BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of City Gas Company Inc. for a rate increase.	DOCKET NO.	891175-GU
	ORDER NO:	23701
	ISSUED:	10/31/90

Pursuant to Notice, a Prehearing Conference was held on October 15, 1990, before Commissioner Gerald L. Gunter, as Prehearing Officer.

APPEARANCES: LEE L. WILLIS, Esquire, and JAMES D. BEASLEY, Esquire, Ausley, McMullen, McGehee, Carothers and Proctor, P. O. Box 391, 227 South Calhoun Street, Tallahassee, FL 32302
On behalf of City Gas Company.

RICK MANN, Esquire, and AVIS PAYNE, Analyst, Office of Public Counsel, c/o The Florida Legislature, 111 W. Madison Street, Suite 812 Tallahassee, FL 32399-1400
On behalf of the Citizens of the State of Florida.

ROBERT V. ELIAS, Esquire, Florida Public Service Commission, 101 East Gaines Street, Tallahassee, FL 32399-0863
On behalf of the Commission Staff.

DAVID E. SMITH, Esquire, Florida Public Service Commission, Division of Appeals, 101 East Gaines Street, Tallahassee, FL 32399-0861
Counsel to the Commissioners.

PREHEARING ORDER

Background

On April 26, 1990 City Gas Company of Florida (CGC, utility, or company) filed a petition for a rate increase of approximately $6,757,589 per annum. The petition states that this increase should afford the company an opportunity to earn a fair and reasonable rate of return of 9.76439%. The Company also filed a separate petition for interim rate relief under Section 366.071, Florida Statutes. On July 9, 1990, the Office of Public Counsel (OPC) intervened in this docket.

On July 9, 1990, Order No. 23159 was issued suspending the request for permanent rate relief and authorizing the Company to collect $2,501,885 per annum in interim rate relief. On September 6, 1990, an Order on Prehearing Procedure was entered requiring the parties to prefile direct testimony, identify witnesses, exhibits, and issues. On September 5, 1990, a Notice of Hearing was entered setting October 15, 1990, as the date for the prehearing conference.

On October 5, 1990, City Gas Company of Florida submitted corrections to its capital structure. The net effect of these two changes is to increase the overall cost of capital to 10.02209% and increase annual overall revenue requirements to $7,112,542.

Use of Prefiled Testimony

All testimony which has been prefiled in this case will be inserted into the record as though read after the witness has taken the stand and affirmed the correctness of the testimony and exhibits, unless there is a sustainable objection. All testimony remains subject to appropriate objections. Each witness will have the opportunity to orally summarize his testimony at the time he or she takes the stand.

Use of Depositions and Interrogatories

If any party seeks to introduce an interrogatory or a deposition, or a portion thereof, the request will be subject to proper objections and the appropriate evidentiary rules will govern. The parties will be free to utilize any exhibits requested at the time of the depositions, subject to the same conditions.

Order of Witnesses

The witness schedule is set forth below in order of appearance by the witness' name, subject matter, and the issues which will be covered by his or her testimony.

WITNESS	SUBJECT MATTER	ISSUES
CITY GAS COMPANY		
Jack Langer	Background information on the company; need for rate increase; background on antitrust litigation; leased appliances; reward for customer satisfaction; weather related revenue stabilization; certain rate design changes and risks associated with open access.	1, 2, 3, 5, 7, 8, 14, 17, 22, 24, 26, 27, 32, 35, 49, 50, 53, 54, 55, 58, 60, 61
Donald A. Murry*	Cost of capital; fair and reasonable rate of return.	38, 39, 43, 44, 60
Jerry A. Wutzler	Sponsor financial and accounting data on historical base year and projected year; compute revenue requirement and related revenue deficiency; leased appliances in rate base; acquisition adjustment; antitrust adjustment; weather normalization; temperature correction proposal.	1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, 13, 14, 15, 16, 17, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 37, 38, 39, 41, 42, 46, 49, 50, 52, 53, 54, 55, 56, 57, 58, 59, 61

WITNESS	SUBJECT MATTER	ISSUES
Hugh Gower	Development of the forecast period financial statements, operating income, rate base data and related MFR schedules; cost of service study and rate design; ratemaking treatment of antitrust litigation, acquisition adjustment and leased appliance operations.	1, 3, 6, 7, 9, 10, 13, 19, 20, 21, 29, 31, 32, 33, 35, 37, 39, 41, 42, 47, 48, 49, 50, 51, 52, 54
OPC		
Mark A. Cicchetti	Revenue Requirements	1, 3, 12, 13, 14, 17, 24, 32, 35, 53, and 54
Steven C. Carver*	Cost of Capital	41, 42, 43 and 44

WITNESS	SUBJECT MATTER	ISSUES
STAFF		
Kathryn D. Brown**	Quality of Service vs. Industry Average	
Joseph W. McCormick	The appropriate amount of acquisition related costs to include in rates, appropriate treatment of the antitrust contingency adjustment, the appropriate treatment of leased appliances, the appropriate treatment of the Company's proposed weather normalization base rate adjustment and the temperature correction proposal, the appropriate use of end-use rates for cogeneration and compressed natural gas, and the applicability of rewards or penalties to be imposed on the Company.	1, 20, 24, 35, 49, 53, 54, 55 and 60
Rebuttal		
CITY GAS COMPANY		
Jack Langer	Rebuttal to Messrs. Carver and McCormick	
Jerry A. Wutzler	Rebuttal to Messrs. Carver, McCormick and Cicchetti	
Donald A. Murry*	Rebuttal to Messrs. Carver, McCormick and Cicchetti	
Hugh Gower	Rebuttal to Messrs. Carver, McCormick and Cicchetti	
OPC		
Mark A. Cicchetti	Rebuttal to Dr. Murry	

*By agreement of the parties, witnesses Murry and Carver will testify on the second day of the hearing, November 27, 1990.

**By agreement of the parties, Ms. Brown's pre-filed testimony will be inserted into the record, cross-examination waived and Ms. Brown excused from appearing at the hearing.

EXHIBIT LIST

EXHIBIT	WITNESS	DESCRIPTION
CITY GAS COMPANY		
______ (JL-1)	Langer	JL sponsored MFRs; map of City Gas service territory; summary of Staff's customer survey.
______ (DAM-1)	Murry	DAM sponsored MFRs; DAM publications; schedules pertaining to City Gas' capital structure and cost of capital.
______ (JAW-1)	Wutzler	JAW sponsored MFRs; selected MFR schedules; merger savings; antitrust factor; weather normalization and temperature correction.
______ (HAG-1)	Gower	HAG sponsored MFRs; cost of service study before and after rate increase; illustration of approach to cost of service study; illustration of benefits of increasing customers and usage.

EXHIBITS (CONT'D).

EXHIBIT	WITNESS	DESCRIPTION
OPC		
______ (SCC-1)	Carver	Schedule A - Gross Revenue Requirement
______ (SCC-2)	Carver	Schedule A-1 - Revenue Conversion Factor
______ (SCC-3)	Carver	Schedule B - Rate Base Summary
______ (SCC-4)	Carver	Schedule B-1 - Cash Working Capital
______ (SCC-5)	Carver	Schedule B-2 - Essel Lease
______ (SCC-6)	Carver	Schedule B-3 - Leased Appliance Program
______ (SCC-7)	Carver	Schedule B-4 - Deferred Piping Allowance
______ (SCC-8)	Carver	Schedule C - Operating Income
______ (SCC-9)	Carver	Schedule C-1 - Executive Vehicle Lease
______ (SCC-10)	Carver	Schedule C-2 - Essel Lease
______ (SCC-11)	Carver	Schedule C-3 - Acquisition Adjustment Elimination
______ (SCC-12)	Carver	Schedule C-4 - Antitrust Litigation
______ (SCC-13)	Carver	Schedule C-5 - Leased Appliance Program
______ (SCC-14)	Carver	Schedule C-6 - Interest Synchronization

EXHIBITS (CONT'D).

EXHIBIT	WITNESS	DESCRIPTION
______ (SCC-15)	Carver	Schedule C-7 - Deferred Piping Allowance
______ (SCC-16)	Carver	Schedule D - Capital Structure and Costs (Cicchetti)
______ (MAC-1)	Cicchetti	Schedule 1 - Consumer Price Index
______ (MAC-2)	Cicchetti	Schedule 2 - Yield on Seasoned "A" Utility Bonds
______ (MAC-3)	Cicchetti	Schedule 3 - Interest and Inflation Rates
______ (MAC-4)	Cicchetti	Schedule 4 - Moody's Natural Gas Distribution Index
______ (MAC-5)	Cicchetti	Schedule 5 - DCF Model Equation
______ (MAC-6)	Cicchetti	Schedule 6 - Two-Stage Growth
______ (MAC-7)	Cicchetti	Schedule 7 - Estimated Monthly Risk Premiums
______ (MAC-8)	Cicchetti	Schedule 8 - Risk Premium Bond
______ (MAC-9)	Cicchetti	Schedule 9 - Standard and Poor's Financial Benchmarks
______ (MAC-10)	Cicchetti	Schedule 10 - Financial Ratios - Index

EXHIBITS (CONT'D).

EXHIBIT	WITNESS	DESCRIPTION
______ (MAC-11)	Cicchetti	Schedule 11 - Financial Ratios - City Gas
______ (MAC-13)	Cicchetti	Schedule 13 - Reconciliation
STAFF		
______ (JWM-1)	McCormick	Analysis of rate effect of Acquisition Adjustment, Antitrust Litigation and Leased Appliances
______ (JWM-2)	McCormick	City Gas Company's FPSC Docket Overview
______ (JWM-3)	McCormick	City Gas Company Number of Customers
Rebuttal		
CITY GAS COMPANY		
______ (JAW-2)	Wutzler	Net Merger Savings Acquisition Adjustment
______ (HAG-1)	Gower	Capital Recovery and Weather Normalization Document
______ (DAM-R1)	Murry	Mr. Cicchetti's algebraic formula

PARTIES STATEMENT OF BASIC POSITIONS

STAFF: Staff takes no basic position pending the evidence developed at the hearing. Staff has prepared worksheets detailing calculations on numerical issues which are appended to this Prehearing Order as Attachments 1 through 5.

CITY GAS COMPANY: Under present economic conditions, the Company's rates and charges cannot produce a fair rate of return on its property used and useful in serving the public. The Commission should approve the new rates filed by City Gas with its Petition in this docket so as to permit the company to recover additional annual net revenues of approximately $7,112,542, with this additional revenue requirement being based on an overall rate of return of 10.02209% on a projected September, 1991 adjusted average rate base of $66,226,716. The Commission should specifically approve City Gas' proposed regulatory treatment of leased appliances in rate base, the acquisition adjustment, the antitrust billing factor, the weather normalization plan, the temperature correction procedure, the customer satisfaction adjustment, the proposed cogeneration rate, and the Company's proposed transportation rates.

OPC: The Citizens believe that City Gas of Florida should be allowed the opportunity to earn a fair and reasonable return on its reasonable and prudently incurred investment and expenses that are necessary to provide reliable service to its customers.

POSITIONS OF PARTIES

1. ISSUE: Should the Company be allowed to include leased appliances in rate base, include the revenues and expenses in net operating income, and earn a reasonable return on its investment?

POSITIONS:

CGC: Yes. The leased appliance program enables City Gas to spread fixed costs over a greater customer base and greater volumes of natural gas sales by attracting and retaining gas customers. This program is a vital part of the Company's continued growth and it is imperative that City Gas be authorized to earn a fair return on its leased appliances. In the event this program is not approved, City Gas' position would be that no specific adjustment be made to equity in the capital structure as this would penalize the Company for having provided a valuable service to its customers. (Langer; Wutzler; Gower)

OPC: No. The leased appliance program is a non-utility program that is not appropriate for recovery through base rates. The following adjustments should be made:

Plant-in-Service	$(14,111,656)
Accumulated Depreciation	4,874,083
Working Capital	(89,217)
Depreciation Expense	(1,137,144)
Revenues	(1,445,409)
O&M Expenses	(107,975)

(Carver)

Alternate Position: If the Commission deems it appropriate to include these items in rate base, revenues in the amount of $1,188,845 should be imputed in the determination of NOI, so that the inclusion of the leased appliance program will not cause any impact on revenue requirements. (OPC office position).

STAFF: No position at this time pending the evidence developed at the Hearing. For the preliminary purpose of calculating the revenue deficiency, Staff has not eliminated the impact of leased appliances. (McCormick)

2. ISSUE: Should an adjustment be made to remove the cost of artwork for the general offices that was charged to account #399, Other Tangible Property?

POSITIONS:

CGC: No. (Langer; Wutzler)

OPC: Agree with Staff adjustments.

STAFF: Yes. An adjustment should be made removing $38,828 for artwork from the projected test year plant in service. Ratepayers should not have to bear the cost of expensive decorative items which are unnecessary to the provision of a pleasant and functional working atmosphere.

3. ISSUE: Was it a prudent decision by City Gas to donate the General Headquarters building to its subsidiary, Essel Corporation and to then lease the building from Essel?

POSITIONS:

CGC: Yes. (Langer; Wutzler; Gower)

OPC: No. City Gas imprudently donated its General Headquarters to Essel Corporation and then executed a net lease agreement with Essel for the building it donated. The following adjustments should be made for ratemaking purposes:

Plant in Service	$1,327,644
Accumulated Depreciation	(297,033)
Depreciation Expenses	36,725
O&M Expenses	(370,801)

(Carver)

STAFF: No position at this time, pending the evidence developed at the hearing. For the preliminary purpose of calculating the revenue deficiency, Staff has not adjusted the Company's filing for the effect of this issue.

4. ISSUE: Should an adjustment be made to the Company's projected test year balance of plant in service, accumulated depreciation, and depreciation expense to reflect increases in percentages of common plant allocable to non-utility operations?

POSITIONS:

CGC: No. In addition, City Gas' position is that no specific adjustment should be made to equity in the capital structure as this would penalize the Company for having provided merchandizing, jobbing and leased appliance services to its customers. (Wutzler)

OPC: Agree with Staff adjustments.

STAFF: Yes. The following adjustments should be made to recognize additional non-utility allocations of common plant:

Account	Plant	Accumulated Depreciation	Depreciation Expense
375	($ 17,253)	$ 1,672	($ 342)
390	(103,517)	9,064	(3,452)
391	(47,682)	(12,193)	(4,577)
	($168,452)	($ 1,457)	($8,371)

5. ISSUE: Should plant accounts and their related accumulated depreciation and depreciation expense be adjusted to remove overprojections in the Company's capital construction budget?

POSITIONS:

CGC: No. (Langer; Wutzler)

OPC: Agree with Staff adjustments.

STAFF: Yes. The following adjustments should be made removing overprojections in the Company's construction budget:

Account	Plant	Accumulated Depreciation	Depreciation Expense
374	($70,576)	N/A	N/A
376	(1,212,500)	(20,249)	(28,846)
380	(2,500)	(2,565)	914
	($1,285,576)	($22,814)	($ 27,932)

6. ISSUE: Should an adjustment be made to the projected test year plant, accumulated depreciation, and depreciation expense accounts for a change in the Company's projected retirements from plant in service?

POSITIONS:

CGC: No. (Wutzler; Gower)

OPC: Accept Staff adjustments.

STAFF: Yes. Staff recalculated projected retirements to accommodate disallowed projected capital additions and a change in the methodology of calculating retirements. Adjustments should be made to the following accounts in the projected test year for the effect of these changes.

Account	Plant	Accumulated Depreciation	Depreciation Expense
376	$ 60,733	$ 87,797	$ 7,010
380	52,674	7,846	2,813
381	47,336	101,974	2,558
382	(51,108)	(32,242)	(3,220)
383	(12,294)	(21,634)	(328)
384	(6,188)	(9,804)	(178)
	$91,153	$133,937	$ 8,655

7. ISSUE: Should the Company be permitted to remove a deduction of $75,890 for a customer advance from its rate base?

POSITIONS:

CGC: Yes. This is an interest bearing advance to be refunded later. (Langer; Wutzler; Gower).

OPC: Agree with Staff.

STAFF: No. The Company's proposed adjustment would cause existing ratepayers to pay a return on line extension costs above the free limit even though the facilities benefit primarily one customer. Therefore, the advance should remain in working capital as a deduction to rate base.

8. ISSUE: Should the Company be required to book Contributions In Aid of Construction (CIAC) collectible under the terms of its main extension policy regardless of whether CIAC is actually collected?

POSITIONS:

CGC: No. The present policy is permissive rather than mandatory and should remain so in order to give management flexibility in attracting new customers. Application of this rule should be in the interest of encouraging rather than discouraging new business. (Langer; Wutzler)

OPC: Agree with Staff.

STAFF: Yes. Failure to require uniform application of a main extension policy discriminates between customers whose service requirements are similar. If the Company is required to book CIAC that it chooses to waive, then stockholders rather than existing customers will bear the cost of such generosity.

9. ISSUE: Should there be an adjustment to correct a math error in the Company's calculation of prepaid insurance?

POSITIONS:

CGC: No. (Wutzler; Gower)

OPC: Agree with Staff adjustments.

STAFF: Yes. Working capital should be reduced by $118,594 to correct this error.

10. ISSUE: Should working capital be adjusted to remove an error in the Company's originally projected insurance premium for the projected test year?

POSITIONS:

CGC: No. (Gower)

OPC: Agree with Staff adjustment.

STAFF: Yes. Working capital should be reduced by $51,764. (See Stipulated Issue 71)

11: ISSUE: Should working capital be reduced by the percentage (42%) of prepaid American Gas Association (AGA) dues related to nonrecoverable advertising and lobbying?

POSITIONS:

CGC: City Gas would agree to this reduction if these expenditures can be recovered through the Company's energy conservation programs. (Wutzler)

OPC: Yes. Working capital should be reduced $7,488.

STAFF: Yes, Working Capital should be reduced $7,488. (See Issue Number 30).

12. ISSUE: Should an adjustment be made to prepayments in working capital removing $15,604 for the surety bond premium and interest required by the court in connection with the antitrust judgement against the Company?

POSITIONS:

CGC: No. Also, City Gas objects to the Staff's continued prejudicial remarks about the Company's alleged actions in the antitrust matter. (Wutzler)

OPC: Yes. (Carver)

STAFF: Yes. It would be inappropriate for ratepayers to pay a return on costs associated with a judgement against the Company for anti-competitive practices that did not benefit the general body of ratepayers.

13. ISSUE: Should an adjustment be made removing unamortized rate case expense of $344,584 from working capital?

POSITIONS:

CGC: No. (Wutzler; Gower)

OPC: Yes. (Carver)

STAFF: Yes. Commission policy allows recovery of rate case expenses but prohibits earning on the unamortized portion of such expenses.

14. ISSUE: Should an adjustment be made removing piping allowances of $1,946,751 from miscellaneous deferred debits in working capital?

POSITIONS:

CGC: No. This program is vital to City Gas' continued growth, and has been recognized as such by the Commission in past rate cases. Alternatively, if the Commission removes deferred piping allowances from rate base and disallows amortization of this account, the Company should be permitted to recover the expenses of this program in the period when they are incurred. (Langer; Wutzler)

OPC: Yes. These costs are related to the Company's conservation program. Working capital should be decreased by $1,946,751 and O&M expense (account 912) should be decreased by $284,179. (Carver)

STAFF: No position at this time pending the evidence developed at the Hearing. For the preliminary purpose of calculating the rate base, Staff has not adjusted the Company's piping allowance amount.

15. ISSUE: Should an adjustment be made removing gate station painting costs of $43,776 from projected test year working capital?

POSITIONS:

CGC: No. (Wutzler)

OPC: Not at issue.

STAFF: Yes. Sandblasting and painting gate stations is a routine maintenance activity that should be expensed rather than capitalized as a deferred debit and amortized. To remove the effect requires a $43,766 reduction to Working Capital and a $13,452 reduction to the expense account in which the Company erroneously booked the amortization expense.

16. ISSUE: Should unamortized depreciation study costs of $10,856 be removed from projected test year working capital?

POSITIONS:

CGC: No. (Wutzler)

OPC: Agree with Staff.

STAFF: Yes. Commission policy allows companies to recover costs of preparing depreciation studies, but, as with unamortized rate case costs, companies are not permitted to earn a return on the unamortized portion of these costs.

17. ISSUE: Should the deferred school appliance allowance be recovered through base rates?

POSITIONS:

CGC: Yes. (Langer; Wutzler)

OPC: No. These costs are related to the Company's conservation programs. Working capital should be decreased by $4,352, Account 912 should be decreased by $7,350, and Account 894 should be decreased by $6,528. (OPC Office Position)

STAFF: No. The Company included costs in rate base and operating expenses related to school appliances. These costs represent an excess of costs incurred over the maximum costs permitted through the energy conservation program for installation of gas appliances in schools. Staff believes that the Commission meant to limit the amount of recoverable allowances to the maximum permissible in the energy conservation program. Therefore, excess costs of $4,352 should be removed from rate base. This will also impact operating expenses in the amount of $6,528.

18. ISSUE: What is the appropriate projected test year working capital allowance? (This is a calculation based on the resolution of the preceding working capital issues.)

POSITIONS:

CGC: City Gas disagrees with the Staff's and Public Counsel's amounts. The appropriate amount will depend upon the outcome of other issues in this case.

OPC: $786,812.

STAFF: The appropriate amount of the projected test year working capital is $2,811,988.

19. ISSUE: What is the appropriate rate base to be used for the projected test year ending September 30, 1991? (This is a calculation based on the resolution of the preceding rate base issues.)

POSITIONS:

CGC: City Gas disagrees with the Staff's and Public Counsel's amounts. The appropriate amount will depend upon the outcome of other issues in this case. (Wutzler, Gower)

OPC: $53,654,037.

STAFF: The appropriate amount of the projected test year rate base is $63,886,175.

20. ISSUE: Should the projected test year revenues be adjusted to remove the Company's proposed weather normalization of the historic base year?

POSITIONS:

CGC: If the company's proposed weather normalization clause is approved in the company's base year revenues, then the projected test year revenues should be normalized for consistency. (This issue needs to be considered in conjunction with Issue 55) However, if the weather normalization clause is not approved, then projected test year revenues need to be reduced in accordance with this issue. (Wutzler; Gower)

OPC: Yes.

STAFF: No position at this time pending the evidence developed at the hearing. For the preliminary purpose of calculating the projected test year revenues, Staff has not eliminated the revenue impact of weather normalization. (McCormick)

21. ISSUE: What are the appropriate trend factors to be used in deriving the projected test year operating and maintenance expenses?

POSITIONS:

CGC: The Company agrees with the factors set forth in the Staff's response to this issue with the exception of the factors for customer growth and payroll. The Company would agree with the Staff's customer growth factor if it were also applied to the revenue projection for purposes of consistency. However, the Company does not necessarily agree with Staff's method of applying these factors. The Company would agree to the payroll factors if the Staff withdraws its recommendations in Issues 23 and 34. (Wutzler; Gower)

OPC:

Trend Rates	9/30/90	9/30/91
Payroll	3.00%	3.00%
Customer Growth x Inflation	1.50%	1.50%
Inflation Only	4.10%	4.40%
Inflation x Customer Growth	5.66%	5.97%
Inflation + Customer Growth	5.69%	5.90%

STAFF: The appropriate trend factors to be used to derive the projected test year operating and maintenance expenses are as follows:

FACTOR	HBY + 1	PTY
Payroll	4.71%	5.00%
Customer Growth x Inflation	6.64%	6.04%
Executive Payroll	5.00%	5.00%
Inflation Only	4.90%	4.30%
Customer Growth	1.66%	1.67%
Customer Growth + Inflation	6.56%	5.97%

See Issue 34 for calculation of effects of these changes.

22. ISSUE: Should adjustments be made for the effect of the Company exceeding the O & M benchmark?

POSITIONS:

CGC: No. City Gas has justified the extent to which the benchmark has been exceeded. In addition, Staff's calculation of the overage ($200,303) is incorrect. That amount should be $141,407. (Langer; Wutzler)

OPC: Yes. The company has not justified the substantial increase executive salaries experienced since its last rate case. Account 920 should be decreased by $348,423.

STAFF: Yes. General and Administrative Salaries should be reduced by $200,303 for the effect of the Company exceeding the O&M benchmark.

23. ISSUE: Should the projected test year payroll be reduced $117,240 to reduce overtime payroll from time-and-an-half pay to regular time pay?

POSITIONS:

CGC: No. This is a necessary and legitimate expense. In addition, the Company's payroll expense already has been understated for the projected test year. (Wutzler)

OPC: O&M expenses should be reduced to remove overtime amounts. OPC's adjustment is to decrease O&M expenses in the projected year by $(113,130). The difference in the amount of the adjustment is due to the difference in the trend factors.

STAFF: Yes. The projected test year expenses should be reduced $117,240.

24. ISSUE: Should an adjustment be made to remove antitrust expenses?

POSITIONS:

CGC: No. These are legitimate expenses which should be recovered. Neither the Staff nor the Public Counsel has offered any reasonable basis for their punitive recommended denial of these expenses. (Langer; Wutzler)

OPC: Yes. O&M expenses should be reduced by $137,008.

STAFF: Yes. The projected test year legal expenses should be reduced $140,784. (McCormick)

25. ISSUE: Should an adjustment be made to reduce the projected test year health insurance expense to reflect the cost reductions resulting from a change in carrier in 1990?

POSITIONS:

CGC: The Company agrees to the Staff's proposed adjustment. (Wutzler)

OPC: Yes. Account 926 should be decreased by $110,046.

STAFF: Yes. The projected test year expenses should be reduced by $102,357 to account for cost reductions in health insurance expense.

26. ISSUE: Should an adjustment be made to eliminate the projected test year employee activity costs including picnics, Christmas parties and awards?

POSITIONS:

CGC: No. We disagree with the Staff's and Public Counsel's philosophy. The Company believes this to be an important component of its overall employee benefits package. (Langer; Wutzler)

OPC: Agree with Staff.

STAFF: Yes. The projected test year expenses should be reduced by $21,191 to eliminate employee activity costs.

27. ISSUE: Is it appropriate to include expenses for business meals and entertainment in O&M expenses?

POSITIONS:

CGC: Yes. (Langer; Wutzler)

OPC: No. Account 921 should be decreased by $15,624.

STAFF: No position at this time pending the evidence developed at the hearing. For the preliminary purpose of calculating the revenue deficiency, Staff has not eliminated expenses for business meals and entertainment from O&M expenses.

28. ISSUE: What is the appropriate amount to be included in Account 926 for Employee Stock Ownership Plan (ESOP) contributions?

POSITIONS:

CGC: $625,164. (Wutzler)

OPC: $417,286. The Company makes payments on an ESOP loan in the form of additional contributions. The loan is booked on Essel Corporation's books and records. This is not a debt of the utility. Account 926 should be reduced by $207,878.

STAFF: No position at this time pending the evidence developed at the hearing. For the preliminary purpose of calculating the revenue deficiency, Staff has not adjusted the ESOP contributions.

29. ISSUE: What is the appropriate amount of rate case amortization expense to be included in the projected test year?

POSITIONS:

CGC: The appropriate amount of rate case amortization expense is 150% of that stated in the Company's Minimum Filing Requirements, as well as an associated increase in the total rate case expenses incurred relating to this proceeding. (Wutzler; Gower)

OPC: The Company has not justified the projected cost of rate case expense. In its last rate case the Company expended $259,284 in rate case expense. Inflating that amount to a 1989 benchmark provides an allowance of $355,297. The difference of $58,203 should be disallowed. Account 928 should be reduced by $19,400 based on a three-year amortization period.

STAFF: The appropriate amount of rate case amortization expense to be included in the projected test year is $116,165. An adjustment should be made to reduce the projected test year amortization expense $21,667.

30. ISSUE: What is the appropriate amount of AGA dues to be included in the projected test year?

POSITIONS:

CGC: The Company would agree to the reduction recommended by Staff if that reduction may be charged to the Company's conservation programs. (Wutzler)

OPC: Agree with Staff.

STAFF: The appropriate amount of AGA dues to be included in the projected test year is $22,928. A reduction of $16,603 should be made to the projected test year operating expenses.

31. ISSUE: Should an adjustment be made to allocate a portion of Administrative and General Expenses to non-utility operations? (This issue relates specifically to merchandising and jobbing activities. Should an adjustment be required for leased appliances, this will be addressed in Issue 1.)

POSITIONS:

CGC: The Company will stipulate to the Staff's calculation. (Wutzler; Gower)

OPC: Yes. O&M expenses should be reduced by $130,675. This includes allocation for M&J and leased appliances.

STAFF: Yes. The projected test year expenses should be reduced $156,183 to allocate a portion of Administrative and General Expenses to non-utility operations.

32. ISSUE: Should an adjustment be made to reduce the projected test year rent expense for the general office buildings in Hialeah, Florida?

POSITIONS:

CGC: No. (Langer; Wutzler; Gower)

OPC: Yes. OPC adjustment included in Issue 3.

STAFF: Yes. The projected test year rent expense should be reduced by $102,800.

33. ISSUE: Should the projected test year expenses be reduced for the effect of changing the trend factors applied to portions of O and M accounts?

POSITIONS:

CGC: No. The Company has not been provided any justification for the Staff's or Public Counsel's recommended adjustment. (Wutzler; Gower)

OPC: Yes. The "other-trended" category for "Demonstration & Selling" and "Administrative and General" expenses should be trended by inflation only instead of inflation times customer growth. These expenses do not react in correlation with customer growth. O&M expenses should be reduced by $395,390 to reflect the changes in trend rates and application.

STAFF: Yes. The projected test year expenses should be reduced $73,958 for the effect of changing the trend factors applied to portions of operating and maintenance accounts. (This issue is impacted by the previous operating and maintenance expenses issues.)

34. ISSUE: Should an adjustment be made to the projected test year operating expenses for the effect of changing the trend factors addressed in Issue 21? (This is a calculation based on the resolution of all operating and maintenance issues above.)

POSITIONS:

CGC: No. The Company's position is that payroll expense should be increased for the projected year based on actual experience during the past year. (Wutzler)

OPC: Yes. OPC adjustment included in Issue 36.

STAFF: Yes. By applying these factors, the following adjustments are required:

Adjustment Type	PTY Amount
Payroll Expense	$ 28,769 decrease
Customer Growth x Inflation	$ 415 decrease

35. ISSUE: Should the Company be allowed to recover the amortization expense of an acquisition adjustment resulting from the Company being merged with and into NUI?

POSITIONS:

CGC: Yes. If the Commission agrees with the Company's proposal, the revenues attributable to the amortization expense need not be collected subject to refund because the savings upon which the requested amortization is predicated are already included in the Company's revenue requirement calculation for the projected test year. Therefore, City Gas' customers are assured of receiving the benefit of these savings because they will be built into City Gas' rates at the conclusion of this case. Stated differently, even if the savings did not materialize, City Gas' customers nevertheless would be paying rates which assumed they had materialized. This is a no lose proposition for City Gas' customers. (Langer, Wutzler; Gower)

OPC: No. The Company has not demonstrated extraordinary circumstances warranting recovery of an acquisition adjustment. Amortization expense should be reduced by $614,400. (Carver)

STAFF: No position at this time pending the evidence developed at the hearing. For the preliminary purpose of calculating the projected test year acquisition amortization, Staff has not adjusted the Company's acquisition amortization expense. (McCormick)

36. ISSUE: What is the appropriate amount of the projected test year depreciation and amortization expense?

POSITIONS:

CGC: This number will be developed after the resolution of other issues affecting the amount for this issue.

OPC: $2,798,104.

STAFF: The appropriate amount of the projected test year depreciation and amortization expense is $4,522,346.

37. ISSUE: Should an adjustment be made to the projected test year payroll taxes for the effect of Staff's reductions in payroll expense and change in projection methodology?

POSITIONS:

CGC: No. The Company has not been provided any justification for the recommended adjustments. In addition, the payroll tax expense should be increased consistent with the Company's position on Issue 21, 23 and 24. (Wutzler, Gower)

OPC: Yes. The projected test year payroll tax expense should be reduced by $50,844 to recognize the effect of the decreases in payroll expense.

STAFF: Yes. The projected test year payroll tax expense should be reduced by $33,870 for the effect of reducing the projected payroll expense as addressed in issues 22, 23, 31, and 34.

38. ISSUE: Is it appropriate to make a parent debt adjustment in the projected year?

POSITIONS:

CGC: No. The Company has made it clear in its MFR Filing and in Mr. Wutzler's deposition that this adjustment is not applicable because the effect of the parent company's acquisition has been eliminated from the Company's rate base and capital structure. Therefore, the effect of the debt related to the acquisition should also be eliminated. There is no parent debt supporting City Gas. NUI's investment in City Gas was funded not with debt but with a combination of common stock and cash. A temporary bank loan to generate the cash portion of the acquisition price was subsequently paid off with the proceeds of a further common stock issuance. (Wutzler; Murry; Gower)

OPC: No position at this time pending evidence at the hearing.

STAFF: Yes.

39. ISSUE: Should adjustments be made to current income taxes, interest reconciliation, and the parent debt adjustment for the effect of changes to the projected test year net operating income and capital structure?

POSITIONS:

CGC: No. These adjustments will depend on the outcome of other issues. In addition, as the Company has stated in response to Issue 38, a parent debt adjustment is inappropriate in this case. There is no parent debt supporting City Gas. NUI's investment in City Gas was funded not with debt but with a combination of common stock and cash. A temporary bank loan to generate the cash portion of the acquisition price was subsequently paid off with the proceeds of a further common stock issuance. (Wutzler, Gower; Murry)

OPC:

Current Income Tax (Federal & State)	$1,121,027 increase
Interest Reconciliation	$ 28,807 increase
Parent Debt	No position at this time

STAFF: Yes. The following adjustments should be made for the effect of changes to the projected test year operating income and capital structure:

Current Income Tax Expense:		
State Income Tax	$ 79,057	increase
Federal Income Tax	461,835	increase
Deferred Income Tax Expense:		
State Income Tax	No position at this time	
Federal Income Tax	No position at this time	
Interest Reconciliation	$ 70,971	increase
Parent Debt Adjustment	$121,485	decrease
Total Adjustments	$490,378	increase

40. ISSUE: What is the appropriate amount of the projected test year net operating income?

POSITIONS:

CGC: This issue must wait resolution of other issues which will produce the final amount of net operating income.

OPC: $4,172,410.

STAFF: The appropriate amount of the projected test year operating income is $3,289,769.

41. ISSUE: What is the appropriate amount of investment tax credits to be included in the capital structure? (Wutzler; Gower)

POSITIONS:

CGC: $2,093,826, as stated in the Company's Miwimum Filing Requirements. (Wutzler; Gower)

OPC: $2,052,066. (Cicchetti, Carver)

STAFF: The final amount of investment tax credits in the capital structure will depend on the rate base determined in Issue 19 and the reconciliation of rate base and capital structure.

42. ISSUE: What is the appropriate amount of deferred income taxes to be included in the projected test year capital structure?

POSITIONS:

CGC: $9,568,543, as stated in the Company's Minimum Filing Requirements. (Wutzler; Gower)

OPC: $8,337,540. (Cicchetti, Carver)

STAFF: The final amount of Accumulated Deferred Income Taxes will depend on the rate base determined in Issue 19, the deferred tax effects of adjustments to revenues and expenses, and the reconciliation of rate base and capital structure.

43. ISSUE: What is the appropriate cost of common equity to be used to calculate the projected test year overall cost of capital?

POSITIONS:

CGC: 14%. (Murry)

OPC: 12.20%. (Cicchetti)

STAFF: The appropriate cost of equity to be used in calculating the projected test year overall cost of capital is 13.00%.

44. ISSUE: What is the weighted average cost of capital including the proper components, amounts, and cost rates associated with the capital structure for the projected test year ending September 30, 1991?

POSITIONS:

CGC: 10.02209% (Murry)

OPC: 8.86% (Cicchetti)

STAFF: The weighted average cost of capital for the projected test year ending September 30, 1991 is 9.49%.

45. ISSUE: What is the appropriate amount of the projected test year deficiency?

POSITIONS:

CGC: This projected test year deficiency depends upon the resolution of numerous other issues in this case which are yet to be resolved.

OPC: $952,580.

STAFF: The appropriate amount of the projected test year deficiency is $4,543,884.

This position is subject to change based upon Staff's final position on issues on which it has not taken a position pending the evidence developed at the hearing.

46. ISSUE: What should the miscellaneous service charges be?

POSITIONS:

CGC:

Initial Connection and Reconnection	
- Residential	$13.00
- Non-Residential	$30.00
Disconnection for NonPayment	
- Residential	$13.00
- Non-Residential	30.00
Returned Check Charge:	
The greater of	5% or 15.00

(Wutzler)

OPC: No position.

STAFF:

Initial Connection and Reconnection	
- Residential	$13.00
Initial Connection and Reconnection	
- Commercial	$30.00
Change of Account	PENDING
Collection in lieu of disconnection	$10.00
Returned Check Charge:	
The greater of	5% or 15.00

47. ISSUE: What is the appropriate cost of service methodology to be used in allocating costs to the various rate classes?

POSITIONS:

CGC: As proposed by City Gas. (Gower)

OPC: No position.

STAFF: Staff's cost of service study as modified for City Gas Company of Florida.

48. ISSUE: Should the Company's proposed revenue requirement allocation be approved?

POSITIONS:

CGC: Yes. (Gower)

OPC: No.

STAFF: No. Revenue requirements have changed due to prior adjustments by Staff. The revenue requirements should be allocated as shown in Attachment 5.

49. ISSUE: Should the Commission approve the Company's proposed cogeneration rate and related cogeneration transportation rate?

POSITIONS:

CGC: Yes. These rates are in the interest of energy conservation. (Langer, Wutzler; Gower)

OPC: No position.

STAFF: No position at this time pending the evidence at the hearing. (McCormick)

50. ISSUE: What should the rates and charges be for City Gas Company of Florida?

POSITIONS:

CGC: As proposed by City Gas. (Langer; Wutzler; Gower)

OPC: No position.

STAFF: The rates shown on Attachment 5.

51. ISSUE: How should the revenue increase, if any, be allocated between customer classes?

POSITIONS:

CGC: As proposed by City Gas. (Gower)

OPC: No position.

STAFF: The revenue increase should be allocated between rate classes so as to move toward equal rates of return for all classes as much as possible.

52. ISSUE: What are the billing determinants to be used in the projected test year?

POSITIONS:

CGC: As proposed by the Company, with weather normalization and temperature correction, but subject to the same customer growth factor to be used for expenses and subject to approval of the Company's proposed weather normalization clause. (Wutzler; Gower)

OPC: The Company's proposed weather normalization and temperature correction should not be included in the derivation of billing determinants.

STAFF: As used in Attachment 5.

53. <u>ISSUE:</u> Should the Company's proposed antitrust litigation contingency charge be approved?

<u>POSITIONS:</u>

<u>CGC:</u> Yes. (Langer; Wutzler)

<u>OPC:</u> No. The Company has been found guilty of violating the law. If that decision is upheld by the U. S. Supreme Court, then it is not appropriate for the ratepayers to bear the expenses resulting from these illegal actions.

<u>STAFF:</u> No. (McCormick)

54. <u>ISSUE:</u> If the Company is allowed to include leased appliances in rate base, should the rates charged for leased appliances be cost based?

<u>POSITIONS:</u>

<u>CGC:</u> No. This would destroy the effectiveness of the leased appliance program. While cost is one factor to consider in designing rates, there are other considerations which are more important in setting leased appliance rental rates. (Langer, Wutzler; Gower)

<u>OPC:</u> Yes. If the Commission deems it appropriate to include the leased appliance program in base rates, then the rental rates should be set to recover the cost of the program to avoid cross subsidization. The company has not performed any study or economic analysis that would support its assertion that the leased appliance program subsidizes the natural gas operation. There is no showing that would support that the total cost of the program are offset to any degree by the purported savings achieved. There has also been no demonstration that the purported achievements of the leased appliance program are not, or cannot be achieved by the utility's conservation gas appliance program. (Carver)

<u>STAFF:</u> Yes. (McCormick)

55. <u>ISSUE:</u> Should the Company's proposed weather normalization clause be approved?

<u>POSITIONS:</u>

<u>CGC:</u> Yes. (Langer; Wutzler)

<u>OPC:</u> No. As pointed out by Staff witness McCormick, the Company's proposed weather normalization clause is of no benefit to the ratepayers. In fact it is an attempt to true-up revenues, which only benefit the Company and its stockholders. (Carver)

<u>STAFF:</u> No position at this time pending the evidence developed at the hearing. For the preliminary purpose of calculating projected therms, the Company's numbers have not been changed. (McCormick)

56. <u>ISSUE:</u> Should the Company's temperature correction proposal to reflect more accurately the impact that warm temperatures have on meter readings used to compute billing determinants, be approved?

<u>POSITIONS:</u>

<u>CGC:</u> Yes. (Wutzler)

<u>OPC:</u> No. Staff witness McCormick has pointed out valid problems with the Company's proposal. If the Commission were to consider such a proposal, it is the Citizens position that such consideration should be done on a generic basis, by the full panel, with adequate research and analysis. (Carver)

<u>STAFF:</u> No position at this time pending the evidence developed at the hearing. For the preliminary purpose of calculating the billing determinants, the Company's numbers have not been changed.

57. <u>ISSUE:</u> Should the Company's proposed disconnect charge be approved?

<u>POSITIONS:</u>

CGC: Yes. (It is important to note that this charge would only be imposed only upon customers who are disconnected for nonpayment of bills). (Wutzler)

OPC: Agree with staff.

STAFF: No.

58. ISSUE: Should the Commission approve the Company's proposed transportation rate schedules CTS, CNT and ITS?

POSITIONS:

CGC: Yes. (Langer; Wutzler)

OPC: The Citizens do not oppose the rate schedules as filed.

STAFF: Yes. The rates to be charged under the transportation rate schedules should be the same as the rate schedule it refers to, i.e. Interruptible.

59. ISSUE: Should the refund of interim be based upon the total interim revenues above the permanent increase or based upon the appropriate return on equity established in the rate case?

POSITIONS:

CGC: Any refund should be based upon a consideration of total interim revenues and not the return on equity established in the rate case. Furthermore, City Gas did not request as high a return as it was entitled to for interim relief purposes. The ROE of 14% as used was 75 basis points lower than that authorized. (Wutzler)

OPC: The refund should be based upon the equity earnings during the interim in comparison to the equity return established in the rate case.

STAFF: The refund, if any, should be based upon the appropriate return on equity established in the rate case.

60. ISSUE: What action, if any, should the Commission take in light of City Gas' favorable results on a recent customer satisfaction survey conducted by the FPSC management audit staff?

POSITIONS:

CGC: City Gas believes that favorable results like these merit more than a verbal pat on the back from the Commission. For this reason, the Commission should reward the Company by adding a 25 basis point bonus to the fair and reasonable return on common equity determined by the Commission in this proceeding. In so doing, the Commission will be rewarding positive behavior, thereby giving companies like City Gas a tangible economic incentive to provide superior customer service. (Langer; Murry)

OPC: None. The Company is proposing that the customers be charged higher rates through a premium on equity because the company has done its job by providing reliable service. It would be interesting to take a new survey of customer satisfaction after the customers have been made aware of the company's proposed bonus.

STAFF: No action should be taken. (McCormick)

61. ISSUE: Should the company be penalized for not having formalized planning, contracting and leasing policies and for its failure to have a policy preventing conflicts of interest in those areas?

POSITIONS:

CGC: No. City Gas employs adequate and efficient management practices and procedures. The lack of documentation does not mean that there is a lack of management experience and expertise. (Langer; Wutzler)

OPC: Agree with staff.

STAFF: Yes, with the amount and nature of the penalty to be set at hearing.

STIPULATED ISSUES

STIPULATED ISSUE 62: The Parties agree that the projected test year plant in service and accumulated depreciation should be reduced by $223,270 and related depreciation expense reduced by $6,028 for service lines that have been inactive over five years. The Company will physically retire inactive service lines over five years old by December 31, 1993, and will file progress reports with the Commission Staff every 90 days until completion.

STIPULATED ISSUE 63: The Parties agree that projected test year working capital should be reduced by $146,241 to remove interest bearing instruments. This includes cash in bank balance of $750,000 on which the company earns interest and interest and dividends receivable of $87.

STIPULATED ISSUE 64: The Parties agree that projected test year working capital should be reduced by $43,007 for portions of the following accounts allocable to nonutility operations. These adjustments refer only to merchandising and jobbing operations. Allocation of accounts to leased appliance operations is addressed in Issue 1. City Gas' position is that this adjustment should not be charged specifically to equity in the capital structure as that would penalize the Company for having provided these services to its customers.

Account	Nonutility Allocation
Cash	$ 27,000
Working Funds	239
A/R - Gas	131,142
Accum. Uncoll. - Gas	(1,471)
Materials and Supplies	7,444
Prepayments	16,728
Accounts Payable	(81,439)
Accrued Interest	(22,302)
Tax Collections Payable	(24,970)
Miscellaneous Liabilities	(9,364)
TOTAL	$ 43,007

STIPULATED ISSUE 65: The Parties agree that projected test year revenues should be increased $28,539 to account for revenues that should have been billed under the Company's interruptible take or pay tariff.

STIPULATED ISSUE 66: The Parties agree that projected test year revenues should be increased $4,501 to correct a Company error in the elimination of fuel-related revenues.

STIPULATED ISSUE 67: The Parties agree that projected test year expenses should be reduced $4,180 to eliminate nonrecurring costs associated with the Company's computer aided drawing equipment.

STIPULATED ISSUE 68: The Parties agree that Account 903 should be increased $15,957 for the effect of projected postage increases.

STIPULATED ISSUE 69: The parties agree that the appropriate amount of FERC counsel fees to be included in the projected test year expenses is $25,168. Based on this amount, an adjustment of $55,918 should be made to reduce the projected test year expenses.

STIPULATED ISSUE 70: The Parties agree that an adjustment of $82,035 should be made to eliminate a duplication error in Account 930.2, General miscellaneous Expenses.

STIPULATED ISSUE 71: The Parties agree that projected test year liability insurance expense should be reduced $122,351 to correct a math error in the Company's projection.

STIPULATED ISSUE 72: The Parties agree that projected test year expenses should be reduced by $3,641 to eliminate promotional and image-enhancing advertising. City Gas disagrees with the rationale for this adjustment but the amount is not material.

STIPULATED ISSUE 73: The Parties agree that projected test year leased vehicle expense should be reduced by $12,816 for an adjustment related to executive leased automobiles.

STIPULATED ISSUE 74: The Parties agree that projected test year property taxes should be reduced by $5,860 to allocate a portion of the taxes to nonutility operations.

STIPULATED ISSUE 75: The Parties agree that projected test year tangible property taxes should be increased $32,620 to correct an error in the Company's projections.

STIPULATED ISSUE 76: The Parties agree that the projected test year operating expenses be reduced $46,627 to reflect the part-time status of a senior vice president.

STIPULATED ISSUE 77: The parties stipulated that the projected test year expenses should be reduced $6,456 to remove a duplication of amortization expenses related to school appliances.

STIPULATED ISSUE 78: The parties stipulated that the projected test year expenses should be reduced by $43,864 ($53,287 reduction to operating expense less additional amortization expense of $9,423) to allow furniture purchased in the historic base year to be amortized over a five year period instead of expensing the total purchase in one year.

STIPULATED ISSUE 79: The Parties agree that if the permanent increase granted by the Commission is lower than the revenues collected under interim rates, City Gas should refund any excess interim revenues collected.

STIPULATED ISSUE 80: The Parties agree that the appropriate net operating income multiplier for the projected test year is 1.6386.

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MOTIONS

None at this time.

OTHER MATTERS

None at this time.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that these proceedings shall be governed by this Order unless modified by the Commission.

By ORDER of Commissioner Gerald L. Gunter, as Prehearing Officer, this 31st day of OCTOBER, 1990.

GERALD L. GUNTER, Commissioner
and Prehearing Officer

(S E A L)

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Attachment 1

CITY GAS COMPANY
DOCKET NO. 891175-GU
COMPARATIVE AVERAGE RATE BASES
PTY 9/30/91

		COMPANY			STAFF	
ADJ NO.		TOTAL PER BOOKS	JURIS. ADJUST.	COMPANY ADJUSTED	JURIS ADJUST.	ADJ. JURIS.
	Utility Plant:					
	Plant in Service	$82,617,281	$14,043,351			
1						
2	Adjustment to Remove Artwork				($38,828)	
	Common Plant Allocated	($994,238)	$68,305			
4	Common Plant Allocation Adjustment				($168,452)	
5	Adjustment to Construction Budget				($1,285,576)	
S62	Inactive Service Line Adjustment				($223,270)	
6	Adjustment to Projected Retirements				$91,153	
	Acquisition Adjustment	$18,600,006	($18,248,384)			
	Construction Work In Progress	$814,223				
	Total Plant	$101,037,272	($4,136,728)	$96,900,544	($1,624,973)	$95,275,571
	Deductions:					
	Accum. Depr. & Amort.-Utility Plant	$29,165,645	$4,859,329			
	Common Plant Allocation Adjustment				($1,457)	
	Adjust Construction Budget				($22,814)	
S62	Inactive Service Line Adjustment				($223,270)	
6	Adjustment to Projected Retirements				$133,937	
	Accum. Depr.-Common Plant	($113,072)	$14,754			
	Accum. Amort.-Acquisition Adj.	$1,774,442	($1,462,000)			
	Subtotal-Accum. Depr. and Amo	$30,827,015	$3,412,083	$34,239,098	($113,604)	$34,125,494
	Customer Construction Advances	$75,890	($75,890)			
7	Add Construction Advance				$75,890	
	Total Deductions	$30,902,905	$3,336,193	$34,239,098	($37,714)	$34,201,384
	Net Plant	$70,134,367	($7,472,921)	$62,661,446	($1,587,259)	$61,074,187
	Allowance for Working Capital:					
18	Balance Sheet Method	($6,958,398)	$10,523,668	$3,565,270	($753,282)	$2,811,988
19	Total Rate Base	$63,175,969	$3,050,747	$66,226,716	($2,340,541)	$63,886,175

CITY GAS COMPANY
DOCKET NO. 891175-GU
COMPARATIVE WORKING CAPITAL COMPONENTS
PTY 9/30/91

Attachment 1A

ADJ NO.		TOTAL PER BOOKS	COMPANY JURIS. ADJUST.	COMPANY ADJUSTED	STAFF JURIS ADJUST.	STAFF ADJ. JURIS.
	Working Capital	($6,958,398)				
	Other Special Funds		($9,702)			
S63	Remove Interest Bearing Items				($146,241)	
9	Correct Math Error				($118,594)	
	Temporary Cash Investments		($5,933)			
	A/R-Mdse, Job & Other		($273,426)			
	Acc Prov Uncollect-Other		$10,520			
	Merchandise		($266,741)			
10	Adjust Insurance Premium				($51,764)	
11	Remove Portion of AGA Dues				($7,488)	
12	Remove Antitrust Surety Bond				($15,604)	
13	Unamortized Rate Case Exp				($344,584)	
15	Remove Gate Station Painting				($43,776)	
16	Remove Depreciation Study Cost				($10,856)	
17	Remove School Appliances				($4,352)	
S78	Capitalized Office Equipment				$32,934	
S64	Nonutility Allocation				($43,007)	
	Customer Deposits		$4,522,740			
	Misc Current & Accrued Liab.		$6,546,210			
	Totals	($6,958,398)	$10,523,668	$3,565,270	($753,282)	$2,811,988

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DOCKET NO. 891175-GU
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CITY GAS OF FLORIDA
DOCKET NO. 891175-GU
COMPARATIVE NOIs
PYE 9/30/91

ATTACHMENT 2

ADJ NO		COMPANY PER BOOKS	COMPANY ADJUST.	COMPANY ADJUSTED	STAFF ADJUSTS.	STAFF ADJUSTED JURIS.
	OPERATING REVENUES	37,854,009				
	REMOVE INTERIM RELIEF	3,176,058	(3,176,058)			
	REVENUES DUE TO GROWTH	730,613				
	ADJ FUEL RELATED REVS		(19,203,964)			
	ADJ FOR LEASED APPL REV		1,445,409			
S65	ADJ FOR TAKE OR PAY REV				28,539	
S66	ADJ COST OF GAS DEDUCT				4,501	
20	ADJ FOR WEATHER NORMALIZATION					
	TOTALS	41,760,680	(20,934,613)	20,826,067	33,040	20,859,107
	OPERATING EXPENSES:	30,975,819				
	ADJ OUT COST OF GAS		(18,843,892)			
	ADJ FOR LEASED APPL EXP		107,975			
22-37	STAFF ADJS / SCH 2A				(1,373,610)	
S67-73	TOTALS	30,975,819	(18,735,917)	12,239,902	(1,373,610)	10,866,292
	DEPRECIATION & AMORT	3,566,176				
	ADJ FOR LEASED APPL		1,134,424			
	ADJ COMMON PLT ALLOC		(15,121)			
	ADJ ANTI-TRUST AMORT		(141,600)			
	REV. COMMON PLT - LEASED APP		2,720			
4	ADJ COMMON PLANT				(8,371)	
5	ADJ CONSTRT BUDGET				(27,932)	
S62	INACTIVE SERVICE LINES				(6,028)	
6	ADJ RETIREMENTS				8,655	
S79	ADJ FOR CAPLIZED ITEMS				9,423	
36	TOTALS	3,566,176	980,423	4,546,599	(24,253)	4,522,346
	TAXES OTHER THAN INCOME	1,728,246				
	ADJ OUT FUEL RELATED TXS		(360,072)			
	ADJ FOR GROWTH		12,167			
	ADJ FOR REV EFFECTS				620	
37	ADJ PAYROLL TAXES				(33,870)	
S74	ALLOC PROPERTY TAX				(5,860)	
S75	ADJ PROPERTY TAX				32,620	
	TOTALS	1,728,246	(347,905)	1,380,341	(6,491)	1,373,851
	CURRENT INC TAXES - FED	197,269				
	ADJ FOR LEASED APPL		(282,755)			
	CO ADJ EFFECT OF ABOVE		8,145			
39	STAFF ADJ EFFECT OF ABOVE				461,835	
	TOTALS	197,269	(274,610)	(77,341)	461,835	384,494
	CURRENT INC TAXES - STATE	38,207				
	ADJ FOR LEASED APPL		(48,377)			
	CO ADJ EFFECT OF ABOVE		682			
39	STAFF ADJ EFFECT OF ABOVE				79,057	
	TOTALS	38,207	(47,695)	(9,488)	79,057	69,569
	DEF INCOME TAXES - FED/ST	123,151				
	ADJ FOR LEASED APPL		298,818			
	TOTALS	123,151	298,818	421,969	0	421,969
	INTEREST REC		(9,069)	(9,069)	70,971	61,902
	ITC'S	(9,600)		(9,600)		(9,600)
38-39	PARENT DEBT ADJ		0	0	(121,485)	(121,485)
	TOTAL OPERATING EXP	36,619,268	(18,135,955)	18,483,313	(913,976)	17,569,337
40	NET OPERATING INCOME	$5,141,412	($2,798,658)	$2,342,753	$947,016	$3,289,769

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CITY GAS OF FLORIDA
DOCKET NO. 891175-GU
O&M ADJUSTMENTS
FOR THE PTY ENDING 9/30/91

ATTACHMENT 2A

ADJ NO.		COMPANY PER FILING	STAFF ADJUSTS.	STAFF ADJUSTED
	OPERATING EXPENSES:	$12,239,902		
14	ADJ OUT DEFERRED PIPING		0	
15	ADJ OUT GATE STAT PAINTING		(13,452)	
17	ADJ OUT SCH APPLIANCES		(6,528)	
22	BENCHMARK – G&A SALARIES		(200,303)	
23	ADJ OVERTIME PAY		(117,240)	
24	ADJ ANTI-TRUST LEGAL/TRENDING		(140,784)	
25	ADJ HEALTH CARE COSTS		(102,357)	
26	ADJ EMPLOYEE ACTIVITY		(21,191)	
29	ADJ RATE CASE EXPENSE		(21,667)	
30	ADJ AGA DUES		(16,603)	
31	ALLOCATION OF A&G TO M&J		(156,183)	
32	ADJ FOR RENT EXPENSE		(102,800)	
33	ADJ FOR TRENDS APPLIED		(73,958)	
34	EFFECT OF TREND – PAYROLL		(28,769)	
34	EFFECT OF TREND – CUST GRWTH X INFL		(415)	
S67	NON-RECURRING CAD EXPENSES		(4,180)	
S68	POSTAL INCREASES		15,957	
S69	ADJ FERC COUNSEL FEES		(55,924)	
S70	ADJ FOR DUPLICATION OF EXP		(82,035)	
S71	ADJ LIABILITY INSURANCE		(122,351)	
S72	ADJ FOR PROMOTIONAL ADV		(3,641)	
S73	ADJ FOR LEASED VEHICLES		(12,816)	
S76	ADJ SALARY SR. VP		(46,627)	
S77	ADJ OUT SCH APPLIANCES		(6,456)	
S79	ADJ FOR CAPITALIZATION		(53,287)	
	TOTAL	$12,239,902	($1,373,610)	$10,866,292

NOTE: THERE IS A $6 ROUNDING ERROR WHEN COMPARED TO THE TREND STUDY

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CITY GAS COMPANY
O&M FORECAST WORKSHEET - PROJECTED TEST YEAR CALCULATION

ATTACHMENT 2B

	COMPANY TREND RATES:	BASE YEAR + 1 9/30/90	PROJECTED TEST YEAR 9/30/91	
# 1	PAYROLL FACTOR	4.71%	5.00%	
# 2	CUST GRWTH X INFL	6.64%	6.04%	
# 3	EXECUTIVE PAYROLL	5.00%	5.00%	
# 4	INFLATION ONLY	4.90%	4.30%	
	CUSTOMER GROWTH	1.6600%	1.6700%	} FOR INFORMATIONAL PURPOSES

ACCOUNT		CITY GAS BASE YEAR	BASE YEAR + 1	PROJECTED TEST YEAR	TREND BASIS APPLIED
DISTRIBUTION EXPENSE					
870	Payroll-trended	14,675	15,366	16,135	1
	Other trended	0	0	0	
	Other not trended	0	0	0	
	Total	14,675	15,366	16,135	
871	Payroll-trended	0	0	0	
	Other trended	0	0	0	
	Other not trended	0	0	0	
	Total	0	0	0	
874	Payroll-trended	201,710	211,211	221,771	1
	Other trended	268,212	286,021	303,297	2
	Other trended	30,578	32,076	33,456	4
	Other not trended	0	0	0	
	Total	500,500	529,308	558,524	
875	Payroll-trended	0	0	0	
	Other trended	0	0	0	
	Other not trended	0	0	0	
	Total	0	0	0	
876	Payroll-trended	18,710	19,591	20,571	1
	Other trended	5,085	5,423	5,750	2
	Other not trended	0	0	0	
	Total	23,795	25,014	26,321	
	SUB-TOTAL	$538,970	$569,688	$600,979	

ATTACHMENT 2B

CITY GAS COMPANY
O&M FORECAST WORKSHEET – PROJECTED TEST YEAR CALCULATION

	COMPANY TREND RATES:	BASE YEAR + 1 9/30/90	PROJECTED TEST YEAR 9/30/91	
# 1	PAYROLL FACTOR	4.71%	5.00%	
# 2	CUST GRWTH X INFL	6.64%	6.04%	
# 3	EXECUTIVE PAYROLL	5.00%	5.00%	
# 4	INFLATION ONLY	4.90%	4.30%	
	CUSTOMER GROWTH	1.6600%	1.6700%	} FOR INFORMATIONAL PURPOSES

ACCOUNT		CITY GAS BASE YEAR	BASE YEAR + 1	PROJECTED TEST YEAR	TREND BASIS APPLIED
DISTRIBUTION EXPENSE					
877	Payroll-trended	21,573	22,589	23,719	1
	Other trended	6,972	7,435	7,884	2
	Other not trended	0	0	0	
	Total	28,545	30,024	31,603	
878	Payroll-trended	291,578	305,311	320,577	1
	Other trended	254,806	271,725	288,137	2
	Other not trended	0	0	0	
	Total	546,384	577,036	608,714	
879	Payroll-trended	506,445	530,299	556,813	1
	Other trended	301,697	321,730	341,162	2
	Other trended	112,081	117,573	122,629	4
	Other not Trended	0	0	107,975	
	Total	920,223	969,601	1,128,579	
880	Payroll-trended	146,721	153,632	161,313	1
	Other Trended	33,457	35,679	37,834	2
	Other trended	135,628	142,274	148,392	4
	Other not trended	0	0	0	
	Total	315,806	331,584	347,538	
881	Payroll-trended	0	0		
	Other trended	158,981	166,771	122,542	4
	Other not trended	0	0	0	
	Total	158,981	166,771	122,542	
	TOTAL DISTR EXPENSES	$2,508,909	$2,644,705	$2,839,956	

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ATTACHMENT 2B

CITY GAS COMPANY
O&M FORECAST WORKSHEET – PROJECTED TEST YEAR CALCULATION

	COMPANY TREND RATES:	BASE YEAR + 1 9/30/90	PROJECTED TEST YEAR 9/30/91	
# 1	PAYROLL FACTOR	4.71%	5.00%	
# 2	CUST GRWTH X INFL	6.64%	6.04%	
# 3	EXECUTIVE PAYROLL	5.00%	5.00%	
# 4	INFLATION ONLY	4.90%	4.30%	
	CUSTOMER GROWTH	1.6600%	1.6700%	} FOR INFORMATIONAL PURPOSES

COUNT INTENANCE EXPENSE		CITY GAS BASE YEAR	BASE YEAR + 1	PROJECTED TEST YEAR	TREND BASIS APPLIED
886	Payroll-trended	137	143	151	1
	Other trended	2,828	2,967	3,094	4
	Other not trended	0	0	0	
	Total	2,965	3,110	3,245	
887	Payroll-trended	12,849	13,454	14,127	1
	Other trended	120,235	128,219	135,963	2
	Other not trended	0	0	0	
	Total	133,084	141,673	150,090	
890	Payroll-trended	4,311	4,514	4,740	1
	Other trended	8,619	9,191	9,746	2
	Other not trended	0	0	0	
	Total	12,930	13,705	14,486	
	SUB-TOTAL	$148,979	$158,488	$167,821	

CITY GAS COMPANY

ATTACHMENT 2B

O&M FORECAST WORKSHEET - PROJECTED TEST YEAR CALCULATION

COMPANY TREND RATES:	BASE YEAR + 1 9/30/90	PROJECTED TEST YEAR 9/30/91	
# 1AYROLL FACTOR	4.71%	5.00%	
# 2 CUST GRWTH X INFL	6.64%	6.04%	
# 3 EXECUTIVE PAYROLL	5.00%	5.00%	
# 4 INFLATION ONLY	4.90%	4.30%	
CUSTOMER GROWTH	1.6600%	1.6700%	} FOR INFORMATIONAL PURPOSES

ACCOUNT		CITY GAS BASE YEAR	BASE YEAR + 1	PROJECTED TEST YEAR	TREND BASIS APPLIED
MAINTENANCE EXPENSE					
891	Payroll-trended	4,265	4,466	4,689	1
	Other trended	28,317	30,197	32,021	2
	Other not trended	0	0	0	
	Total	32,582	34,663	36,710	
892	Payroll-trended	17,653	18,484	19,409	1
	Other trended	38,231	40,770	43,232	2
	Other not trended	0	0	0	
	Total	55,884	59,254	62,641	
893	Payroll-trended	156,962	164,355	172,573	1
	Other trended	65,651	70,010	74,239	2
	Other trended	16,837	17,662	18,421	4
	Other not trended	(24,985)	0	0	
	Total	214,465	252,027	265,233	
894	Payroll-trended	0	0	0	
	Other trended	6,123	6,530	6,924	2
	Other not trended	0	0	0	
	Total	6,123	6,530	6,924	
	TOTAL MAINT EXP	$458,033	$510,962	$539,329	

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[redacted]ITY GAS COMPANY
[redacted]&M FORECAST WORKSHEET - PROJECTED TEST YEAR CALCULATION

	COMPANY TREND RATES:	BASE YEAR + 1 9/30/90	PROJECTED TEST YEAR 9/30/91	
# 1	PAYROLL FACTOR	4.71%	5.00%	
# 2	CUST GRWTH X INFL	6.64%	6.04%	
# 3	EXECUTIVE PAYROLL	5.00%	5.00%	
# 4	INFLATION ONLY	4.90%	4.30%	
	CUSTOMER GROWTH	1.6600%	1.6700%	} FOR INFORMATIONAL PURP

ACCOUNT		CITY GAS BASE YEAR	BASE YEAR + 1	PROJECTED TEST YEAR	TREND BASIS APPLIED
CUSTOMER ACCT. & COLLEC.					
901	Payroll-trended	116,726	122,224	128,335	1
	Other trended	(10)	(11)	(11)	2
	Other not trended	0	0	0	
	Total	116,716	122,213	128,324	
902	Payroll-trended	347,590	363,961	382,160	1
	Other trended	35,677	38,046	40,344	2
	Other trended	38,645	40,539	42,282	4
	Other not trended	0	0	0	
	Total	421,912	442,546	464,785	
903	Payroll-trended	611,405	640,202	672,212	1
	Other trended	527,478	562,503	596,478	2
	Other trended	18,949	19,878	20,732	4
	Other not trended	455,884	283,786	429,631	
	Total	1,613,716	1,506,368	1,719,053	
904	Payroll-trended	0	0	0	
	Other trended	96,532	102,942	109,159	2
	Other not trended	0	0	0	
	Total	96,532	102,942	109,159	
905	Payroll-trended	0	0	0	
	Other trended	84,581	90,197	95,645	2
	Other trended	19,140	20,078	20,941	4
	Other not trended	0	0	0	
	Total	103,721	110,275	116,586	
	TOTAL CUST SERV EXP	$2,352,597	$2,284,344	$2,537,908	

ATTACHMENT 2B

CITY GAS COMPANY
O&M FORECAST WORKSHEET – PROJECTED TEST YEAR CALCULATION

	COMPANY TREND RATES:	BASE YEAR + 1 9/30/90	PROJECTED TEST YEAR 9/30/91	
# 1	PAYROLL FACTOR	4.71%	5.00%	
# 2	CUST GRWTH X INFL	6.64%	6.04%	
# 3	EXECUTIVE PAYROLL	5.00%	5.00%	
# 4	INFLATION ONLY	4.90%	4.30%	
	CUSTOMER GROWTH	1.6600%	1.6700%	} FOR INFORMATIONAL PURPOSES

ACCOUNT		CITY GAS BASE YEAR	BASE YEAR + 1	PROJECTED TEST YEAR	TREND BASIS APPLIED
SALES PROMOTION EXPENSE					
911	Payroll-trended	41,388	43,337	45,504	1
	Other trended	10,028	10,694	11,340	2
	Other not trended	0	0	0	
	Total	51,416	54,031	56,844	
912	Payroll-trended	219,494	229,832	241,324	1
	Other trended	39,043	40,956	42,717	4
	Other trended	263,930	267,120	284,179	
	Other not trended	0	0	0	
	Total	522,467	537,908	568,220	
913	Payroll-trended	0	0	0	
	Other trended	2,692	2,871	3,044	2
	Other not trended	0	0	0	
	Total	2,692	2,871	3,044	
916	Payroll-trended	29,441	30,828	32,369	1
	Other trended	11,346	12,099	12,830	2
	Other not trended	0	0	0	
	Total	40,787	42,927	45,199	
	TOTAL SELLING EXPENSES	$617,362	$637,737	$673,307	

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CITY GAS COMPANY

ATTACHMENT 2B

O&M FORECAST WORKSHEET - PROJECTED TEST YEAR CALCULATION

	COMPANY TREND RATES:	BASE YEAR + 1 9/30/90	PROJECTED TEST YEAR 9/30/91	
# 1	PAYROLL FACTOR	4.71%	5.00%	
# 2	CUST GRWTH X INFL	6.64%	6.04%	
# 3	EXECUTIVE PAYROLL	5.00%	5.00%	
# 4	INFLATION ONLY	4.90%	4.30%	
	CUSTOMER GROWTH	1.6600%	1.6700%	} FOR INFORMATIONAL PURPOSES

ACCOUNT		CITY GAS BASE YEAR	BASE YEAR + 1	PROJECTED TEST YEAR	TREND BASIS APPLIED
ADMINISTRATIVE & GENERAL					
920	Payroll-trended	339,690	355,689	373,474	1
	Executive Payroll-trended	453,897	476,592	500,421	3
	Other trended	27,499	29,325	31,096	3
	Total	821,086	861,606	904,991	
921	Payroll-trended	76	80	80	1
	Other trended	13,448	14,341	14,439	2
	Other trended	375,376	393,769	376,446	4
	Other not trended	8,691	32,189	38,632	
	Total	397,591	440,379	429,596	
923	Payroll-trended	0	0	0	
	Other not trended	170,980	204,575	213,298	
	Other not trended	0	4,344	4,344	
	Total	170,980	208,919	217,642	
924	Payroll-trended	0	0	0	
	Other not trended	2,501	2,667	2,828	2
	Other not trended	8,703	8,604	8,604	
	Total	11,204	11,271	11,432	
925	Payroll-trended	0	0	0	
	Other trended	52,180	55,645	59,006	2
	Other not trended	761,504	1,331,032	1,295,945	
	Total	813,684	1,386,677	1,354,951	
926	Payroll-trended	0	0	0	
	Other trended	177,448	189,231	200,660	2
	Other not trended	325,000	594,324	625,164	
	Other not trended	504,370	507,906	468,100	
	Total	1,006,818	1,291,461	1,293,924	
928	Other trended	20,656	21,668	22,600	4
	Other not trended	71,692	24,131	25,162	
	Other not trended	0	0	116,165	
	Total	92,348	45,799	163,927	
	SUB-TOTAL	$3,313,711	$4,246,112	$4,376,463	

ATTACHMENT 2

CITY GAS COMPANY
O&M FORECAST WORKSHEET - PROJECTED TEST YEAR CALCULATION

		BASE YEAR + 1 9/30/90	PROJECTED TEST YEAR 9/30/91	
	COMPANY TREND RATES:			
# 1	PAYROLL FACTOR	4.71%	5.00%	
# 2	CUST GRWTH X INFL	6.64%	6.04%	
# 3	EXECUTIVE PAYROLL	5.00%	5.00%	
# 4	INFLATION ONLY	4.90%	4.30%	
	CUSTOMER GROWTH	1.6600%	1.6700%	} FOR INFORMATIONAL PURPOSES

ACCOUNT		CITY GAS BASE YEAR	BASE YEAR + 1	PROJECTED TEST YEAR	TREND BASIS APPLIED
ADMINISTRATIVE & GENERAL					
929	Payroll-trended	0	0	0	
	Other trended	(244,869)	(261,128)	(276,900)	2
	Other not trended	(31,515)	(68,753)	(63,163)	
	Total	(276,384)	(329,881)	(340,063)	
930.1	Payroll-trended	0	0	0	
	Other trended		0	0	2
	Other not trended	0	0	0	
	Total	0	0	0	
930.2	Payroll-trended	0	0	0	
	Other trended	0	0	0	
	Other trended	0	0	0	
	Other not trended	0	48,379	59,335	
	Total	0	48,379	59,335	
931	Payroll-trended	0	0	0	
	Other trended	172,550	181,005	137,388	4
	Other not trended	0	0	0	
	Total	172,550	181,005	137,388	
935	Payroll-trended	0	0	0	
	Other trended	38,994	40,905	42,664	4
	Other not trended	0	0	0	
	Total	38,994	40,905	42,664	
	TOTAL ADMIN & GEN EXP	3,248,871	4,186,519	4,275,787	
	TOTAL O&M EXPENSES	$9,185,772	$10,264,267	$10,866,286	

CITY GAS COMPANY
DOCKET NO. 891175-GU
COST OF CAPTIAL - 13 MONTH AVERAGE
TEST YEAR ENDING 9/30/91

ATTACHMENT 3

DOLLARS IN THOUSANDS

CAPITAL COMPONENT	COMPANY FILING	SPECIFIC ADJUSTMENTS COMPANY	STAFF	PRO RATA	ADJUSTED	RATIO	% COST RATE	% WEIGHTED COST
COMMON EQUITY	48,348	(13,620)	(205)	(1,870)	32,653	0.5111	13.00%	6.6444%
LONG-TERM DEBT	16,569	0	0	(898)	15,671	0.2453	9.50%	2.3304%
SHORT-TERM DEBT	0	0	0	0	0	0.0000	9.75%	0.0000%
CUSTOMER DEPOSITS	4,523	0	0	(245)	4,278	0.0670	7.70%	0.5156%
DEFERRED TAXES	7,325	2,463	0	(530)	9,258	0.1449	0.00%	0.0000%
TAX CREDITS	2,142	0	0	(116)	2,026	0.0317	0.00%	0.0000%
TOTAL	78,907	(11,157)	(205)	(3,659)	63,886	1.0000		9.4904%

OVERALL RATE OF RETURN 9.49%

EQUITY RATIO 67.57%
(calculated using only debt and equity)

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CITY GAS OF FLORIDA
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PTY DEFICIENCY
PTY 9/30/91

ATTACHMENT 4

ISSUE NO.		COMPANY PER FILING	STAFF
	RATE BASE (AVERAGE)	66,226,716	63,886,175
	RATE OF RETURN	X 9.7644%	X 9.4900%
	REQUIRED NOI	$6,466,635	$6,062,798
	Operating Revenues	$20,826,067	$20,859,107
	Operating Expenses:		
	Operation & Maintenance	12,239,902	10,866,292
	Depreciation & Amortization	4,546,599	4,522,346
	Taxes Other Than Income Taxes	1,380,341	1,373,851
	Current Income Taxes - Federal	(77,341)	384,494
	- State	(9,488)	69,569
	Deferred Income Taxes	421,969	421,969
	Interest Reconciliation	(9,069)	61,902
	Investment Tax Credits	(9,600)	(9,600)
	Parent Debt Adjustment	0	(121,485)
	Total Operating Expenses	18,483,313	17,569,337
	ACHIEVED NOI	$2,342,753	$3,289,770
	NOI DEFICIENCY	$4,123,882	$2,773,028
	NOI MULTIPLIER	X 1.6386	X 1.6386
45	REVENUE INCREASE	$6,757,589	$4,543,884

ATTACHMENT 5

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COST OF SERVICE SUMMARY

PROPOSED RATE DESIGN

	TOTAL	RESIDENTIAL	GAS LIGHTING	COMMERCIAL	COMPRESSED NATL. GAS	INTERRUPT
PRESENT RATES (projected test year)						
GAS SALES (due to growth)	20,722,045	10,155,109	4,822	7,767,489	6,481	1,342,735
OTHER OPERATING REVENUE	137,062	82,237	0	54,825	0	0
TOTAL	20,859,107	10,237,346	4,822	7,822,314	6,481	1,342,735
RATE OF RETURN	2.82%	-1.65%	-35.76%	9.33%	-7.40%	0.97%
INDEX	1.00	-0.01	-0.13	0.03	-0.03	0.00
PROPOSED RATES						
GAS SALES	25,124,123	14,469,327	118,262	8,406,519	13,044	2,116,971
OTHER OPERATING REVENUE	278,862	167,317	0	111,545	0	0
TOTAL	25,402,985	14,636,645	118,262	8,518,063	13,044	2,116,971
TOTAL REVENUE INCREASE	4,543,878	4,399,298	113,440	695,750	6,563	774,236
PERCENT INCREASE	21.78%	42.97%	2352.55%	8.89%	101.27%	57.66%
		32.68	32.68	32.68	32.68	32.68
RATE OF RETURN	9.49%	9.35%	9.33%	9.38%	9.37%	9.39%
INDEX	1.00	0.98	0.98	0.99	0.99	0.99

FOR INFORMATION PURPOSE ONLY. THESE NUMBERS ARE TENTATIVE BASED ON STAFF'S POSTIONS TAKEN IN THE PREHEARING ORDER AND ARE SUBJECT TO CHANGE.

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COST OF SERVICE SUMMARY

ATTACHMENT 5

CALCULATION OF PROPOSED RATES

	TOTAL	RESIDENTIAL	GAS LIGHTING	COMMERCIAL	COMPRESSED NATL. GAS	INTERRUPT
PROPOSED TOTAL TARGET REVENUES	25,402,985	14,636,645	118,262	8,518,063	13,044	2,116,971
LESS:OTHER OPERATING REVENUE	278,862	167,317	0	111,545	0	0
LESS:CUSTOMER CHARGE REVENUES						
PROPOSED CUSTOMER CHARGES		\$9.00	\$0.00	\$18.00	\$18.00	\$36.00
TIMES:NUMBER OF BILLS	969,504	909,288	8,172	51,660	60	324
EQUALS:CUSTOMER CHARGE REVENUES	9,126,216	8,183,592	0	929,880	1,080	11,664
LESS:OTHER NON-THERM-RATE REVENUES						
EQUALS:PER-THERM TARGET REVENUES	15,997,907	6,285,735	118,262	7,476,639	11,964	2,105,307
DIVIDED BY:NUMBER OF THERMS	74,021,527	19,337,910	142,821	41,099,989	45,776	13,395,031
EQUALS:PER-THERM RATES(UNRNDED)		0.325047	0.828043	0.181913	0.261368	0.157171
PER-THERM RATES(RNDED)		0.32505	0.82804	0.18191	0.26137	0.15717
PER-THERM-RATE REVENUES(RNDED RATES)	15,997,810	6,285,788	118,262	7,476,499	11,964	2,105,297
SUMMARY:PROPOSED TARIFF RATES						
CUSTOMER CHARGES		\$9.00	\$0.00	\$18.00	\$18.00	\$36.00
ENERGY CHARGES						
NON-GAS (CENTS PER THERM)		32.505	82.804	18.191	26.137	15.717
PURCHASED GAS ADJUSTMENT		0.000	0.000	0.000	0.000	0.000
TOTAL (INCLUDING PGA)		32.505	82.804	18.191	26.137	15.717
SUMMARY:PRESENT TARIFF RATES						
CUSTOMER CHARGES		\$6.00	\$0.00	\$12.00	\$12.00	\$24.00
ENERGY CHARGES						
NON-GAS (CENTS PER THERM)		23.720	3.278	16.913	12.216	9.480
PURCHASED GAS ADJUSTMENT		0.000	0.000	0.000	0.000	0.000
TOTAL (INCLUDING PGA)		23.720	3.278	16.913	12.216	9.480

SUMMARY:OTHER OPERATING REVENUE	PRESENT		PROPOSED	
	CHARGE	REVENUE	CHARGE	REVENUE
CONNECTION/RECONNECTION RESIDENTIAL	\$6.50	\$125,928	\$13.00	\$251,862
CONNECTION/RECONNECTION COMMERCIAL	\$6.50	\$6,850	\$30.00	\$27,000
CHANGE OF ACCOUNT	\$6.50	\$0	\$0.00	\$0
BILL COLLECTION IN LIEU OF DISCONNECTION	\$0.00	\$0	\$10.00	\$0
RETURNED CHECK CHARGE	\$0.00	\$0	\$15.00	\$0

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[redacted]OMPANY: CITY GAS COMPANY OF FLORIDA
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SCHEDULE - A (COST OF SERVICE)
CLASSIFICATION OF RATE BASE
(Page 1 of 2:PLANT)

ATTACHMENT 5

	TOTAL	CUSTOMER	CAPACITY	COMMODITY	CLASSIFIER
LOCAL STORAGE PLANT	0		0		100% capacity
INTANGIBLE PLANT:	105232		105232		"
PRODUCTION PLANT	0		0		"
DISTRIBUTION PLANT:					
374 Land and Land Rights	190223		190223		"
375 Structures and Improvements	588796		588796		"
376 Mains	48056987		48056987		"
377 Comp.Sta.Eq.	0		0		"
378 Meas.& Reg.Sta.Eq.-Gen	0		0		"
379 Meas.& Reg.Sta.Eq.-CG	846143		846143		"
380 Services	18822832	18822832			100% customer
381-382 Meters	5991546	5991546			"
383-384 House Regulators	2045515	2045515			"
385 Industrial Meas.& Reg.Eq.	598389		598389		100% capacity
386 Property on Customer Premises	14111656	4913605	9198051	0	ac 374-385
387 Other Equipment	145827	50776	95051	0	ac 374-386
Total Distribution Plant	91397914	31824274	59573640	0	91397914
GENERAL PLANT:	2829850	1414925	1414925		50% customer,50%, capacity
PLANT ACQUISITIONS:	351622		351622		100% capacity
[redacted]AS PLANT FOR FUTURE USE:	0		0		"
[redacted]WIP:	814223	283508	530715	0	dist.plant
TOTAL PLANT	95498841	33522707	61976134	0	95498841 checksum

[redacted]

ATTACHMENT 5

COMPANY: CITY GAS COMPANY OF FLORIDA
DOCKET NO. 891175-GU

SCHEDULE - A (COST OF SERVICE)
CLASSIFICATION OF RATE BASE
(Page 2 of 2:ACCUMULATED DEPRECIATION)

	TOTAL	CUSTOMER	CAPACITY	COMMODITY	CLASSIFIER
LOCAL STORAGE PLANT:	0	0	0	0	related plant
INTANGIBLE PLANT:	64582	0	64582	0	rel.plant account
PRODUCTION PLANT	0		0		"
DISTRIBUTION PLANT:					
375 Structures and Improvements	104698	0	104698	0	"
376 Mains	16998734	0	16998734	0	"
377 Compressor Sta. Eq.	0	0	0	0	"
378 Meas.& Reg.Sta. Eq.-Gen	0	0	0	0	"
379 Meas.& Reg.Sta. Eq.-CG	245978	0	245978	0	"
380 Services	7616681	7616681	0	0	"
381-382 Meters	2206557	2206557	0	0	"
383-384 House Regulators	732871	732871	0	0	"
385 Indust.Meas.& Reg.Sta.Eq.	234684	0	234684	0	"
386 Property on Customer Premises	4874083	1697130	3176953	0	"
387 Other Equipment	87167	30351	56816	0	"
Total A.D. on Dist. Plant	33101453	12283590	20817863	0	33101453 checksum
GENERAL PLANT:	944180	472090	472090	0	general plant
PLANT ACQUISITIONS:	312442	0	312442	0	plant acquisitions
RETIREMENT WORK IN PROGRESS:	-73894	-25730	-48164	0	distribution plant
TOTAL ACCUMULATED DEPRECIATION	34348763	12729951	21618812	0	34348763 checksum
NET PLANT (Plant less Accum.Dep.)	61150078	20792756	40357322	0	61150078 checksum
less:CUSTOMER ADVANCES	-75890	-37945	-37945		50% cust 50% cap
plus:WORKING CAPITAL	2811988	2028495	731922	51570	oper. and maint. exp.
equals:TOTAL RATE BASE	63886176	22783307	41051299	51570	63886176 checksum

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SCHEDULE - B (COST OF SERVICE)
CLASSIFICATION OF EXPENSES
(Page 1 of 2)

ATTACHMENT 5

OPERATIONS AND MAINTENANCE EXPENSES	TOTAL	CUSTOMER	CAPACITY	COMMODITY		CLASSIFIER
LOCAL STORAGE PLANT:	0	0	0	0		ac 301-320
PRODUCTION PLANT	0		0			100% capacity
DISTRIBUTION:						
870 Operation Supervision & Eng.	16135	7944	8191	0		ac 871-879
871 Dist.Load Dispatch	0		0			100% capacity
872 Compr.Sta.Lab. & Ex.	0	0	0	0		ac 377
873 Compr.Sta.Fuel & Power	0			0		100% commodity
874 Mains and Services	558524	.157192	401332	0		ac376+ac380
875 Meas.& Reg. Sta.Eq.-Gen	0	0	0	0		ac 378
876 Meas.& Reg. Sta.Eq.-Ind.	26321	0	26321	0		ac 385
877 Meas.& Reg. Sta.Eq.-CG	31603	0	31603	0		ac 379
878 Meter and House Reg.	608714	608714	0	0		ac381+ac383
879 Customer Instal.	1128579	392965	735614	0		ac 386
880 Other Expenses	347538	171829	175709	0		ac 387
881 Rents	122542		122542			100% capacity
885 Maintenance Supervision	0	0	0	0		ac886-894
886 Maint. of Struct. and Improv.	3245	0	3245	0		ac375
887 Maintenance of Mains	150090	0	150090	0		ac376
888 Maint. of Comp.Sta.Eq.	0	0	0	0		ac 377
889 Maint. of Meas.& Reg. Sta.Eq.-G	0	0	0	0		ac 378
890 Maint. of Meas.& Reg. Sta.Eq.-I	14486	0	14486	0		ac 385
891 Maint. of Meas.& Reg.Sta.Eq.-CG	36710	0	36710	0		ac 379
892 Maintenance of Services	62641	62641	0	0		ac 380
893 Maint. of Meters and House Reg.	265233	265233	0	0		ac381-383
894 Maint. of Other Equipment	6924	4264	2660	0		ac387
Total Distribution Expenses	3379285	1670783	1708502	0		3379285 che
CUSTOMER ACCOUNTS:						
901 Supervision	128324	128324				100% customer
902 Meter-Reading Expense	464785	464785				"
903 Records and Collection Exp.	1719053	1719053				"
904 Uncollectible Accounts	121882			121882		100% commodity
905 Misc. Expenses	116586	116586				100% customer
Total Customer Accounts	2550630	2428748	0	121882		
(907-910) CUSTOMER SERV.& INFO. EXP.	0	0				"
(911-916) SALES EXPENSE	673307	673307				"
(932) MAINT. OF GEN. PLANT	42664	21332	21332	0		general plant
(920-931) ADMINISTRATION AND GENERAL	4233123	3053666	1101824	77633	0	O&M excl. A&G
TOTAL O&M EXPENSE	10879009	7847836	2831658	199515		10879009 che

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SCHEDULE - B (COST OF SERVICE)
CLASSIFICATION OF EXPENSES
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ATTACHMENT 5

COMPANY: CITY GAS COMPANY OF FLORIDA
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DEPRECIATION AND AMORTIZATION EXPENSE:	TOTAL	CUSTOMER	CAPACITY	COMMODITY	REVENUE	CLASSIFIER
Depreciation Expense	4004210	1361545	2642665	0		net plant
Amort. of Other Gas Plant	0		0			100% capacity
Amort. of Property Loss	3744		3744			100% capacity
Amort. of Limited-term Inv.	0	0	0	0		intangible plan
Amort. of Acquisitiion Adj.	483348	170313	313035	0		intan/dist/gen
Amort. of Conversion Costs	31044			31044		100% commodity
Total Deprec. and Amort. Expense	4522346	1531857	2959445	31044	0	4522346 che
TAXES OTHER THAN INCOME TAXES:						
Revenue Related	368531				368531	100% revenue
Other	1090518	370807	719711	0		net plant
Total Taxes other than Income Taxes	1459049	370807	719711	0	368531	
REV.CRDT TO COS(NEG.OF OTHR OPR.REV)	-278862	-278862				100% customer
RETURN (REQUIRED NOI)	6062716	2162107	3895716	4894		rate base
INCOME TAXES	2479865	884378	1593485	2002	0	return(noi)
TOTAL OVERALL COST OF SERVICE	25124123	12518123	12000014	237455	368531	25124123 che

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SCHEDULE - C (COST OF SERVICE) ATTACHMENT 5

OMPANY NAME: CITY GAS COMPANY
DOCKET NO. 891175-GU

CUSTOMER COSTS	TOTAL	RESIDENTIAL	GAS LIGHTING	COMMERCIAL	COMPRESSED NATL. GAS	INTERRUPT
No. of Customers	80792	75774	681	4305	5	27
Weighting	NA	1	1	3	8	15
Weighted No. of Customers	90377	75774	681	13475	42	405
Allocation Factors	1	0.838420815	0.00753509	0.149093713	0.00046914	0.004481
CAPACITY COSTS						
Peak & Avg. Month Sales Vol.(therms)	13715969	4151154	24143	7282487	7687	2250498
Allocation Factors	1	0.302651165	0.00176021	0.530949508	0.00056044	0.164078
COMMODITY COSTS						
Annual Sales Vol.(therms)	74021527	19337910	142821	41099989	45776	13395031
Allocation Factors	1	0.261247109	0.00192945	0.555243733	0.00061841	0.180961
REVENUE-RELATED COSTS						
Tax on Cust,Cap,& Commod.	402278	231678	1894	134602	209	33896
Allocation Factors	1	0.575913726	0.00470710	0.334599480	0.00051919	0.084260

SCHEDULE - D (COST OF SERVICE)
ALLOCATION OF RATE BASE TO CUSTOMER CLASSES

ATTACHMENT 5

COMPANY NAME: CITY GAS COMPANY
DOCKET NO. 891175-GU

RATE BASE BY CUSTOMER CLASS	TOTAL	RESIDENTIAL	GAS LIGHTING	COMMERCIAL	COMPRESSED NATL. GAS	INTERRUPT
DIRECT AND SPECIAL ASSIGNMENTS:						
Customer						
Meters	3784989	3173414	28520	564318	1776	16961
House Regulators	1312644	1312644	0	0	0	0
Services	11206151	9395470	84439	1670767	5257	50217
All Other	6479523	5432567	48824	966056	3040	29036
Total	22783307	19314094	161784	3201141	10073	96215
Capacity						
Industrial Meas.& Reg. Sta. Eq.	363705	0	0	277620	293	85792
Meas.&Reg.Sta.Eq.-Gen.	0	0	0	0	0	0
Mains	31058253	9399816	54669	16490364	17406	5095997
All Other	9629341	2914331	16950	5112694	5397	1579969
Total	41051299	12314148	71619	21880678	23096	6761759
Commodity						
Account #	0	0	0	0	0	0
Account #	0	0	0	0	0	0
Account #	0	0	0	0	0	0
All Other	51570	13473	100	28634	32	9332
Total	51570	13473	100	28634	32	9332
TOTAL	63886176	31641715	233502	25110453	33201	6867306

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[redacted]OMPANY NAME: CITY GAS COMPANY
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SCHEDULE - E (COST OF SERVICE)
ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSES
(Page 1 of 2)

ATTACHMENT 5

	TOTAL	RESIDENTIAL	GAS LIGHTING	COMMERCIAL	COMPRESSED NATL. GAS	INTERRUPT
Customer	0	0	0	0	0	0
Capacity	0	0	0	0	0	0
Commodity	0	0	0	0	0	0
Revenue	0	0	0	0	0	0
Total	0	0	0	0	0	0
OPERATIONS AND MAINTENANCE EXPENSE:						
DIRECT AND SPECIAL ASSIGNMENTS:						
Customer						
878 Meters and House Regulators	608714	510358	4587	90755	286	2728
893 Maint. of Meters & House Reg.	265233	222377	1999	39545	124	1189
874 Mains & Services	157192	131793	1184	23436	74	704
892 Maint. of Services	62641	52520	472	9339	29	281
All Other	6754055	5662741	50892	1006987	3169	30266
Total	7847836	6579789	59134	1170063	3682	35168
Capacity						
876 Measuring & Reg. Sta. Eq.- I	26321	0	0	20091	21	6209
890 Maint. of Meas.& Reg.Sta.Eq.-I	14486	0	0	0	49	14437
874 Mains and Services	401332	121463	706	213087	225	65850
887 Maint. of Mains	150090	45425	264	79690	84	24627
All Other	2239429	677766	3942	1189024	1255	367443
Total	2831658	844654	4912	1501892	1635	478565
Commodity						
Account #	0	0	0	0	0	0
Account #	0	0	0	0	0	0
Account #	0	0	0	0	0	0
All Other	199515	52123	385	110780	123	36105
Total	199515	52123	385	110780	123	36105
TOTAL O&M	10879009	7476566	64432	2782735	5440	549837
DEPRECIATION EXPENSE:						
Customer	1361545	1141547	10259	202998	639	6101
Capacity	2642665	799806	4652	1403122	1481	433605
Total	4004210	1941353	14911	1606120	2120	439706
AMORT. OF GAS PLANT:						
Capacity	0	0	0	0	0	0
AMORT. OF PROPERTY LOSS:						
Capacity	3744	1133	7	1988	2	614
AMORT OF LIMITED TERM INVEST.						
Capacity	0	0	0	0	0	0
AMORT. OF ACQUISITION ADJ.:						
Customer	170313	142794	1283	25393	80	763
Capacity	313035	94741	551	166206	175	51362
Total	483348	237534	1834	191599	255	52126
AMORT. OF CONVERSION COSTS:						
Commodity	31044	8110	60	17237	19	5618

SCHEDULE - E (COST OF SERVICE) ATTACHMENT 5

COMPANY NAME: CITY GAS COMPANY
ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSES
DOCKET NO. 891175-GU
(Page 2 of 2)

	TOTAL	RESIDENTIAL	GAS LIGHTING	COMMERCIAL	COMPRESSED NATL. GAS	INTERRUPT
TAXES OTHER THAN INCOME TAXES:						
Customer	370807	310892	2794	55285	174	1662
Capacity	719711	217821	1267	382130	403	118089
Subtotal	1090518	528714	4061	437415	577	119751
Revenue	368531	212242	1735	123310	191	31053
Total	1459049	740956	5796	560725	769	150804
RETURN (NOI)						
Customer	2162107	1832883	15353	303784	956	9131
Capacity	3895716	1168597	6797	2076448	2192	641682
Commodity	4894	1279	9	2717	3	886
Total	6062716	3002758	22159	2382950	3151	651699
INCOME TAXES						
Customer	884378	749714	6280	124258	391	3735
Capacity	1593485	477997	2780	849341	897	262471
Commodity	2002	523	4	1111	1	362
Total	2479865	1228234	9064	974711	1289	266568
REVENUE CREDITED TO COS:						
Customer	-278862	-167317	0	-111545	0	0
TOTAL COST OF SERVICE:						
Customer	12518123	10590302	95104	1770236	5921	56560
Capacity	12000014	3604749	20965	6381127	6785	1986388
Commodity	237455	62034	458	131845	147	42970
Subtotal	24755592	14257085	116527	8283208	12853	2085918
Revenue	368531	212242	1735	123310	191	31053
Total	25124123	14469327	118262	8406519	13044	2116971

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SCHEDULE - F (COST OF SERVICE)
DERIVATION OF REVENUE DEFICIENCY

ATTACHMENT 5

OMPANY NAME: CITY GAS COMPANY
OCKET NO. 891175-GU

COST OF SERVICE BY CUSTOMER CLASS	TOTAL	RESIDENTIAL	GAS LIGHTING	COMMERCIAL	COMPRESSED NATL. GAS	INTERRUPT
CUSTOMER COSTS	12,518,123	10,590,302	95,104	1,770,236	5,921	56,560
CAPACITY COSTS	12,000,014	3,604,749	20,965	6,381,127	6,785	1,986,388
COMMODITY COSTS	237,455	62,034	458	131,845	147	42,970
REVENUE COSTS	368,531	212,242	1,735	123,310	191	31,053
TOTAL	25,124,123	14,469,327	118,262	8,406,519	13,044	2,116,971
	1,445,409					
less:REVENUE AT PRESENT RATES (in the projected test year)	20,722,045	10,155,109	4,822	7,767,489	6,481	1,342,735
equals: GAS SALES REVENUE DEFICIENCY	4,402,078	4,314,218	113,440	639,030	6,563	774,236
plus:DEFICIENCY IN OTHER OPERATING REV.	141,800	85,080	0	56,720	0	0
equals:TOTAL BASE-REVENUE DEFICIENCY	4,543,878	4,399,298	113,440	695,750	6,563	774,236
UNIT COSTS:						
Customer	12.911883	11.646807	11.637784	34.267055	98.688412	174.566767
Capacity	0.874894	0.868373	0.868373	0.876229	0.882644	0.882644
Commodity	0.003208	0.003208	0.003208	0.003208	0.003208	0.003208

COMPANY NAME: CITY GAS COMPANY
DOCKET NO. 891175-GU

SCHEDULE - G (COST OF SERVICE)
RATE OF RETURN BY CUSTOMER CLASS
(Page 1 of 2:PRESENT RATES)

ATTACHMENT 5

	TOTAL	RESIDENTIAL	GAS LIGHTING	COMMERCIAL	COMPRESSED NATL. GAS	INTERRUPT
REVENUES: (projected test year)						
Gas Sales (due to growth)	20,722,045	10,155,109	4,822	7,767,489	6,481	1,342,735
Other Operating Revenue	137,062	82,237	0	54,825	0	0
Total	19,413,698	10,237,346	4,822	7,822,314	6,481	1,342,735
EXPENSES:						
Purchased Gas Cost	0	0	0	0	0	0
O&M Expenses	10,879,009	7,476,566	64,432	2,782,735	5,440	549,837
Depreciation Expenses	4,004,210	1,941,353	14,911	1,606,120	2,120	439,706
Amortization Expenses	518,136	246,777	1,901	210,823	277	58,358
Taxes Other Than Income--Fixed	1,090,518	528,714	4,061	437,415	577	119,751
Taxes Other Than Income--Revenue	313,245	165,021	78	126,222	105	21,819
Total Expses excl. Income Taxes	16,805,118	10,358,431	85,383	5,163,314	8,519	1,189,471
INCOME TAXES:	806,849	399,618	2,949	317,132	419	86,730
NET OPERATING INCOME:	1,801,731	(520,703)	(83,510)	2,341,867	(2,457)	66,533
RATE BASE:	63,886,176	31,641,715	233,502	25,110,453	33,201	6,867,306
RATE OF RETURN	0.028202	-0.016456	-0.357641	0.093263	-0.074010	0.009688

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ATTACHMENT 5

COMPANY NAME: CITY GAS COMPANY
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SCHEDULE - G (COST OF SERVICE)
RATE OF RETURN BY CUSTOMER CLASS
(Page 2 of 2:PROPOSED RATES)

	TOTAL	RESIDENTIAL	GAS LIGHTING	COMMERCIAL	COMPRESSED NATL. GAS	INTERRU T
REVENUES:						
Gas Sales	25,124,123	14,469,327	118,262	8,406,519	13,044	2,116,971
Other Operating Revenue	278,862	167,317	0	111,545	0	0
Total	25,402,985	14,636,645	118,262	8,518,063	13,044	2,116,971
EXPENSES:						
Purchased Gas Cost	0	0	0	0	0	0
O&M Expenses	10,879,009	7,476,566	64,432	2,782,735	5,440	549,837
Depreciation Expenses	4,004,210	1,941,353	14,911	1,606,120	2,120	439,706
Amortization Expenses	518,136	246,777	1,901	210,823	277	58,358
Taxes Other Than Income--Fixed	1,090,518	528,714	4,061	437,415	577	119,751
Taxes Other Than Income--Revenue	368,531	276,509	2,260	160,649	249	40,455
Total Expses excl. Income Taxes	16,860,404	10,469,919	87,564	5,197,741	8,663	1,208,107
PRE TAX NOI:	8,542,581	4,166,725	30,698	3,320,322	4,382	908,864
INCOME TAXES:	2,479,865	1,209,578	8,911	963,871	1,272	263,838
NET OPERATING INCOME:	6,062,716	2,957,148	21,786	2,356,450	3,110	645,025
RATE BASE:	63,886,176	31,641,715	233,502	25,110,453	33,201	6,867,306
RATE OF RETURN	0.094899	0.093457	0.093302	0.093843	0.093660	0.093927