Total Distribution System Improvements | <u>\$ 1,559,600</u> | <u>\$ 1,229,484</u> | <u>\$ 330,116</u> |
| Goldenrod, Woodlands & Silver Star Rectifiers / Orl | 5,000 | - | 5,000 |
| (2) Rectifier locations in Lakeland. | 5,200 | - | 5,200 |
| CP-54 | 50,000 | - | 50,000 |
| General C.P. Requirements | 75,000 | - | 75,000 |
| Misc | 120,000 | - | 120,000 |
| Total Cathodic Protection | <u>\$ 255,200</u> | <u>\$ -</u> | <u>\$ 255,200</u> |
| Miscellaneous | <u>\$ 395,005</u> | <u>\$ 395,005</u> | <u>\$ -</u> |
| Total All 37600 and 37602 | <u>\$ 35,549,976</u> | <u>\$ 25,586,985</u> | <u>\$ 9,962,991</u> |

Budget 2002 Service Line Costs

| <u>Project with Description</u> | <u>Total Service Cost</u> | <u>Plastic</u> | <u>Steel</u> |
|---|---------------------------|----------------|--------------|
| 54990262 Villages (conservative) | \$ 1,170,799 | \$ 1,054,471 | \$ 116,329 |
| 51000010 Northwest Broward Expansion | 220,716 | 198,786 | 21,930 |
| 52000015 South Hillsborough | 215,423 | 194,019 | 21,404 |
| 52980044 Lakewood Ranch, (consolidate) | 174,667 | 157,313 | 17,355 |
| 52970006 Fish Hawk Ranch | 159,847 | 143,965 | 15,882 |
| 52980021 Meadowpointe 12-1 parcel 15 | 146,085 | 131,570 | 14,515 |
| 53990034 Falcon Trace Apartments | 133,382 | 120,130 | 13,253 |
| 51000004 Fiddler's Creek | 125,443 | 112,979 | 12,464 |
| 54980251 Spruce Creek | 105,859 | 95,341 | 10,518 |
| 51990061 Big Sky North (a2) | 100,566 | 90,574 | 9,992 |
| 51010019 Tarpon Bay Development | 100,566 | 90,574 | 9,992 |
| 52980010 West Meadows (total) | 100,566 | 90,574 | 9,992 |
| 52980050 Arbor Greene (total) | 79,923 | 71,982 | 7,941 |
| 54001005 St. Johns Golf & Country Club | 79,394 | 71,506 | 7,888 |
| 54970003 Sutton Lakes (total buildout) | 74,101 | 66,739 | 7,363 |
| 52010030 Greenbrook-Lakewood Ranch | 63,515 | 57,205 | 6,311 |
| 51000017 The Brooks (shadow woods) | 62,457 | 56,251 | 6,206 |
| 52001003 Somerset at Mulrennan & Hwy 60 | 60,869 | 54,821 | 6,048 |
| 53000009 Orange Tree Subdivision | 60,869 | 54,821 | 6,048 |
| 51000019 Mediterra | 56,105 | 50,531 | 5,575 |
| 54990258 Top of the World | 52,929 | 47,670 | 5,259 |
| 52001004 Oakstead, SR 54 | 50,283 | 45,287 | 4,996 |
| 54001006 Southampton Golf Club | 47,637 | 42,903 | 4,733 |
| 51000030 Tiburon, Collier County | 46,578 | 41,950 | 4,628 |
| 52001016 Grand Oaks, S. R. 54 | 44,990 | 40,520 | 4,470 |
| 52970025 Lake Saint Charles | 44,461 | 40,043 | 4,418 |
| 52970019 Oak Grove (no gate now) | 44,461 | 40,043 | 4,418 |
| 52990035 Waterleaf | 44,461 | 40,043 | 4,418 |
| 53990043 Indian Creek (Sandhill Road) | 42,344 | 38,136 | 4,207 |
| 52980042 Heron Creek North Port | 40,756 | 36,706 | 4,049 |
| 52001026 Lumsden Pointe-206 Homes | 40,226 | 36,230 | 3,997 |
| 52980017 Westchase (all) | 38,109 | 34,323 | 3,786 |
| 51010012 Village 14, Pembroke Falls | 37,051 | 33,369 | 3,681 |
| 51010020 Rookery Pointe Development | 35,463 | 31,939 | 3,524 |
| 51001006 Murdock Circle Apartments | 34,933 | 31,463 | 3,471 |
| 52970051 SR54 Willow Bend | 34,933 | 31,463 | 3,471 |
| 53990093 The Preserves @ Windsong | 34,933 | 31,463 | 3,471 |
| 52010011 Lakeridge Falls - University | 33,875 | 30,509 | 3,366 |
| 52010008 Mango Road and Lake Weeks | 32,816 | 29,556 | 3,261 |
| 51010006 Gulf Harbour Development | 31,758 | 28,602 | 3,155 |
| 51010018 Mirasol at Golf Digest | 31,758 | 28,602 | 3,155 |
| 52001012 Mulrennan/Pearson Rd | 31,758 | 28,602 | 3,155 |
| 54990004 James Island | 31,758 | 28,602 | 3,155 |
| 54970001 World Golf Village (lp to ng 2 | 31,758 | 28,602 | 3,155 |
| 52001011 Cory Lake Isles | 30,699 | 27,649 | 3,050 |
| 52010035 West Hamptom, Racetrack Rd | 30,170 | 27,172 | 2,998 |
| 53990061 Ormand Beach (total) | -- 29,111 | 26,219 | 2,892 |

Budget 2002 Service Line Costs

| <u>Project with Description</u> | <u>Total Service Cost</u> | <u>Plastic</u> | <u>Steel</u> |
|--|---------------------------|----------------|--------------|
| 53990081 Southeast Orlando | 29,111 | 26,219 | 2,892 |
| 51000026 US1 & Jupiter | 28,582 | 25,742 | 2,840 |
| 51000032 Gateway Development | 27,523 | 24,789 | 2,735 |
| 52970001 Pasco / Hernando Expansion | 26,994 | 24,312 | 2,682 |
| 52990015 Bobcat Trail / Toledo Blade | 26,465 | 23,835 | 2,629 |
| 53990018 Carillon Lakes | 26,465 | 23,835 | 2,629 |
| 53990073 Royal Harbor (Pringle) | 26,465 | 23,835 | 2,629 |
| 52970053 Brandon East | 25,406 | 22,882 | 2,524 |
| 54990023 Cambridge Estates | 25,406 | 22,882 | 2,524 |
| 54001001 New Berlin Road Extension | 25,406 | 22,882 | 2,524 |
| 51990050 West Bay Club | 23,289 | 20,975 | 2,314 |
| 51010001 The Estuary at Grey Oakes | 22,230 | 20,022 | 2,209 |
| 52990077 Bloomingdale Ridge | 22,230 | 20,022 | 2,209 |
| 52001013 Deerpark, Livingston Rd | 22,230 | 20,022 | 2,209 |
| 52970015 Fairway Oaks (phase 3) | 22,230 | 20,022 | 2,209 |
| 53990025 Crane Lakes | 21,701 | 19,545 | 2,156 |
| 53000042 Hampton Park, Orange | 21,172 | 19,068 | 2,104 |
| 53990106 Weston Hills (total) | 21,172 | 19,068 | 2,104 |
| 52010010 Thurston Groves, 102nd Ave N | 20,113 | 18,115 | 1,998 |
| 52000071 Woodberry at Lakewood | 20,113 | 18,115 | 1,998 |
| 52990087 Centex & Bayshore | 19,055 | 17,161 | 1,893 |
| 52990032 Van Dyke /Lakeshore Estates | 19,055 | 17,161 | 1,893 |
| 52990021 Westchester | 19,055 | 17,161 | 1,893 |
| 54990035 North Creek / Amelia View | 19,055 | 17,161 | 1,893 |
| 53990031 Eastwood, (all) | 18,525 | 16,685 | 1,841 |
| 52010025 Old Grove - Greenfield | 17,996 | 16,208 | 1,788 |
| 52980025 Riverglen | 17,996 | 16,208 | 1,788 |
| 52010054 Secluded Oaks-Sarasota | 17,996 | 16,208 | 1,788 |
| 51990011 BallenIsles | 16,408 | 14,778 | 1,630 |
| 51990019 Martin County Expansion | 15,879 | 14,301 | 1,578 |
| 52001034 Brandon Ridge I | 15,879 | 14,301 | 1,578 |
| 52980023 Emerald Creek | 15,879 | 14,301 | 1,578 |
| 52970012 Hickory Lakes | 15,879 | 14,301 | 1,578 |
| 52010050 Mc Mullen Loop Rd.-Riverview | 15,879 | 14,301 | 1,578 |
| 52001014 Water Oak-Braden River Rd | 15,879 | 14,301 | 1,578 |
| 52990067 Wesley Point SR54 | 15,879 | 14,301 | 1,578 |
| 53990026 Crescent Lakes | 15,879 | 14,301 | 1,578 |
| 52010006 Camelot Woods Ph2 | 14,820 | 13,348 | 1,473 |
| 52000016 The Preserve at Fairway Oaks | 14,820 | 13,348 | 1,473 |
| 53000058 Viscaya Subdivision | 14,291 | 12,871 | 1,420 |
| 52010063 Englewood Project | 13,762 | 12,394 | 1,367 |
| 52000042 East Manatee 6" Steel | 13,232 | 11,918 | 1,315 |
| 52010066 Kenwood Park-University Park | 13,232 | 11,918 | 1,315 |
| 52980035 Riviera Dunes | 13,232 | 11,918 | 1,315 |
| 52970027 University "T&Z" Y & Park | 13,232 | 11,918 | 1,315 |
| 53000050 The Reserve at Cypress Point | 13,232 | 11,918 | 1,315 |
| 52001017 Danforth Place, (Richmond Pl) | -- 12,703 | 11,441 | 1,262 |

Budget 2002 Service Line Costs

| <u>Project with Description</u> | <u>Total Service Cost</u> | <u>Plastic</u> | <u>Steel</u> |
|---|---------------------------|----------------|--------------|
| 52010059 Hurley Rd.@ Bloomingdale Ave. | 12,703 | 11,441 | 1,262 |
| 52980034 Rosdale Highlands (combined) | 12,703 | 11,441 | 1,262 |
| 52990099 Saddlebrook Village | 12,703 | 11,441 | 1,262 |
| 52980037 The Hamptons | 12,703 | 11,441 | 1,262 |
| 52980026 Valrico Grove | 12,703 | 11,441 | 1,262 |
| 53990054 LPGA, Jubilee phase 1&2 | 12,703 | 11,441 | 1,262 |
| 54970002 Mayport Expansion | 12,703 | 11,441 | 1,262 |
| 52010003 Berkford Place | 11,644 | 10,488 | 1,157 |
| 52010076 The Oasis | 11,115 | 10,011 | 1,104 |
| 51010002 Quail Woods Courtyards | 10,586 | 9,534 | 1,052 |
| 52010022 River Pines Dubdivision | 10,586 | 9,534 | 1,052 |
| 53000066 LAUREL VALLEY IN THE PRESERVES | 10,586 | 9,534 | 1,052 |
| 53001005 Mission Inn: Howey in the Hill | 10,586 | 9,534 | 1,052 |
| 53990084 Stonehurst | 10,586 | 9,534 | 1,052 |
| 54990255 Lake Diamond Country Club | 10,586 | 9,534 | 1,052 |
| 54000008 Mandarin Expansion | 10,586 | 9,534 | 1,052 |
| 52010069 Cross Creek Section O, Phase 2 | 10,057 | 9,057 | 999 |
| 54001010 Summerton South residential | 10,057 | 9,057 | 999 |
| 52990013 River Club South | 9,527 | 8,581 | 947 |
| 52001029 Tampa Palms parcel 23 | 9,527 | 8,581 | 947 |
| 52980009 Ellenton | 8,998 | 8,104 | 894 |
| 52000024 Willow Brook - Sarasota | 8,469 | 7,627 | 841 |
| 52990063 Bloomingdale Trails | 7,410 | 6,674 | 736 |
| 51990126 Cloisters on the Bay | 6,881 | 6,197 | 684 |
| 52980028 Westwood Lakes | 6,881 | 6,197 | 684 |
| 51990016 Egret Landing area a,b,c | 6,352 | 5,720 | 631 |
| 52001032 Bayshore Trails-56 Homes | 6,352 | 5,720 | 631 |
| 52000008 Hammocks - Sarasota | 6,352 | 5,720 | 631 |
| 52001002 Tampa Palms 15 & 16 | 6,352 | 5,720 | 631 |
| 52001015 The Inlets-Pinnacle Dr | 6,352 | 5,720 | 631 |
| 52990016 Villa Rosa- Sarasota | 6,352 | 5,720 | 631 |
| 53001009 COUNTRY CLUB OAKS SUBDIV. | 6,352 | 5,720 | 631 |
| 53990123 Waterview Subdivision | 6,352 | 5,720 | 631 |
| 52970009 Brooksville Expansion | 5,822 | 5,244 | 578 |
| 51990029 Island Estates | 5,293 | 4,767 | 526 |
| 51010023 The Cove | 5,293 | 4,767 | 526 |
| 52990028 Oakhurst | 5,293 | 4,767 | 526 |
| 52990001 Venice Expansion | 5,293 | 4,767 | 526 |
| 53990015 Bright Water Place | 5,293 | 4,767 | 526 |
| 53990153 Silver Creek Port Orange | 5,293 | 4,767 | 526 |
| 54990264 Laurel Woods | 5,293 | 4,767 | 526 |
| 51990077 The Bears Club, Jupiter | 4,764 | 4,290 | 473 |
| 52980022 Richmond Place (combine) | 4,764 | 4,290 | 473 |
| 52990052 Lake June Estates | 4,234 | 3,814 | 421 |
| 54001004 Tierra Verde (The Glades) | 4,234 | 3,814 | 421 |
| 52980002 Lakeview Village #2 Sect. F & | 3,705 | 3,337 | 368 |
| 52980043 Maderia Beach Expansion | - | 3,337 | 368 |

Budget 2002 Service Line Costs

| <u>Project with Description</u> | <u>Total Service Cost</u> | <u>Plastic</u> | <u>Steel</u> |
|--|---------------------------|----------------|--------------|
| 52990072 Garrison District Channel | 3,176 | 2,860 | 316 |
| 52001040 Portofino Project | 3,176 | 2,860 | 316 |
| 52990036 Silver Oaks | 3,176 | 2,860 | 316 |
| 52010031 The Plantations @ Tara | 3,176 | 2,860 | 316 |
| 52970054 301 / 54 / Zephyrhills | 3,176 | 2,860 | 316 |
| 53990065 Pennsylvannia Place | 3,176 | 2,860 | 316 |
| 53990134 The Milenia Project: Conroy & | 3,176 | 2,860 | 316 |
| 53001012 Winter Park Pointe | 3,176 | 2,860 | 316 |
| 54980003 Baker County Expansion | 3,176 | 2,860 | 316 |
| 54990251 Golden Ocala | 3,176 | 2,860 | 316 |
| 54001011 THE LANDINGS OFF OF HWY 390 | 3,176 | 2,860 | 316 |
| 51990001 I75 Broward Expansion | 2,646 | 2,384 | 263 |
| 52990026 River Crossing | 2,646 | 2,384 | 263 |
| 53010034 LAKE ADAIR PLACE | 2,646 | 2,384 | 263 |
| 53990091 The Park @ Wolf Branch | 2,646 | 2,384 | 263 |
| 54990256 Deer Path | 2,646 | 2,384 | 263 |
| 54990293 Deerpath | 2,646 | 2,384 | 263 |
| 54990269 Lemonwood 2 | 2,646 | 2,384 | 263 |
| 54990270 Silver Meadows Central (murphy) | 2,646 | 2,384 | 263 |
| 54990257 South Point | 2,646 | 2,384 | 263 |
| 52000077 Emerald Pointe, Longboat Key | 2,117 | 1,907 | 210 |
| 52980045 Hawks Harbor | 2,117 | 1,907 | 210 |
| 52990100 Pinewalk | 2,117 | 1,907 | 210 |
| 52010055 The Enclave-Sarasota | 2,117 | 1,907 | 210 |
| 53990140 Gipson Green Subdivision | 2,117 | 1,907 | 210 |
| 53990090 The Palms Country Club Resort | 2,117 | 1,907 | 210 |
| 54990283 Diamond Crest | 2,117 | 1,907 | 210 |
| 54990561 Preserve on the Bay | 2,117 | 1,907 | 210 |
| 51990119 Prosperity Pines | 1,588 | 1,430 | 158 |
| 52980005 Blake Project | 1,588 | 1,430 | 158 |
| 52970004 Citrus Park Mall | 1,588 | 1,430 | 158 |
| 52001030 Devonshire Lake Dr | 1,588 | 1,430 | 158 |
| 52970033 Preston Woods (bsf) | 1,588 | 1,430 | 158 |
| 52001007 The Pointe at Harbour Island | 1,588 | 1,430 | 158 |
| 53990013 Biscayne Heights | 1,588 | 1,430 | 158 |
| 53990071 Red Bug Loop & Acadia Woods | 1,588 | 1,430 | 158 |
| 53000017 The Preserve at Interlachen | 1,588 | 1,430 | 158 |
| 53990105 Westgate Resort | 1,588 | 1,430 | 158 |
| 54990532 Finistere Subdivision | 1,588 | 1,430 | 158 |
| 54990562 Magnolia Meadows | 1,588 | 1,430 | 158 |
| 54990289 Oak Leaf | 1,588 | 1,430 | 158 |
| 54010014 Run new 2" main line for Texas | 1,588 | 1,430 | 158 |
| 54990537 S Jan Drive | 1,588 | 1,430 | 158 |
| 54001008 S. Bertha Ave. | 1,588 | 1,430 | 158 |
| 51000005 Albertson's Plaza, Pembroke Pi | 1,059 | 953 | 105 |
| 52010028 ESPERANZA - BAY VISTA | 1,059 | 953 | 105 |
| 52980060 Havana Heights | -- 1,059 | 953 | 105 |

Budget 2002 Service Line Costs

| <u>Project with Description</u> | <u>Total Service Cost</u> | <u>Plastic</u> | <u>Steel</u> |
|---|---------------------------|----------------|--------------|
| 52000076 Hudson Street- Sarasota | 1,059 | 953 | 105 |
| 52000023 Monte Verde in Prestancia | 1,059 | 953 | 105 |
| 52990034 North Creek | 1,059 | 953 | 105 |
| 52970039 Old Oak | 1,059 | 953 | 105 |
| 52990088 Paradise Point Circle | 1,059 | 953 | 105 |
| 52970044 SR52 - US19 to Little Road | 1,059 | 953 | 105 |
| 53010009 Alafaya Tr. at Lake Underhill | 1,059 | 953 | 105 |
| 53990108 Festival Bay Mall | 1,059 | 953 | 105 |
| 53001006 The Fountains Shopping Center | 1,059 | 953 | 105 |
| 53010011 115 Main Street main extension | 1,059 | 953 | 105 |
| 53010014 1200 W. International Speedway | 1,059 | 953 | 105 |
| 53010004 337 Bill France Main Extension | 1,059 | 953 | 105 |
| 54990535 Lullwater Drive | 1,059 | 953 | 105 |
| 54010022 Moonlight Bay Dr | 1,059 | 953 | 105 |
| 54010006 Sewanee St. main line exst. | 1,059 | 953 | 105 |
| 54990254 Shalamar | 1,059 | 953 | 105 |
| 54990554 Summerwood Phase 2 | 1,059 | 953 | 105 |
| 54990555 Woodrun | 1,059 | 953 | 105 |
| 51990076 Broward County Correctional Fa | 529 | 477 | 53 |
| 51980001 Broward County Detention | 529 | 477 | 53 |
| 51010005 Jupiter Park of Commerce | 529 | 477 | 53 |
| 52001027 Aston Gardens ACLF | 529 | 477 | 53 |
| 52010067 BAYPOINTE SUBDIVISION | 529 | 477 | 53 |
| 52010044 Beef O'Brady's | 529 | 477 | 53 |
| 52970043 Brookside | 529 | 477 | 53 |
| 52010001 Commerce Park | 529 | 477 | 53 |
| 52010058 Community Srvc 3107 N 50th St | 529 | 477 | 53 |
| 52970003 CR581/SR54 (total buildout) | 529 | 477 | 53 |
| 52970050 Dade City Expansion | 529 | 477 | 53 |
| 52010007 Moffitt Cancer Center | 529 | 477 | 53 |
| 52010071 South Cross Bayou Water Recl | 529 | 477 | 53 |
| 52010034 West Park Village | 529 | 477 | 53 |
| 52001037 3409 & 3411 SAN LUIS ST. | 529 | 477 | 53 |
| 52010027 5119 W. LONGFELLOW AVE. | 529 | 477 | 53 |
| 53010046 Agri-Starts Inc. Extension | 529 | 477 | 53 |
| 53990121 Best Western Airport Inn - 810 | 529 | 477 | 53 |
| 53000007 Bridle Path: Mt. Dora | 529 | 477 | 53 |
| 53990023 City of Orlando | 529 | 477 | 53 |
| 53010033 Del Verde Way Main Extension | 529 | 477 | 53 |
| 53990047 International Festival | 529 | 477 | 53 |
| 53000054 Orange County Correctional | 529 | 477 | 53 |
| 53000024 Plaza Venezia | 529 | 477 | 53 |
| 53000023 Publix 1910 N. John Young Pkwy | 529 | 477 | 53 |
| 53001015 Publix main extension | 529 | 477 | 53 |
| 53990113 The Villas at Summer Bay | 529 | 477 | 53 |
| 53990096 Tuck's Knoll S/D | 529 | 477 | 53 |
| 53010045 U.S. Nutraceuticals | -- 529 | 477 | 53 |

Budget 2002 Service Line Costs

| <u>Project with Description</u> | <u>Total Service Cost</u> | <u>Plastic</u> | <u>Steel</u> |
|--|---------------------------|---------------------|---------------------|
| 53990098 Universal Studios Gate Staton | 529 | 477 | 53 |
| 53000012 University Blvd. | 529 | 477 | 53 |
| 53010026 Vacation Villages @ Parkway | 529 | 477 | 53 |
| 53010030 2500 S. Kirkman Road | 529 | 477 | 53 |
| 54010019 I.T. Corporation - Whitehouse | 529 | 477 | 53 |
| 54990506 LaValencia S/D | 529 | 477 | 53 |
| 54990514 Pelican Bay | 529 | 477 | 53 |
| 54000009 Revita - Orange Park | 529 | 477 | 53 |
| 54990515 Shadow Bay | 529 | 477 | 53 |
| 54010021 Southeast Toyota Dist, Center | 529 | 477 | 53 |
| Project Total | <u>\$ 5,760,842</u> | <u>\$ 5,188,453</u> | <u>\$ 572,389</u> |
| Scattered Services | 2,789,912 | 2,512,711 | 277,201 |
| Total New Services | <u>\$ 8,550,753</u> | <u>\$ 7,701,163</u> | <u>\$ 849,590</u> |
| Service Replacements | 691,050 | 440,050 | 251,000 |
| Total Services | <u>\$ 9,241,803</u> | <u>\$ 8,141,213</u> | <u>\$ 1,100,590</u> |

Projected 2003 Capital Budget

| | Budget 2002 | Adjusted 2002 | Projected 2003 | 2.66% Annual compound growth in CPI 1991-2001 Adjustments to Budget 2002 for Adjusted 2002 |
|---------------------------------|----------------|------------------|-------------------|---|
| Revenue Mains | \$ 27,079,409 | \$ 23,156,311 | \$ 26,772,427 | 5-Yr average adjusted to net out Div. 16 revenue mains plus \$3.0m for Gulfstream |
| Revenue Services | 8,550,753 | 8,550,753 | 8,778,261 | |
| Meters | 2,719,211 | 2,719,211 | 2,791,561 | |
| Meter Install | - | - | - | |
| Regulators | 636,185 | 636,185 | 653,112 | |
| Meter/Reg. Install - Res. | 1,801,995 | 1,801,995 | 1,849,940 | |
| Meter/Reg. Install - Comm. | 714,650 | 714,650 | 733,665 | |
| Industrial Installations | 304,950 | 304,950 | 313,064 | |
| Alternative Fueling Stations | 10,000 | 10,000 | 10,266 | |
| Meas. Reg. Sta. Equipment | 1,419,318 | 1,021,403 | 1,048,580 | 5-Yr average |
| Major Projects | - | - | - | |
| Miscellaneous | - | - | - | |
| | \$ 43,236,470 | \$ 38,915,458 | \$ 42,950,875 | |
| Service Replacements | \$ 691,050 | \$ 691,050 | \$ 709,437 | |
| Main Replacements | 2,389,396 | 2,389,396 | 2,452,970 | |
| System Improvements | 1,559,601 | 1,559,601 | 1,601,097 | |
| Municipal Improvements | 3,871,371 | 3,871,371 | 3,974,376 | |
| Cathodic Protection | 255,200 | 255,200 | 261,990 | |
| Transportation Vehicles | 2,388,009 | 1,655,722 | 2,021,866 | Average b/w 2002 Budget and 5 Yr. Average net of interim & new airplanes |
| Communication Equipment | 287,500 | 804,079 | 825,473 | 5-Yr average |
| Office Equipment | 2,471,112 | 3,456,963 | 3,548,942 | 5-Yr average |
| Tools & Shop Equipment | 487,100 | 272,357 | 279,604 | 5-Yr average |
| Power Operated Equipment | 362,600 | 187,537 | 192,527 | 5-Yr average |
| Testing/Meas. Equipment | 791,400 | 279,120 | 286,546 | 5-Yr average net of 1/2 of Metrotek in 2002 Bud |
| Franchise Acquisitions | - | - | - | |
| Improvements to Property | 1,578,300 | 699,883 | 718,504 | 5-Yr average net of extraordinary improvements |
| Improvements to Leased Property | - | - | - | |
| Special System Upgrade | - | - | - | |
| Misc. Maintenance | 395,000 | 395,000 | 405,510 | |
| Total Maintenance | \$ 17,527,639 | \$ 16,517,279 | \$ 17,278,841 | |
| | | | \$ - | |
| Reimbursable Constr. - Net | - | - | - | |
| Removal Costs | 1,608,000 | 1,608,000 | 1,650,784 | |
| Total Maintenance/Removal | \$ 19,135,639 | \$ 18,125,279 | \$ 18,929,625 | |
| Total Capital | \$ 62,372,109 | \$ 57,040,737 | \$ 61,880,500 | |

(1) Unless otherwise noted, Adjusted 2002 is Budget 2002.

(2) Projected 2003 is Adjusted 2002 with indicated growth.

Analysis of Revenue Capital

| | Budget 2002 | Actual 2001 | Actual 2000 | Actual 1999 | Actual 1998 | 5-Yr Avg. 98-02 |
|------------------------------|----------------|----------------|----------------|----------------|----------------|--------------------|
| Revenue Mains | \$ 27,079,409 | \$ 33,014,610 | \$ 43,435,580 | \$ 41,254,824 | \$ 24,811,312 | \$ 33,919,147 |
| Revenue Services | 8,550,753 | 12,430,463 | 12,084,822 | 9,539,294 | 6,600,443 | 9,841,155 |
| Meters | 2,719,211 | 3,304,621 | 3,572,548 | 2,578,777 | 1,115,810 | 2,658,194 |
| Meter Install | - | - | - | - | - | - |
| Regulators | 636,185 | 686,490 | 559,666 | 570,057 | 479,468 | 586,373 |
| Meter/Reg. Install - Res. | 1,801,995 | 2,447,242 | 1,849,135 | 1,640,178 | 1,211,361 | 1,789,982 |
| Meter/Reg. Install - Comm. | 714,650 | 1,332,217 | 1,076,180 | 805,486 | 646,259 | 914,958 |
| Industrial Installations | 304,950 | 423,795 | 342,607 | 579,188 | 335,147 | 397,137 |
| Alternative Fueling Stations | 10,000 | (1,379) | 11,554 | 8,855 | - | 5,806 |
| Meas. Reg. Sta. Equipment | 1,419,318 | 748,649 | 1,466,766 | 958,590 | 513,694 | 1,021,403 |
| Major Projects | - | 20,051 | 60,276 | 61,231 | 2,608,715 | 550,054 |
| Miscellaneous | - | 497 | (112,615) | 2,594,828 | 2,452,249 | 986,992 |
| Total Revenue Producing | \$ 43,236,470 | \$ 54,407,255 | \$ 64,346,521 | \$ 60,591,308 | \$ 40,774,458 | \$ 52,671,202 |

EXTRAORDINARY EXPENSES

| | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Division 16 : SW FL | | | | | | |
| Revenue Mains | | 15,932,298 | 19,362,540 | 17,563,304 | 956,036 | |
| Revenue Services | | 2,303,716 | 1,403,774 | 88,797 | - | |
| Regulators | | 112,813 | 27,976 | 3,763 | - | |
| Meter/Reg. Install - Res. | | 170,177 | 16,477 | 21,375 | - | |
| Meter/Reg. Install - Comm. | | 255,704 | 118,022 | 11,780 | - | |
| Meas. Reg. Sta. Equipment | | 197,305 | 325,846 | (152,215) | 251,819 | |
| Miscellaneous | | - | - | (1,336,636) | 1,341,737 | |
| Adjusted Revenue Producing | \$ 43,236,470 | \$ 38,474,957 | \$ 44,983,980 | \$ 43,028,004 | \$ 39,818,422 | \$ 41,908,367 |
| <i>(adjusted for italicized items).</i> | | | | | | |

Revenue Capital Not of Div. 16 Revenue Mains

| | | | | | | |
|------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Revenue Mains | \$ 27,079,409 | \$ 17,082,311 | \$ 24,073,040 | \$ 23,691,520 | \$ 23,855,276 | \$ 23,156,311 |
| Revenue Services | 8,550,753 | 12,430,463 | 12,084,822 | 9,539,294 | 6,600,443 | 9,841,155 |
| Meters | 2,719,211 | 3,304,621 | 3,572,548 | 2,578,777 | 1,115,810 | 2,658,194 |
| Meter Install | - | - | - | - | - | - |
| Regulators | 636,185 | 686,490 | 559,666 | 570,057 | 479,468 | 586,373 |
| Meter/Reg. Install - Res. | 1,801,995 | 2,447,242 | 1,849,135 | 1,640,178 | 1,211,361 | 1,789,982 |
| Meter/Reg. Install - Comm. | 714,650 | 1,332,217 | 1,076,180 | 805,486 | 646,259 | 914,958 |
| Industrial Installations | 304,950 | 423,795 | 342,607 | 579,188 | 335,147 | 397,137 |
| Alternative Fueling Stations | 10,000 | (1,379) | 11,554 | 8,855 | - | 5,806 |
| Meas. Reg. Sta. Equipment | 1,419,318 | 748,649 | 1,466,766 | 958,590 | 513,694 | 1,021,403 |
| Major Projects | - | 20,051 | 60,276 | 61,231 | 2,608,715 | 550,054 |
| Miscellaneous | - | 497 | (112,615) | 2,594,828 | 2,452,249 | 986,992 |
| Total Revenue Producing | \$ 43,236,470 | \$ 38,474,957 | \$ 44,983,980 | \$ 43,028,004 | \$ 39,818,422 | \$ 41,908,367 |

| | Budget 2002 | Actual 2001 | Actual 2000 | Actual 1999 | Actual 1998 | 98-02 |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|---------------|
| Service Replacements | \$ 691,050 | \$ 819,314 | \$ 611,916 | \$ 524,211 | \$ 378,404 | \$ 604,979 |
| Main Replacements | 2,389,396 | 959,529 | 842,076 | 803,638 | 1,252,729 | 1,249,474 |
| System Improvements | 1,559,601 | 1,532,359 | 1,928,438 | 1,258,053 | 1,624,800 | 1,580,650 |
| Municipal Improvements | 3,871,371 | 4,399,298 | 2,240,913 | 2,903,906 | 1,833,061 | 3,049,510 |
| Cathodic Protection | 255,200 | 310,876 | 257,582 | 194,519 | 263,445 | 256,324 |
| Transportation Vehicles | 2,388,009 | 8,192,932 | 5,444,613 | 1,269,112 | 936,943 | 3,646,322 |
| Communication Equipment | 287,500 | 1,333,515 | 325,591 | 935,245 | 1,138,543 | 804,079 |
| Office Equipment | 2,471,112 | 1,757,394 | 3,229,512 | 3,631,820 | 6,194,977 | 3,456,963 |
| Tools & Shop Equipment | 487,100 | 231,978 | 339,811 | 139,990 | 162,908 | 272,357 |
| Power Operated Equipment | 362,600 | 112,065 | 82,907 | 36,318 | 343,795 | 187,537 |
| Testing/Meas. Equipment | 791,400 | 214,432 | 435,985 | 110,155 | 143,627 | 339,120 |
| Franchise Acquisitions | - | - | - | - | - | - |
| Improvements to Property | 1,578,300 | 3,150,443 | 3,385,005 | 1,741,122 | 171,325 | 2,005,239 |
| Improvements to Leased Property | - | 10,827 | - | 1,040 | 4,449 | 3,263 |
| Special System Upgrade | - | - | - | - | - | - |
| Misc. Maintenance | 395,000 | 473,037 | 127,129 | 580,796 | 507,058 | 416,604 |
| Reimbursable Constr. - Net | - | 804,518 | (2,010,409) | 2,573,138 | 222,050 | 317,860 |
| Removal Costs | 1,608,000 | (4,975,326) | 1,664,169 | 1,419,340 | 1,122,881 | 167,813 |
| Total Maintenance/Removal | \$ 19,135,639 | \$ 19,326,192 | \$ 18,905,236 | \$ 18,122,403 | \$ 16,300,995 | \$ 18,358,093 |

Check (s/b zero)

EXTRAORDINARY EXPENSES

| | | | | | | |
|---------------------------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------|
| Transportation Vehicles | \$ 6,120,643 | \$ 3,832,354 | | | | |
| Interim Airplane S/11 (Div. 90) | | 722,161 | 3,201,120 | | | |
| New Airplane Bravo (Div. 90) | | 5,398,482 | 631,234 | | | |
| Removal Costs | \$ (5,945,929) | | | | | |
| Airplane Removal (Div. 90) | | (4,170,000) | | | | |
| Building Removal (Div. 01) | | (1,775,929) | | | | |
| Office Equipment (Div. 90) | | | | \$ 3,213,288 | \$ 5,152,494 | |
| Intelligent | | | | 253,215 | | |
| Gas Mgt. System | | | | 1,078,950 | | |
| Centralized SCADA | | | | 561,489 | | |
| Meter Reading Repl Project | | | | 309,013 | | |
| GOFR Data Network | | | | | 125,748 | |
| Service Order Auto. Sys. | | | | 699,575 | 2,043,248 | |
| PC & Laptop Upgrade | | | | 194,818 | 1,581,217 | |
| Upgrade Network Servers | | | | 116,228 | 1,402,283 | |
| Improvements to Property | \$ 1,152,500 | \$ 2,711,597 | \$ 1,873,575 | \$ 789,109 | | |
| N. Miami Local Ops Coconut Creek (01) | | 411,406 | 507,367 | | | |
| South Region Office Sunrise (01) | 1,152,500 | 865,495 | | | | |
| SW FL on Enterprise (16) | | 1,000,333 | | | | |
| FL Myers Yard (16) | | 67,270 | | | | |
| Palm Beach Operations Facility (13) | | 267,093 | 293,124 | | | |
| Sarasota Operations Building (11) | | | 1,073,064 | 248,303 | | |
| Daytona Div. Office (09) | | | | 540,806 | | |
| Municipal Improvements | \$ 2,755,030 | | | | | |
| Riverland Village (01) | | 152,780 | | | | |
| Collins Ave Reconstruction (01) | | 80,729 | | | | |
| Powerline Road Gov't Improv (01) | | 93,639 | | | | |
| Collier Parkway Road Widening (02) | | 87,293 | | | | |
| S R. 54 - DOT (02) | | 180,233 | | | | |
| CR 545 Main Relocation (04) | | 102,549 | | | | |
| Bennet Road Relocation (04) | | 78,379 | | | | |
| SR 426 (Noma Ave) Relocation (04) | | 91,995 | | | | |
| Lake Underhill Road Project (04) | | 112,491 | | | | |
| Holden Heights replacement (04) | | 148,123 | | | | |
| SR 500 (US 441) Main Relocate (05) | | 271,211 | | | | |
| San Juan Relocation (06) | | 98,287 | | | | |
| Blanding Blvd @ Cedar (06) | | 197,783 | | | | |
| Fouraker Rd Relocation (06) | | 221,369 | | | | |
| 63rd Ave Municipal Rd Project (11) | | 267,075 | | | | |
| Municipal - Clarke Rd (11) | | 181,036 | | | | |
| San Carlos at US 41 (16) | | 410,056 | | | | |
| Misc. Maintenance | \$ 62,320 | \$ 186,231 | \$ 484,202 | | | |
| Network Modeling Svcs. | | 62,320 | 192,275 | 276,998 | | |
| Mapping & Gas Dislr System | | | (6,044) | 207,204 | | |
| Testing/Measuring Equipment | \$ 300,000 | | | | | |
| Adjusted Maintenance/Removal | \$ 17,683,139 | \$ 16,439,881 | \$ 13,199,307 | \$ 17,333,294 | \$ 16,300,995 | \$ 16,191,323 |

(adjusted for italicized items)

Maintenance Capital Net of Adjustments

| | | | | | | |
|---------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Service Replacements | \$ 691,050 | \$ 819,314 | \$ 611,916 | \$ 524,211 | \$ 378,404 | \$ 604,979 |
| Main Replacements | 2,389,396 | 959,529 | 842,076 | 803,638 | 1,252,729 | 1,249,474 |
| System Improvements | 1,559,601 | 1,532,359 | 1,928,438 | 1,258,053 | 1,624,800 | 1,580,650 |
| Municipal Improvements | 3,871,371 | 4,399,298 | 2,240,913 | 2,903,906 | 1,833,061 | 3,049,510 |
| Cathodic Protection | 255,200 | 310,876 | 257,582 | 194,519 | 263,445 | 256,324 |
| Transportation Vehicles | 2,388,009 | 2,072,289 | 1,612,259 | 1,269,112 | 936,943 | 1,655,722 |
| Communication Equipment | 287,500 | 1,333,515 | 325,591 | 935,245 | 1,138,543 | 804,079 |
| Office Equipment | 2,471,112 | 1,757,394 | 3,229,512 | 3,631,820 | 6,194,977 | 3,456,963 |
| Tools & Shop Equipment | 487,100 | 231,978 | 339,811 | 139,990 | 162,908 | 272,357 |
| Power Operated Equipment | 362,600 | 112,065 | 82,907 | 36,318 | 343,795 | 187,537 |
| Testing/Meas. Equipment | 491,400 | 214,432 | 435,985 | 110,155 | 143,627 | 279,120 |
| Franchise Acquisitions | - | - | - | - | - | - |
| Improvements to Property | 425,800 | 438,846 | 1,511,430 | 952,013 | 171,325 | 699,883 |
| Improvements to Leased Property | - | 10,827 | - | 1,040 | 4,449 | 3,263 |
| Special System Upgrade | - | - | - | - | - | - |
| Misc. Maintenance | 395,000 | 473,037 | 127,129 | 580,796 | 507,058 | 416,604 |
| Reimbursable Constr. - Net | - | 804,518 | (2,010,409) | 2,573,138 | 222,050 | 317,860 |
| Removal Costs | 1,608,000 | 970,603 | 1,664,169 | 1,419,340 | 1,122,881 | 1,356,999 |
| Total Maintenance/Removal | \$ 17,683,139 | \$ 16,439,881 | \$ 13,199,307 | \$ 17,333,294 | \$ 16,300,995 | \$ 16,191,323 |

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Frank Sivard UTILITY: TECO-Peoples Gas System

AUDIT MANAGER: Joe Rohrbacher PREPARED BY: Roger W. Fletcher

REQUEST NUMBER: 11 DATE OF REQUEST: 8/07/02 (2:00 PM 8/6/02)

AUDIT PURPOSE: TECO Gas Rate Case - Docket No. 020384-GU

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 8/02/02

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: ☐ INCIDENT TO AN INQUIRY
☒ OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

Please provide a detail of the individual construction projects included in the Monthly Plant Addition Summary, Schedule G-1, Lines 4, 5, 10, and 11, Accounts 376, 376.02, 380, and 380.02, page 211 of the Minimum Filing Requirements (MFRs). This detail should show a description or name of each construction project, total dollars associated with the project, and the month plant addition was included in the Monthly Plant Addition Summary.

TO: AUDIT MANAGER

DATE: 8/12/02

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) ☒ HAS BEEN PROVIDED TODAY
- (2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY: _____
- (3) ☐ AND IN MY OPINION, ITEM(S) _____ IS (ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL. THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.
- (4) ☐ THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

J. Paul Higgins
(SIGNATURE AND TITLE OF RESPONDENT)

Distribution: Original: Utility (for completion and return to Auditor)
Copy: Audit File

EXHIBIT 2

**Capital Main Assumptions
Response to Asset Request Number 11**

| <u>Project with Description</u> | <u>Capital Mains '02</u> |
|--|--------------------------|
| 1 St. Johns Golf & Country Club | \$125,000 |
| 2 Southampton Golf Club | \$75,000 |
| 3 54000008 MANDARIN EXP | \$455,000 |
| 4 SUPPLY MAIN-WORLD GOLF VLG | \$300,000 |
| 5 SUTTON6 LAKES | \$100,000 |
| 6 54980004 Ridgemoor | \$15,000 |
| 7 54-069902 JAMES ISLAND | \$25,000 |
| 8 54990023,CAMBRIDGE ESTATES | \$100,000 |
| 9 54001010 Summerton South residential | \$5,815 |
| 10 54010013 Belleview Extension | \$423,636 |
| 11 54990251 Golden Ocala | \$100,000 |
| 12 92-B-14 SPRUCE CREEK | \$150,000 |
| 13 190-A-15 LADY LAKES-VILLAG | \$1,400,000 |
| 14 54990274 Quail Meadows phase 2 | \$10,000 |
| 15 54990282 Golfview | \$10,000 |
| 16 136A1-15 OCALA WESTERN | \$120,000 |
| 17 54990278 Victoria Station | \$13,250 |
| 18 54990284 Heather Island Preserve | \$50,000 |
| 19 54990293 Deerpath | \$13,541 |
| 20 KING & MCCOYS CREEK | \$13,800 |
| 21 DALTON WOODS | \$23,922 |
| 22 PALMETTO TRACE | \$64,000 |
| 23 ANTHONY RD-WINN DIXIE | \$14,062 |
| 24 FOUNTAIN SUBD | \$24,283 |
| 25 Palencia | \$350,000 |
| 26 Misc. Short Main Ext. -06 | \$750,000 |
| 27 15...MISC. MAIN | \$150,000 |
| 28 15..BOYD DEV. | \$200,000 |
| 29 15..AUTUMN RIDGE | \$50,000 |
| 30 15...HEATHBROOK | \$150,000 |
| 31 NE 9ST & NE 14 ST | \$5,796 |
| 32 SW 20th STREET | \$150,000 |
| 33 SW 30th STREET | \$150,000 |
| 34 Beaver St Bare Stil | \$300,000 |
| 35 Cinderella Lane | \$15,000 |
| 36 15.. NE 12TH AVE | \$30,000 |
| 37 15...SHORES | \$30,000 |
| 38 LANE AVE | \$250,000 |
| 39 Beach Blvd. | \$75,000 |
| 40 San Juan Reloc | \$150,000 |
| 41 5TH ST /MCDUFF AVE | \$60,000 |
| 42 Airport Rd | \$40,000 |
| 43 Oak Street | \$36,000 |
| 44 Point Meadows Dr. | \$30,000 |
| 45 MURRY HILL | \$25,000 |
| 46 MLK Blvd | \$20,000 |
| 47 Westside Ind. Pk. | \$30,000 |
| 48 Hath Bridge Proj | \$20,000 |
| 49 Misc. Short Main Ext. - 14 | \$500,000 |
| 50 NW 14 ST & MAGNOLIA AVE | \$13,854 |
| 51 DERPETH3 | \$8,194 |
| 52 SE 31ST STREET | \$7,818 |
| 53 Shores | \$50,000 |
| 54 NE 12th Street | \$30,000 |
| 55 SE 24TH Terrace | \$25,000 |
| | <u>\$7,332,971</u> |

CENTRAL REGION
BUDGET 2002 MAIN COST

| <u>Project with Description</u> | <u>Capital Mains '02</u> |
|-----------------------------------|--------------------------|
| 1 UCF - Academic Villages | \$15,000 |
| 2 Super Target at Hunter's Creek | \$10,000 |
| 3 Thornton Rd. main installation | \$15,000 |
| 4 Custom Fabs, 109 5th St. | \$10,000 |
| 5 Orange County Animal Control | \$15,000 |
| 6 2024 Wellfleet Ct./Auto Body | \$10,000 |
| 7 Sand Lake Pointe Apartments | \$10,000 |
| 8 The Waverly at Lake Eola | \$25,000 |
| 9 Perle Du Lac, Winter Park | \$4,500 |
| 10 1300 Brookhaven Dr | \$5,000 |
| 11 53000024, SAND LK RD & PHIL | \$9,900 |
| 12 2550 MICHIGAN AVE | \$8,800 |
| 13 The Fountains Shopping Center | \$5,000 |
| 14 Central Ave Elementary School | \$25,000 |
| 15 Orange Tree Subdivision: US 27 | \$30,000 |
| 16 VALENCIA Woods Apartments | \$15,000 |
| 17 53000026, 325 S ORANGE AVE | \$17,500 |
| 18 CRESENT LAKE SUBDIVISION | \$40,000 |
| 19 Waterford Point Apartments | \$23,000 |
| 20 SUMMER BAY RESORT CLERMONT | \$5,000 |
| 21 WESTGATE TIMESHARE RESORT | \$25,000 |
| 22 ATRIA, RED BUG LAKE RD | \$17,100 |
| 23 98-A-4 SE ORLANOD EXPANS | \$450,000 |
| 24 MCINERNEY FORD | \$9,000 |
| 25 ORLANDO INT'L AIRPORT | \$7,500 |
| 26 53990136 LITTLE LAKE BRYAN | \$10,000 |
| 27 53990137 217 BOSTON AVE | \$10,000 |
| 28 8500 VINELAND RD-OUTLET MAL | \$10,000 |
| 29 THE PALMS COUNTRY CL | \$30,000 |
| 30 Forest Ave | \$15,000 |
| 31 INDIAN CREEK | \$30,000 |
| 32 INGRAM AND MYRTLE RELOCATION | \$20,700 |
| 33 53990041 GREATER GROVES 7-9 | \$15,000 |
| 34 Myrtle Ave. Backfeed | \$15,000 |
| 35 Mossy Oak Subdivision | \$2,500 |
| 36 GRIFFIN ROAD PROJECT | \$8,000 |
| 37 U.S. Nutraceuticals | \$50,000 |
| 38 Bridle Path Subdivision | \$5,000 |
| 39 Mission Inn: Howey in the Hill | \$30,000 |
| 40 Waterman Hopital Expansion | \$75,000 |
| 41 ROYAL HARBOR TAVARES | \$30,000 |
| 42 337 Bill France Main Extension | \$8,500 |
| 43 115 Main Street main extension | \$4,500 |
| 44 1200 W. International Speedway | \$8,500 |
| 45 CRANE LAKES PH 2 | \$10,000 |
| 46 Salvation Army on LPGA Blvd. | \$7,400 |

| | |
|---|-----------------|
| 47 CRANE LAKES PH I | \$6,500 |
| 48 ABERDEEN @ ORMOND BEACH | \$30,000 |
| 49 Virginia Ave Main Replacement | \$8,000 |
| 50 Residence Inn Westwood | \$21,000 |
| 51 Baldwin Park NTC / Orl. | \$100,000 |
| 52 Reunion 545 / Orl. | \$175,000 |
| 53 Bridgewater / Horizon West / Orl. | \$110,000 |
| 54 Universal Blvd. OCCC / Orl. | \$300,000 |
| 55 Oviedo Extension / Orl. | \$400,000 |
| 56 Greater Grove Project | \$45,000 |
| 57 New Project 1 | \$6,000 |
| 58 Orlando New Apts | \$45,000 |
| 59 Daytona Unknown | \$50,000 |
| 60 Eustis Unknown | \$50,000 |
| 61 Orlando Unknown | \$175,000 |
| 62 Ridgewood Main Replacement / Daytona | \$75,000 |
| 63 Delany & Gore / Orl | \$40,000 |
| 64 Tangerine Place / Orl | \$50,000 |
| 65 Edgewater & Par / Orl. | \$75,000 |
| 66 Nova Road Port Orange | \$150,000 |
| 67 SR441 Taftvineland | \$150,000 |
| 68 SR 426 (Aloma Ave.) Relocation | \$100,000 |
| 69 SR 545 / Orl | \$100,000 |
| 70 Alafaya Trail & Muculloch | \$100,000 |
| 71 SR192 Michigan | \$85,000 |
| 72 Dodd Road / Orl. | \$75,000 |
| 73 Silver Star Road & Gate Sta. | \$60,000 |
| 74 CR 545 Main Relocation | \$40,000 |
| 75 US 27 Main relocation | \$35,000 |
| 76 Nova Road Ormond Beach | \$25,000 |
| 77 International Dr. & SR 528 | \$20,100 |
| 78 SR 530 B/BONNETT & SR 535 | \$15,000 |
| 79 SR 500 (US 441) Main Relocate | \$15,000 |
| 80 Bay Street Main Replacement | \$15,000 |
| 81 Central Blvd. at Mills | \$14,000 |
| 82 Orlando Unknown | \$100,000 |
| 83 Daytona Unknown | \$50,000 |
| 84 Eustis Unknown | \$50,000 |
| 85 Millenia Blvd & Oakridge rd ex | \$25,000 |
| 86 53990132,6161 JONES AVE | <u>\$25,000</u> |
| | \$4,213,000 |

State of Florida

**Public Service Commission****-M-E-M-O-R-A-N-D-U-M-**

DATE : October 1, 2002

**TO : ROGER W. FLETCHER
UTILITY SYSTEMS ENGINEER
BUREAU OF SAFETY
DIVISION OF AUDITING & SAFETY, TALLAHASSEE**

**FROM : LOVEDALE C. PETERSIDE
UTILITY SYSTEMS ENGINEER
BUREAU OF SAFETY
DIVISION OF AUDITING & SAFETY, TAMPA**

**RE : PEOPLES GAS SYSTEM RATE CASE, DOCKET NO. 020384-GU/PLANT
ALLOCATION (SCHEDULE B-5 & CONSTRUCTION BUDGET 2002 FOR
MAINS & SERVICES) FOR TAMPA, ST. PETERSBURG AND SARASOTA
OPERATIONAL AREAS**

BRIEF

Staff was directed to verify the plant additions and common plant allocations for Peoples Gas System as contained in its Minimum Filing Requirements (MFRs), Docket Number 020384-GU, Schedule B-5, Accounts 374 and 375, pages 2 of 4, 3 of 4 and 4 of 4. Schedule G-1, lines 4, 5, 10 and 11, Accounts 376, 376.02, 380 and 380.02, page 211 of the MFRs were reviewed as part of this evaluation. The directive also included a review to determine the appropriateness of the common plant allocations and the reasonableness of the projected plant additions in Lakeland, Tampa, St. Petersburg, Sarasota and Highland Operational areas of Peoples Gas System.

An evaluation was conducted in each of the above-mentioned operational areas from September 10-31, 2002. The evaluation includes record verifications, discussion with the management and on-site verification to determine the use and usefulness of individual structure and parcels of land. The evaluation also determined the existence of vacant offices not in use and land not predominantly used for utility purposes. This evaluation also established an allocation percentage based on square footage if partial use is determined. The evaluation findings, determination, and allocations are discussed in this report accordingly.

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Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

RECOMMENDATION

It is recommended that the determinations and allocations as contained in this report should be entered into the record of Peoples Gas System Rate Case, Docket Number 020384-GU and that all necessary allocations and adjustment be made by the Commission staff accordingly.

DISCUSSION

Staff evaluation of Schedule B-5 "ALLOCATION OF COMMON PLANT" is focused on the line items, account number, description, the cost associated with the plant and the address (operational area). The findings and allocations according to each account are stated as follows:

LAKELAND OPERATIONAL AREA

SCHEDULE B-5, PAGE 2 OF 4 - LAKELAND LANDS

LINE 41 - Account #374 - Land - \$1,245 - Lakeland-Peachtree Plant site (parcel #1)

This land is located between Peachtree Street and Kathleen Road in Lakeland. It is the main plant site where the office and the warehouse buildings are located. It is also called the main operation center for Lakeland operational area. The land is used for regulated and nonregulated utilities (large propane storage tank). This allocation is based on percentage of square footage of nonutilization of the property. The evaluation of this account determined the following:

The total area footage of the land is $195' \times 377' = 73,515$ sq. ft.

The total area footage for nonutility usage is $195' \times 100' = 19,500$ sq. ft.

Percentage (%) of nonutility usage = $19,500/73,515 \times 100 = \underline{26.5\%}$

Amount allocated for nonutility usage = $0.265 \times \$1,245 = \underline{\$330}$

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Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

SCHEDULE B-5, PAGE 4 OF 4 - LAKELAND STRUCTURES

LINE 44 - Account #375 - Structure - \$552,432 - Lakeland Office Building - Kathleen Road

The description of this account includes the Lakeland main office building at Kathleen Road, which is also called the main operation center. It was determined that this facility is used for both regulated and nonregulated operation. Therefore, this account should be allocated based on percentage of square footage of nonregulated utilization. The calculation is as follows:

Total building area footage = $113' \times 40' + 65' \times 62' = 8,550$ sq. ft.

Total area footage for sales display lobby = $40' \times 26' = 1,040$ sq. ft.

Total footage for vacant lobby space = $26' \times 15' = 390$ sq. ft.

Total footage for nonutility office space usage (2 offices for TECO Partners usage)
= $13' \times 13' + 12' \times 13' = 325$ sq. ft.

Total footage for nonutility usage = $390 + 325$ sq. ft. = 715 sq. ft.

Percentage (%) of nonutility usage = $715/8,550 \times 100 = 8.4\%$

Amount allocated for nonutility usage = $0.084 \times \$552,342 = \underline{\$46,397}$

LINE 45 - Account #375 - Lakeland Warehouse - \$86, 208

An evaluation of this warehouse determined that the building is used to store materials for natural gas pipeline operations. It contains pipe fittings, fusion sockets, manifolds, valves, regulators, fusion equipments, pipeline markers, etc. Therefore, the allocation for this warehouse should be 100 percent regulated utility usage.

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Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

This evaluation also determined that there are 15 employees in the Lakeland office, 13 of these employees are assigned to regulated utility operations only and two are assigned to nonutility. To determine the ratio of total square footage per total number of employees occupying each office building in Lakeland:

$$\frac{\text{Total building footage}}{\text{Number of Employees}} = \frac{8,550 \text{ sq. ft.}}{15} = 570 \text{ sq. ft./employee}$$

CONSTRUCTION BUDGET FOR THE HISTORIC BASE YEAR + 1

SCHEDULE G-1, LINES 4, 5, 10 & 11, PAGE 211 OF MFRs

ACCOUNTS #376, 376.02, 380 AND 380.02

LAKELAND BUDGET 2002 MAIN COSTS

Publix, Shepard Road, Lakeland - \$25,000

This project has been completed in 2002.

Juice Bowl Products, Inc. - \$28,000

This project has been completed in 2002.

Cambridge Cove Apartments - \$45,000

This project has been completed in 2002.

Lakeland Regional Medical - \$7,100

This project has been completed in 2002.

South Florida Main Replacement - \$53,000

This project has been completed in 2002.

Lakeland Bypass Replacement - \$55,000

This project is ongoing.

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Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

Ingram and Myrtle Relocation - \$20,700
This project has not been performed.

Griffin Road Project - \$8,000
This project has been completed in 2002.

LAKELAND BUDGET 2002 SERVICE LINE COST

Project #53990018 - Carillon Lakes - \$26,465
This project started in 1999 and is still ongoing.

SARASOTA OPERATIONAL AREA

SCHEDULE B-5, PAGE 2 OF 4 - SARASOTA LANDS

LINE 45 - Account #374 - Sarasota Land - Gate Station, 12th & Central - \$50,000

This account contains the above land that was purchased from Florida Gas Transmission Company. It includes a pipeline easement that measures approximately 20 feet wide and 5.3 miles long and a natural gas pressure regulating station at 12th Street and Central Avenue. The easement stretches from Oneco Gate Station in Bradenton, Manatee County to 12th and Central Avenue in Sarasota, Sarasota County. The evaluation determined that the easement, and the gate station should be allocated to regulated utility operation.

SCHEDULE B-5, PAGE 4 OF 4 - SARASOTA STRUCTURES

LINE 3 - Account 375 - Structures - Sarasota Office Building - \$11,352

This is the Sarasota operational area main office building and warehouse. It is located at Vico Court in Sarasota International Industrial Park. The evaluation determines that the building is used for regulated utility and nonregulated utility; therefore, the allocation should be based on percentage of square footage of nonutility usage. The overall footage of the building including the warehouse is as follows:

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Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

Total footage of the building with warehouse = $125' \times 90' = 11,250$ sq. ft.

Total footage of the warehouse only is $90' \times 30' = 2,700$ sq. ft.

Total footage of the building without the warehouse is $11,250 - 2,700$ sq. ft.

Total footage for nonutility usage = $21' \times 21' = \underline{441}$ sq. ft.

Percentage of nonutility usage = $441/8,550 \times 100 = 5.2\%$

Amount allocated for nonutility usage = $0.052 \times \$11,352 = \underline{\$590}$

LINE 4 - Account 375 - Structure - Sarasota Storage Shed - \$10,877

The storage shed is used for the storage of natural gas operation related equipments, tools, plastic pipeline, manifolds, etc. The shed measures $40' \times 16' = 640$ sq. ft. The evaluation determined that the storage shed is used for regulated utility operation and therefore should be 100 percent allocated for regulated utility.

LINE 5 - Account 375 - Structure - Sarasota Warehouse - \$4,936

The Sarasota Warehouse is part of the main office building structure. The evaluation determined that the warehouse is used to store materials for natural gas operations. It contains materials such as pipe fittings, regulator parts, flanges, repair kits, meters, valves and other equipment used for regulated utility. It is therefore recommended that the warehouse should be inclusive in the base and 100 percent allocated for regulated utility utilization. The warehouse measures $90' \times 30' = 2,700$ sq. ft.

During the evaluation, it was also determined that the Sarasota operational area has 34 employees; 31 who are assigned to regulated utility operation, while 3 employees are for nonregulated operations. The ratio of total footage per number of employee occupying each office building:

| | | | | |
|-------------------------------|---|----|---|----------------------|
| <u>Total building footage</u> | | | | <u>\$11,250</u> |
| Number of employees | = | 34 | = | 330 sq. ft./employee |

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Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

CONSTRUCTION BUDGET FOR HISTORIC BASE YEAR + 1

SCHEDULE G-1, LINE 4, 5, 10 & 11, PAGE 211 OF MFRs

ACCOUNTS #376, 376.02, 380, & 380.02

SARASOTA BUDGET 2002 MAIN & SERVICE LINE COSTS

There are three groups of Construction Projects that will be presented in this report:

Group A details projects that have been completed in 2002 or still ongoing.

Group B details the Construction Project that was completed prior to 2002.

Group C details the Construction Project that has been suspended.

GROUP A - MAIN

| <u>PROJECT #</u> | <u>LOCATION</u> | <u>STATUS</u> | <u>RECOMMENDATION</u> | <u>COST</u> |
|------------------|------------------------------|----------------|------------------------|-------------|
| 52010011 | Lakeridge Falls-University | In Progress | Allocate for rate base | \$ 57,700 |
| 52010025 | Old Grove-Greenfield | " | " | |
| | | | 27,200 | |
| 52010030 | Greenbrook-Lakewood Ranch | " | " | 96,000 |
| 52010066 | Kenwood Park-University Park | " | " | 20,000 |
| 52010063 | Englewood | " | " | 148,500 |
| 52000023 | Monte Verde in Prestancia | Completed 2002 | " | 1,600 |
| 52990035 | Waterleaf | In Progress | " | 67,200 |
| 52001015 | The Inlets-Pinnacle Dr. | " | " | 9,600 |
| 52980035 | Riviera Dunes | " | " | 50,200 |
| 52980034 | Rosdale Highlands (combined) | " | " | 19,200 |
| 52990013 | River Club South | Completed 2002 | " | 14,400 |
| 52990036 | Silver Oak | In Progress | " | 4,800 |
| 52990016 | Vila Rosa-Sarasota | Completed 2002 | " | 9,600 |
| 52980042 | Heron Creek-North Port | In Progress | " | 74,600 |
| 52990015 | Bobcat Trail/Toledo Blade | " | " | 53,000 |
| | Englewood Project | " | " | 450,000 |
| | East Manatee Project | " | " | 450,000 |

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RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

GROUP B - MAIN

| <u>PROJECT #</u> | <u>LOCATION</u> | <u>STATUS</u> | <u>RECOMMENDATION</u> | <u>COST</u> |
|------------------|-----------------------------|----------------|-----------------------|-------------|
| 52010022 | River Pines Subdivision | Completed 2001 | Disallow | \$ 16,000 |
| 52010031 | The Plantation @ Tara | " | " | 4,800 |
| 52010054 | Secluded Oaks-Sarasota | " | " | 27,200 |
| 52010055 | The Enclave-Sarasota | " | " | 3,200 |
| 52970027 | University "T&Z" Y&Park | Completed 1997 | " | 20,000 |
| 52980044 | Lakeland Ranch(consolidate) | Completed 2001 | " | 264,000 |
| 52000024 | Willow Brook-Sarasota | " | " | 12,800 |
| 52000008 | Hammock-Sarasota | " | " | 9,600 |
| 52000076 | Hudson Street-Sarasota | " | " | 1,600 |
| 52000077 | Emerald Pointe-Longboat Key | " | " | 3,200 |
| 52001014 | Water Oak-Braden River Road | " | " | 24,000 |
| 52001040 | Portofino Project | " | " | 4,800 |
| 52990001 | Venice Expansion | " | " | 73,000 |
| 52980037 | The Hampton | Completed 2000 | " | 19,200 |
| 52980009 | Ellenton | " | " | 26,600 |
| 52980005 | Blake Project | " | " | 21,900 |
| 52980045 | Hawks Harbor | Completed 1999 | " | 3,200 |

GROUP C

| | | | | |
|----------|-----------------|-------------------|---|--------|
| 52010065 | Heritage Harbor | Suspended to 2003 | " | 20,800 |
|----------|-----------------|-------------------|---|--------|

SERVICE LINE - GROUP A

| | | | | |
|----------|------------------------------|-------------|----------|-----------|
| 52980044 | Lakewood Ranch (consolidate) | In Progress | Allocate | \$174,667 |
| 52010030 | Greenbrook-Lakewood Ranch | " | " | 63,515 |
| 52990035 | Waterleaf | " | " | 44,461 |
| 52010011 | Lakeridge Falls-University | " | " | 33,875 |
| 52990015 | Bobcat Trail/Toledo Blade | " | " | 26,465 |
| 52010025 | Old Grove-Greenfield | " | " | 17,996 |
| 52010054 | Secluded Oaks-Sarasota | " | " | 17,996 |
| 52010063 | Englewood Project | " | " | 13,762 |
| 52000042 | East Manatee 6" Steel | " | " | 13,232 |
| 52010066 | Kenwood Park-Univ. Park | " | " | 13,232 |
| 52980035 | Riviera Dunes | " | " | 13,232 |

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RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

| <u>PROJECT #</u> | <u>LOCATION</u> | <u>STATUS</u> | <u>RECOMMENDATION</u> | <u>COST</u> |
|------------------|-----------------------------|----------------|-----------------------|-------------|
| 52970027 | University "T&Z" Y&Park | In Progress | Allocate | 13,232 |
| 52980034 | Rosdale Highlands(combined) | " | " | 12,703 |
| 52980037 | The Hamptons | " | " | 12,703 |
| 52010022 | River Pines Subdivision | " | " | 10,586 |
| 52990013 | River Club South | " | " | 9,527 |
| 52000024 | Willow Brook | " | " | 8,469 |
| 52000008 | Hammock-Sarasota | " | " | 6,352 |
| 52001015 | The Inlets-Pinnacle Dr. | " | " | 6,352 |
| 52990016 | Villa Rosa-Sarasota | " | " | 6,352 |
| 52001040 | Portofino Project | " | " | 3,176 |
| 52990036 | Silver Oaks | " | " | 3,176 |
| 52010031 | The Plantation @ Tara | " | " | 3,176 |
| 52000077 | Emerald Pointe-Longboat Key | Completed 2002 | " | 2,117 |
| 52980045 | Hawks Harbor | " | " | 2,117 |
| 52010055 | The Enclave-Sarasota | " | " | 2,117 |
| 52980005 | Blake Project | " | " | 1,588 |
| 52000076 | Hudson Street-Sarasota | " | " | 1,059 |
| 52980060 | Havana Heights | " | " | 1,059 |
| 52000023 | Monte Verde in Prestancia | In Progress | " | 1,059 |
| 52990034 | North Creek | " | " | 1,059 |
| 52970039 | Old Oak | " | " | 1,059 |

GROUP - B

| | | | | |
|----------|------------------|----------------|----------|-------|
| 52990001 | Venice Expansion | Completed 2001 | Disallow | 5,292 |
| 52980009 | Ellenton | " | " | 8,998 |

TAMPA OPERATIONAL AREASCHEDULE B-5, PAGE 2 OF 4 - TAMPA LAND

LINE #5 - Account 374 - Tampa Easement - Nebraska Avenue from Bird Street South 432 ft. - \$5,334

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This account showed the purchase of an easement for the installation of 8-inch steel pipeline along Nebraska Avenue to the corner of Bird Street. The evaluation determined that the easement is used for natural gas operations and therefore should be allocated 100 percent to regulated utility.

LINE #6 - Account 374 - Tampa Land - Gate Station @Lithia Pinecrest Road - \$8,000

The total area footage of this land is $50' \times 50' = 2,500$ sq. ft., and the land is used for natural gas measurement gate station. The evaluation determined that the stated amount should be 100 percent allocated to regulated utility.

LINE #7 - Account 374 - Tampa Land Right Purchase for NW Gate Station - 6,000 sq. ft. - \$8,909

This land is used for the WestChase natural gas measuring gate station. The evaluation determined that the facility is used for regulated utility and therefore should be 100 percent allocated for regulated utility.

LINE #8 - Account 374 - Tampa Land-CSX RR property west of 13th Street @Frank Adamo Drive - 25,689 sq. ft. legal description - \$7,960

The evaluation determined that this parcel of land was purchased from CSX Railroad, in order to extend the existing property for natural gas operations. The land also contained some contaminated soil caused by a past manufacturing gas operation. It is under the Department of Environmental Protection (DEP) monitoring requirement. The allocation should be 100 percent regulated utility usage.

LINE #9 - Account 374 - Tampa Land-Estuary Plant, 1300 North 13th Street, Tampa, Parcel #1 - 207,000 sq. ft. total area footage - \$41,799

This land is the main plant site that includes the offices, warehouse, operation center, distribution operations, welding shop, transportation facility, storage and parking. This land also contains four large propane storage tanks occupying a piece of land measuring 140' x 140'. The evaluation determined that the land is leased to Horizon Propane Company for storage purposes only. There is no Horizon staff or office on the premises. The 19,600 sq. ft. of land should be considered nonutility usage and therefore should be allocated as follows:

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Percentage (%) of nonutility usage = $19,600/20,700 \times 100 = 9.5\%$

Amount allocated for nonutility usage = $.095 \times \$41,799 = \underline{\$3,971}$

LINE #10 - Account 374 - Tampa Land-Estuary Plant, South of Railroad, Tampa, Parcel #2 - 28,500 sq. ft. total footage - \$2,760

This land is located south of the main plant site, and it is partially leased for propane and compressed natural gas activities. There is a natural gas pressure regulator station that supplies gas to the compressed natural gas filling station and a propane refilling station for filling propane tanks on the site. An evaluation determined that the area used for regulated utility and nonregulated utility is as follows:

Total area used for regulated utility is $60' \times 60' = 3,600$ sq. ft.

Total area used for nonregulated utility is $28,500 - 3,600$ sq. ft. = 24,900 sq. ft.

Percentage usage for nonregulated utility is $24,900/28,500 \times 100 = 87.4\%$.

Amount allocated for nonregulated utility is $0.874 \times \$2,766 = \underline{\$2,418}$.

LINE #11 - Account 374 - Tampa Land - Port Sutton Gate Station @ 78th & Madison Street, Parcel #3 - 10,000 sq. ft. total footage - \$4,939

This land is utilized for natural gas measurement gate station, which is considered a regulated utility. It should therefore be allocated 100 percent to regulated utility.

SCHEDULE B-5, PAGE 3 OF 4 - Tampa Structures

LINE #18 - Account 375 - Tampa Office Building - Channelside & 13th Street - \$1,997,062

This building is the main operational facility for PGS Tampa operational area. It houses the regulated and nonregulated utility operations. The allocation of this facility will be based on the percentage of square footage of nonutility property. The nonutility usage is the square footage leased to TECO Partners which is a nonregulated utility operation. The evaluation determined the following:

- -

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Therefore, the allocation for nonutility should be \$143,788.

An evaluation of this facility determined that the fire training facility does not belong to Peoples Gas System. Rather, it belongs to the Hillsborough County Fire Department. Based on the information generated, staff (FPSC) was informed that Peoples Gas System installed the pipeline facility at the fire training school but has no ownership interest in the facility. Therefore, it is recommended that the entire \$14,261 be disallowed in the rate base.

An evaluation of this building determined that the Tampa Gas Control Building is used to house gas control electronics equipment for natural gas monitoring operation. It should therefore be allocated 100 percent regulated utility usage. The building measures 24' x 40'.

Amount allocated for nonutility usage $0.072 \times \$13,068 = \940 .

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LINE #22 - Account 375 - Storage Building - \$5,370

This storage building is used to store tools and heavy equipments such as backhoes, ditch witch and some distribution trucks. It measures 20' x 40' with a 40' x 90' overhang. An evaluation determined that the building should be allocated 100 percent regulated utility usage.

LINE #23 - Account 375 - Transportation Building - \$56,180

This building contains natural gas industrial meters and is also a vehicle repair shop. Since all the vehicles are used for regulated utility, it is recommended that the building be allocated 100% regulated utility usage. The building measures 30' x 40'.

LINE #24 - Account 375 - Warehouse Building - \$140,674

This building measures 60' x 100'. It is used to store residential meters, pipe fittings, repair kits, regulators, cathodic protection equipments, manifolds, valves and other natural gas operation and distribution equipments. It is therefore recommended that the building be 100 percent regulated utility usage. The building measures 60' x 100'.

LINE #25 - Account 375 - Tampa Welding Shop - \$20,312

The building measures 30' x 30', it and contains welding machinery and equipment used to weld and construct natural gas pressure regulation stations. It is also used to conduct tests for new welders attempting to weld on natural gas steel pipes. The evaluation determined that the building should be 100 percent allocation for regulated utility usage.

This evaluation also determined that there are 110 employees at the PGS Tampa Operation Facility, 100 of who are assigned to different responsibilities relating to regulated utility operation and ten who are assigned to nonregulated activities. To determine the ratio of total square footage per employee occupying each office building:

$$\frac{\text{Total building footage}}{\text{Total number of employees}} = 16,865/110 = 153 \text{ sq. ft./employees}$$

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RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

CONSTRUCTION BUDGET FOR HISTORICAL BASE YEAR +1

SCHEDULE G-1, LINE 4, 5, 10 & 11, PAGE 211 OF MFRs

TAMPA BUDGET 2002 MAIN & SERVICE LINE COST

GROUP A - MAINS

| <u>PROJECT #</u> | <u>LOCATION</u> | <u>STATUS</u> | <u>RECOMMENDATION</u> | <u>COST</u> |
|------------------|-------------------------|----------------|-----------------------|-------------|
| 52010044 | Beef O'Brady's | Completed 2002 | Allocate | \$ 7,300 |
| 52010058 | Community Services | " | " | 31,000 |
| 52010003 | Berkford Place | In Progress | " | 24,000 |
| 52001011 | Cory Lake Isles | " | " | 52,900 |
| 52990032 | Van Dyke/Lakeshore | " | " | 28,800 |
| 52010026 | Belle Vista Subdivision | " | " | 19,200 |
| 52010034 | West Park Village | " | " | 7,300 |
| 52980010 | West Meadow | " | " | 152,000 |
| 52010052 | Waterchase | " | " | 90,600 |
| 52010081 | Seven Oaks | " | " | 40,000 |
| 52010008 | Mango Rd/Lk Weeks | " | " | 179,000 |
| 52980017 | WestChase | " | " | 57,600 |
| 52970006 | Fish Hawk Ranch | " | " | 278,300 |
| 52970019 | Oak Grove | " | " | 67,200 |
| 52980050 | Arbor Greene | " | " | 120,800 |
| 52990099 | Saddle Brook Village | " | " | 19,200 |

GROUP A - SERVICE LINES

| | | | | |
|----------|----------------------|----------------|---|---------|
| 52000015 | South Hillsborough | " | " | 220,716 |
| 52970006 | Fish Hawk Ranch | " | " | 159,847 |
| 52980021 | Meadowpointe | Completed 2002 | " | 146,085 |
| 52980010 | West Meadows | " | " | 100,566 |
| 52980050 | Arbor Greene | In Progress | " | 79,923 |
| 52001003 | Somerset @ Mulrennan | " | " | 60,869 |
| 52001004 | Oakstead, SR54 | " | " | 50,283 |
| 52001016 | Grand Oaks, SR 54 | " | " | 44,990 |
| 52970025 | Lake Saint Charles | - - | " | 44,461 |

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RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

| <u>PROJECT #</u> | <u>LOCATION</u> | <u>STATUS</u> | <u>RECOMMENDATION</u> | <u>COST</u> |
|------------------|-----------------------------|----------------|-----------------------|-------------|
| 52970019 | Oak Grove | In Progress | Allocate | 44,461 |
| 52001026 | Lumsden Pointe | " | " | 40,226 |
| 52980017 | WestChase | " | " | 38,109 |
| 52970051 | SR 54 Willow Bend | " | " | 34,933 |
| 52010008 | Mango Rd/Lk. Weeks | " | " | 32,816 |
| 52001012 | Mulrennan/Pearson Rd | " | " | 31,758 |
| 52001011 | Cory Lake Isles | " | " | 30,699 |
| 52010035 | West Hampton | " | " | 30,170 |
| 52970053 | Brandon East | " | " | 25,406 |
| 52990077 | Bloomingdale Ridge | " | " | 22,230 |
| 52001013 | Deerpark, Livingstone Rd | " | " | 22,230 |
| 52000071 | Woodberry @ Lakewood | " | " | 22,230 |
| 52990087 | Centex & Bayshore | " | " | 19,055 |
| 52990032 | Van Dyke/Lakeshore Est. | " | " | 19,055 |
| 52990021 | Westchester | " | " | 19,055 |
| 52980025 | Riverglenn | " | " | 17,996 |
| 52001034 | Brandon Ridge | " | " | 15,879 |
| 52980023 | Emerald Creek | " | " | 15,879 |
| 52970012 | Hickory Lakes | " | " | 15,879 |
| 52010050 | McMullen Loop Rd-Riverview | " | " | 15,879 |
| 52990067 | Camelot Woods Ph. 2 | " | " | 14,820 |
| 52001017 | Danforth Pl, (Richmond Pl) | " | " | 12,703 |
| 52010059 | Hurley Rd @ Bloomingdale | " | " | 12,703 |
| 52990099 | Saddle Brook Village | " | " | 12,703 |
| 52980037 | Valrico Grove | " | " | 12,703 |
| 52010003 | Berkford Place | " | " | 11,644 |
| 52010076 | The Oasis | " | " | 11,115 |
| 52010069 | Cross Creek Section O, Ph.2 | " | " | 10,057 |
| 52001029 | Tampa Palms Parcel 23 | " | " | 9,527 |
| 52990063 | Bloomingdale Trail | " | " | 7,410 |
| 52980028 | Westwood Lakes | " | " | 6,881 |
| 52001032 | Bayshore Trails-56 Homes | " | " | 6,352 |
| 52001002 | Tampa Palms 15 & 16 | " | " | 6,352 |
| 52980022 | Richmond Place(combine) | " | " | 4,764 |
| 52990052 | Lake June Estates | Completed 2002 | " | 4,234 |
| 52980002 | Lakeview Village #2 Sec. F | In Progress | " | 3,705 |
| 52990026 | River Crossing | Completed 2002 | " | 2,646 |

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| <u>PROJECT #</u> | <u>LOCATION</u> | <u>STATUS</u> | <u>RECOMMENDATION</u> | <u>COST</u> |
|------------------|--------------------------|----------------|-----------------------|-------------|
| 52990100 | Pinewalk | In Progress | Allocate | 2,117 |
| 52001030 | Devonshire Lake Dr | " | " | 1,588 |
| 52001007 | The Pointe @ Harbour Is. | Completed 2002 | " | 1,588 |
| 52010028 | Esperanza-Bay Vista | In Progress | " | 1,059 |
| 52010067 | Baypointe Subdivision | " | " | 529 |
| 52970043 | Brookside | " | " | 529 |
| 52010034 | West Park Village | " | " | 529 |

GROUP B - MAINS

| | | | | |
|----------|----------------------------|----------------|----------|--------|
| 52010027 | 5119 W. Longfellow | Completed 2001 | Disallow | 800 |
| 52010028 | Esperanza Bay Vista | " | " | 1,600 |
| 52010035 | West Hampton, Racetrack | " | " | 45,600 |
| 52010050 | McMullen Loop Road | " | " | 24,000 |
| 52010067 | Bay Pointe Subdivision | " | " | 800 |
| 52010069 | Cross Creek Sec. O, Ph.2 | " | " | 15,200 |
| 52010059 | Hurley Rd @ Bloomingdale | " | " | 19,200 |
| 52010076 | The Oasis | " | " | 23,300 |
| 52010006 | Camelot Wood | " | " | 28,900 |
| 52001027 | Aston Gardens | " | " | 7,300 |
| 52970003 | CR 581/SR 54 | Completed 2000 | " | 7,300 |
| 52970053 | Brandon East | " | " | 38,400 |
| 52980028 | Westwood Lakes | " | " | 16,900 |
| 52970051 | SR 54/Willow Bend | " | " | 52,800 |
| 52001007 | The Pointe@ Harbour Island | " | " | 2,400 |
| 52001002 | Tampa Palms 15 & 16 | " | " | 9,600 |
| 52001016 | Grand Oak/SR 54 | " | " | 68,000 |
| 52001017 | Danforth Place | Completed 2001 | " | 19,200 |
| 52001004 | Oakstead, SR 54 | " | " | 76,000 |
| 52001003 | Somerset@Mulrenan/Hwy 60 | Completed 2000 | " | 98,500 |
| 52000071 | Woodberry @ Lakewood | " | " | 30,400 |
| 52001026 | Lumsden Pointe | Completed 2001 | " | 60,000 |
| 52001029 | Tampa Palms Parcel 23 | Completed 2000 | " | 14,400 |
| 52001030 | Davenshire Lake Dr. | " | " | 2,400 |
| 52001034 | Brandon Ridge 1 | Completed 2001 | " | 24,000 |
| 52001037 | 3409 & 3411 San Luis St. | " | " | 800 |
| 52001032 | Bayshore Trail - 56 Homes | Completed 2000 | " | 9,600 |

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RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

| <u>PROJECT #</u> | <u>LOCATION</u> | <u>STATUS</u> | <u>RECOMMENDATION</u> | <u>COST</u> |
|------------------|---------------------------|----------------|-----------------------|-------------|
| 52001013 | Deerpark, Livingstone Rd | Completed 2000 | Disallow | 33,600 |
| 52001012 | Mulrennan/Pearson Rd | " | " | 48,000 |
| 52970025 | Lake Saint Charles | " | " | 67,200 |
| 52980023 | Emerald Creek | " | " | 24,000 |
| 52970050 | Dade City Expansion | " | " | 7,300 |
| 52990039 | Carrollwood Publix | " | " | 30,800 |
| 52980021 | Meadowpointe 12-1 Parcel | " | " | 220,800 |
| 52990021 | Westchester | " | " | 28,800 |
| 52990026 | River Crossing | " | " | 4,000 |
| 52990052 | Lake June Estate | " | " | 4,000 |
| 52990063 | Bloomingdale Trail | " | " | 11,200 |
| 52990067 | Wesley Pointe/SR 54 | " | " | 24,000 |
| 52990077 | Bloomingdale Ridge | " | " | 33,000 |
| 52990087 | Centex & Bayshore | " | " | 28,000 |
| 52990100 | Pinewalk | " | " | 3,200 |
| 52990072 | Garrison District Channel | " | " | 67,500 |
| 52970004 | Citrus Park Mall | Completed 2001 | " | 1,588 |
| 52970033 | Preston Woods (bsf) | " | " | 1,588 |
| 52001027 | Aston Gardens ACLF | " | " | 529 |
| 52010044 | Beef O'Brady's | " | " | 529 |
| 52010058 | Community Services | " | " | 529 |
| 52970050 | Dade City Expansion | Completed 1999 | " | 529 |
| 52010007 | Moffitt Cancer Center | Completed 2001 | " | 529 |
| 52001037 | 3409 & 3411 San Luis St. | " | " | 529 |
| 52010027 | 5119 W. Longfellow Ave. | " | " | 529 |

GROUP C - MAIN

| | | | | |
|----------|----------------------------|-----------|---|--------|
| 52001042 | Olive Garden & Red Lobster | Cancelled | " | 62,000 |
|----------|----------------------------|-----------|---|--------|

PROJECT WITHOUT DESCRIPTION

LAND O'LAKES \$450,000 - This is a generic fund which is to be used on upcoming subdivisions projects.

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RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

MANGO \$450,000 - This fund is reserved for Project #52010008, Mango Road and Lake Weeks which is an ongoing project. Approximately \$179,600 has been spent out of the fund.

CONNERTON \$100,000 - This fund is not active (no action). - Disallow

GULFSTREAM \$3,000,000 - This fund is to be used to construct PGS/GULFSTREAM Gate Station projects at Tampa, Lakeland and Orlando. Tampa Gate Station will be completed in 2002 at a cost of \$1,064,000. Lakeland Gate is still on-going. The evaluation determined that this amount should be included in the rate base.

ST. PETERSBURG OPERATIONAL AREA

SCHEDULE B-5, PAGE 2 OF 4 - LANDS

LINE 12 - Account 374 - St. Petersburg Land - Lot N. Side, 1800 9th Avenue N, Parcel #2, - \$0

This parcel of land is approximately an acre and it is situated across from the main plant site on 9th Avenue North. It is a vacant lot with a TECO/Peoples Gas billboard sign on it. It is not used for regulated utility operation and therefore should be disallowed in the rate base.

LINE 13 - Account 374 - St. Petersburg Land - Main Gate Station, 77th Avenue & 18th Way, Parcel #4, - \$2,928

This land is being used for regulated utility operation. It is a natural gas measurement and pressure regulating station. It should be 100 percent allocated for regulated utility.

LINE 14 - Account 374 - St. Petersburg Land - North Gate Station, 13800 62nd Street N., Parcel #3, \$16,535

This land is approximately five acres, which is 217,800 sq. ft., in total footage. This land is partially leased to propane operation, which is a nonutility operation. The allocation is based on the percentage of square footage of nonutilized property. By calculation:

Total area footage used by regulated utility is 60' x 60' = 3,600 sq. ft.

Percentage allocation for regulated utility = $3,600 / 217,800 \times 100 = 1.65\%$

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Amount allocated for nonutility = \$16,535 - 273 = \$16,262

An evaluation determined that 98.35 percent and \$16,262 should be allocated to nonutility regulated operation, and 1.65 percent and \$273 should be allocated to regulated utility.

LINE 15 - Account 374 - St. Petersburg Land - Plant Site, 1800 9th Avenue North (swap with City 8405) - \$6,930

This land is the main plant site which consists of the main office building, warehouse and storage facility. It has been determined that the land is used for natural gas operation and therefore should be 100 percent allocated for regulated utility.

LINE 16 - Account 374 - St. Petersburg Land - Regulation Station 3 Avenue & 16th Street South, Parcel #7 - \$500.00

An evaluation determined that this land is used for natural gas pressure regulating station and therefore should be allocated 100 percent regulated utility.

LINE 17 - Account 374 - St. Petersburg Land - Regulation Station, South Side 30th Avenue North West of 16th Street North, Parcel #6 - \$3,000

This land is used for natural gas operation and therefore should be 100 percent allocated to regulated utility.

LINE 18 - Account 374 - St. Petersburg Land - Regulation Station South Side 3rd Avenue South, West of 30th Street South, Parcel #5 - \$3,800

This land is used for natural gas pressure regulation station and therefore should be 100 percent allocated for regulated utility operation.

LINE 19 - Account 374 - St. Petersburg Land MDBH 1020, Madeira Beach Easement @ 127 Avenue, Treasure Island - \$1,900.

This land is 100 percent utilized for natural gas operations and therefore should be 100 percent allocated to regulated utility operations.

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SCHEDULE B-5, PAGE 4 OF 4 - ST. PETERSBURG STRUCTURES

LINE 26 - Account 375 - St. Petersburg Office Building - 9th Avenue - \$2,024,463

BUILDING DESCRIPTION

| | |
|--------------------------------|----------------------|
| First Floor Area Footage | 11,250 sq. ft. |
| Second Floor Area Footage | 7,072 sq. ft. |
| Sales Service Area | 512 sq. ft. |
| Utility Room | 4,004 sq. ft. |
| Open Porch (Back of Building) | 3,382 sq. ft. |
| Open Porch (Front of Building) | 28 sq. ft. |
| Warehouse | <u>2,800 sq. ft.</u> |

| | | |
|-----------------------------|---|-----------------------|
| Total Area Building Footage | = | <u>29,048 sq. ft.</u> |
|-----------------------------|---|-----------------------|

| | | |
|---------------|------------|----------------------|
| Vacant Areas: | Sales | 512 sq. ft. |
| | Commercial | 2,816 sq. ft. |
| | Lobby | <u>1,632 sq. ft.</u> |

| | |
|---------------------------------------|----------------------|
| Total Vacant Areas (nonutility usage) | <u>4,960 sq. ft.</u> |
|---------------------------------------|----------------------|

Percentage (%) allocation for nonutility usage: $4,960/29,048 \times 1000 = 17.1\%$

Amount allocated for nonutility usage = $0.0171 \times 2,024,463 = \$346,183$

Amount allocated for regulated utility = $\$2,024,463 - 346,183 = \$1,678,280$

It is recommended that the allocations be made according to the calculation above.

LINE 27 - Account 375 - St. Petersburg - Annex Building - \$28,672

This building is used as the natural gas operation training center. It contains training equipments and classrooms. It should be 100 percent allocated for regulated utility.

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Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

LINE 28 - Account 375 - St. Petersburg Storage Building - \$36,716

This building is a storage facility for natural gas distribution equipments. It should be 100 percent allocated to regulated utility.

LINE 29 - Account 375 - St. Petersburg Warehouse Building - \$126,273

This warehouse contains spare parts, emergency supplies, equipments and tools for natural gas operations. It should be 100 percent allocated for regulated utility.

The evaluation also determined that there are 34 employees at PGS St. Petersburg Operational area of which 32 employees are assigned to regulated utility operations while two are assigned to nonregulated activity. To determine the ratio of total footage per employee occupying each office building:

$$\frac{\text{Total building footage}}{\text{Total number of employees}} = \frac{29,048}{34} = 854 \text{ sq. ft./employees}$$

HIGHLANDS OPERATIONAL AREA (AVON PARK)

SCHEDULE B-5, PAGE 4 OF 4

LINE 2 - Account 375 - Highlands-Fence for Regulation Station - \$1,174

This is a chain link fence around the Regulator Station at Lake Isis. It should be 100% allocated to regulated utility.

LINE 15 - Account 390.02 (Structure Improvement) - Highland - Division Office-
\$30,901

The evaluation determined that the Division Office is a leased office space. The office was recently remodeled and upgraded. It should be allocated to regulated utility.

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Memorandum

October 1, 2002

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CONCLUSION

This evaluation determines the appropriateness of the common plant allocations and the reasonableness of the projected plant additions in Lakeland, Tampa, St. Petersburg and Sarasota operational areas of Peoples Gas System and establishes an allocation percentage based on square footage if partial usage of the land or structure is determined. The allocations presented in this report are based on record verifications, on-site evaluations, and other information generated from TECO/Peoples Gas System staff during this process.

Attachments