

ORIGINAL

INDIANTOWN GAS COMPANY  
DOCKET NO. ~~980003-GU~~

1                   BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2                                   DIRECT TESTIMONY

3   OF

4   BRIAN J. POWERS

5

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

8

9       A.     My name is Brian J. Powers and my business address is 16600 S.W.  
10            Warfield Blvd., Indiantown, Florida 34956. I am General Manager  
11            of Indiantown Gas Company.

12

13     Q.     What are your responsibilities in that position?

14     A.     I am responsible for the general operation of the company  
15            including: rates, regulatory matters, budget preparation, gas  
16            management, E.D.P., billing and service department.

17     Q.     What is the purpose of your testimony.

18     A.     To briefly summarize the projected levelized maximum purchased gas  
19            cost recovery factor (LPGCR) calculations for the period April  
20            1998 through March 1999.

21     Q.     Have you prepared any exhibits in conjunction with your testimony?

22     A.     Yes. Schedules E-1, E-2, E-3, E-4 and E-5 were filed on  
23            January 9, 1998.

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DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

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Q. Please explain the calculation for the total true-up amount to be collected or refunded during the April 1998 through March 1999 period.

A. We have projected that at the end of March 1998, based on eight months actual, we will have under-recovered \$46,102 for the April 1997 through March 1998 period. Also at the end of March 1998, we will have under-recovered \$3,202 for the April 1996 through March 1997 period. The total net under-recovery to be collected during the April 1998 through March 1999 period is \$49,304. Based on estimated sales for the period April 1998 through March 1999, it will be necessary to add .0984 cents per therm to collect this under-recovery. See Schedule E-4 for details of this computation.

Q. What (LPCGR) Factor does Indiantown Gas Company seek approval through its petition for the period April 1, 1998 through March 31, 1999?

A. \$0.38026 per therm.

Q. Does this conclude your testimony?

A. Yes





CALCULATION OF TRUE-UP AMOUNT

SCHEDULE E-2  
(REVISED 8/1/83)

TRUE-UP CALCULATION	ACTUAL												REVISED PROJECTION												TOTAL PERIOD		
	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR			
1 PURCHASED GAS COST	\$304,187	\$198,054	\$148,203	\$182,045	\$232,800	\$248,989	\$238,440	\$242,382	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$2,998,770	
2 TRANSPORTATION COST	\$304,187	\$198,054	\$148,203	\$182,045	\$232,800	\$248,989	\$238,440	\$242,382	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$2,998,770	
3 TOTAL	\$298,000	\$198,054	\$148,203	\$182,045	\$229,043	\$234,838	\$232,428	\$297,444	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$2,998,770	
4 FUEL REVENUES		\$198,054	\$148,203	\$182,045	\$229,043	\$234,838	\$232,428	\$297,444	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$278,000	\$2,998,770	
5 FUEL OF REVENUE TAX																											
6 TRUE-UP COLLECTED OR (REFUNDED)	\$287,801	\$187,904	\$141,039	\$189,892	\$228,804	\$234,008	\$231,977	\$298,898	\$274,581	\$274,581	\$274,581	\$274,581	\$274,581	\$274,581	\$274,581	\$274,581	\$274,581	\$274,581	\$274,581	\$274,581	\$274,581	\$274,581	\$274,581	\$274,581	\$274,581	\$2,918,398	
7 FUEL PERCENTAGE APPLICABLE TO PERIOD (LINE 4 (+) - LINE 5)																											
8 TRUE-UP PROVISION - THIS PERIOD (LINE 6 - LINE 7)	(\$28,888)	(\$180)	(\$7,164)	(\$7,164)	(\$3,908)	(\$2,870)	(\$4,483)	(\$24,642)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$4,328)
9 INTEREST PROVISION-THIS PERIOD (21) (LINE 6 - LINE 5)	(\$128)	(\$209)	(\$228)	(\$228)	(\$218)	(\$287)	(\$327)	(\$281)	(\$228)	(\$228)	(\$228)	(\$228)	(\$228)	(\$228)	(\$228)	(\$228)	(\$228)	(\$228)	(\$228)	(\$228)	(\$228)	(\$228)	(\$228)	(\$228)	(\$228)	(\$228)	(\$2,777)
10 BEGINNING OF PERIOD TRUE-UP AND INTEREST	(\$8,888)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$448)	(\$8,888)
11 TRUE-UP COLLECTED OR (REFUNDED) (REVERSE OF LINE 5)	\$448	\$448	\$448	\$448	\$448	\$448	\$448	\$448	\$448	\$448	\$448	\$448	\$448	\$448	\$448	\$448	\$448	\$448	\$448	\$448	\$448	\$448	\$448	\$448	\$448	\$448	\$8,388
12 FLEX RATE REFUND (if applicable)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13 TOTAL ESTIMATED/ACTUAL TRUE-UP (7+8+9-10+11)	(\$44,833)	(\$44,743)	(\$51,883)	(\$43,883)	(\$47,178)	(\$47,178)	(\$47,205)	(\$48,384)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,384)
<b>INTEREST PROVISION</b>																											
14 BEGINNING TRUE-UP AND INTEREST PROVISION (9)	(\$8,888)	(\$44,833)	(\$44,743)	(\$51,883)	(\$47,178)	(\$47,178)	(\$47,205)	(\$48,384)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$8,888)
15 ENDING TRUE-UP BEFORE INTEREST (12+7-9)	(\$44,707)	(\$44,834)	(\$51,488)	(\$43,287)	(\$48,088)	(\$48,088)	(\$48,088)	(\$48,113)	(\$48,384)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)	(\$48,820)
16 TOTAL (13+15)	(\$83,287)	(\$89,287)	(\$98,281)	(\$84,870)	(\$98,474)	(\$98,872)	(\$97,888)	(\$97,888)	(\$98,772)	(\$98,772)	(\$98,772)	(\$98,772)	(\$98,772)	(\$98,772)	(\$98,772)	(\$98,772)	(\$98,772)	(\$98,772)	(\$98,772)	(\$98,772)	(\$98,772)	(\$98,772)	(\$98,772)	(\$98,772)	(\$98,772)	(\$98,772)	(\$98,820)
17 AVERAGE (50% OF 16)	(\$28,848)	(\$34,894)	(\$48,101)	(\$42,435)	(\$49,237)	(\$49,237)	(\$48,918)	(\$48,918)	(\$49,237)	(\$49,237)	(\$49,237)	(\$49,237)	(\$49,237)	(\$49,237)	(\$49,237)	(\$49,237)	(\$49,237)	(\$49,237)	(\$49,237)	(\$49,237)	(\$49,237)	(\$49,237)	(\$49,237)	(\$49,237)	(\$49,237)	(\$49,237)	(\$49,237)
18 INTEREST RATE - FIRST DAY OF MONTH	8.74	8.82	8.80	8.82	8.80	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83
19 INTEREST RATE - FIRST DAY OF SUBSEQUENT MONTH	8.82	8.80	8.82	8.80	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83	8.83
20 TOTAL (16+17)	11.28	11.22	11.22	11.22	11.20	11.20	11.20	11.14	11.09	11.09	11.09	11.09	11.13	11.20	11.20	11.20	11.20	11.20	11.20	11.20	11.20	11.20	11.20	11.20	11.20	11.20	11.20
21 AVERAGE (50% OF 19)	8.88	8.81	8.81	8.81	8.80	8.80	8.80	8.87	8.85	8.85	8.85	8.85	8.87	8.88	8.88	8.88	8.88	8.88	8.88	8.88	8.88	8.88	8.88	8.88	8.88	8.88	8.88
22 MONTHLY AVERAGE (18+21 Months)	0.47	0.47	0.47	0.47	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.47	0.47	0.47	0.47	0.47	0.47	0.47	0.47	0.47	0.47	0.47	0.47	0.47	0.47
23 INTEREST PROVISION (16x23)	-128	-209	-228	-228	-210	-287	-327	-281	-228	-228	-228	-228	-228	-228	-228	-228	-228	-228	-228	-228	-228	-228	-228	-228	-228	-228	-277

\* If line 8 is a refund ( ) add to line 4. If line 8 is a collection subtract from line 4.



COMPANY: Indiantown Gas Company

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

SCHEDULE E-4  
(REVISED 8/19/93)

ESTIMATED FOR THE PROJECTED PERIOD:                      APRIL 98                      Through                      MARCH 99

	PRIOR PERIOD:      APRIL 96 - MARCH 97			CURRENT PERIOD: APRIL 97 - MARCH 98	
	(1) EIGHT MONTHS ACTUAL PLUS FOUR MONTHS REVISED ESTIMATE	(2) ACTUAL	(3) (2)-(1) DIFFERENCE	(4) EIGHT MONTHS ACTUAL PLUS FOUR MONTHS REVISED ESTIMATE	(5) (3)+(4) TOTAL TRUE-UP
1 TOTAL THERM SALES \$	\$3,614,041	\$3,634,500	\$20,459	\$2,916,395	\$2,936,854
2 TRUE-UP PROVISION FOR THIS PERIOD OVER (UNDER) COLLECTION	\$107,779	\$104,502	(\$3,277)	(\$43,325)	(\$46,602)
3 INTEREST PROVISION FOR THIS PERIOD	\$740	\$815	\$75	(\$2,777)	(\$2,702)
4 END OF PERIOD TOTAL NET TRUE-UP	\$108,519	\$105,317	(\$3,202)	(\$46,102)	(\$49,304)

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

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

$$\frac{(\$49,304)}{5,008,700} \text{ equals } (\$0.00984) \text{ PER THERM TRUE UP COLLECTION}$$

