ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Purchased Gas Adjustment	)	
(PGA) True-up	)	DOCKET NO. 990003-GU

DIRECT TESTIMONY OF A. KARA

On Behalf of South Florida Natural
Gas Company

Submitted for filing: September 28, 1999

Q. Please state your name, occupation, and business address.

A. My name is Al Kara. I am Regional Vice President of South Florida Natural Gas Co. ("SFNG"). My business address is P. O. Box 248, New Smyrna Beach, Florida 32170.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to discuss SFNG's calculation of its levelized purchased gas adjustment factor for the period January 1, 2000 through December 31, 2000.

Q. Would you please identify the Composite Exhibit which you are sponsoring with this testimony?

A. Yes. As Composite Exhibit AK-1, I am sponsoring Schedules E-1, E-1/R, E-2, E-3, E-4, and E-5.

Q. Were these schedules prepared under your direction and supervision?

A. Yes, they were.

<u>Revised Estimate January 1999 – December 1999</u>

Q. What is the revised estimate of total purchased gas costs for the period January 1999 – December 1999?

A. The revised projection of purchased gas cost for the current period is $826,317.

Q. What is the revised projection of gas revenue to be collected for the current period?

A. As shown on Schedule E-2, the company estimates the total gas revenue to be collected during the period to be $844,490. This amount includes a refund of prior period overcollections in the amount of $82,116. Therefore, the revenue collected to cover the current period's gas cost is estimated to be $926,606.

Q. What is the revised true-up amount, including interest, estimated for the January 1999 – December 1999 period?

A. The company estimates the revised true-up, including interest, and a minor adjustment of $64, to be an overcollection of $115,297.

<u>January 2000 – December 2000 Projection</u>

Q. How did you develop your projection of SFNG's cost of gas for the January 2000 – December 2000 period?

A. Our first step was to estimate our supply requirements for each of the twelve months in the period. Our projected supply requirements are based on our projected sales and company use for each month. Once we develop our supply requirements, we can then determine how these requirements will be met. In other words, we match our estimated requirements with the gas supply that is available to us. All of our gas requirements will be met utilizing firm transportation service on FGT for the projected period of January 2000 – December 2000. Due to the complexity of transporting on FGT's system after implementation of

FERC Order 636, and the new gas control requirements on all transporters, we have contracted with an energy services firm who furnishes our gas supply, arranges for transportation of the supply to our system, monitors volumes and adjusts receipts/deliveries as necessary, and makes all nominations and balancing arrangements.

Q. Please describe the general steps or mechanics of projecting the total cost of gas for the January 2000 – December 2000 period.

A. As shown on Schedule E-1 lines 1 - 11, the total cost of gas consists of the cost of no-notice transportation service (NNTS) on FGT, the demand and commodity costs of firm transportation service (FTS) on FGT, and the commodity cost of gas estimated to be paid to our supplier during the period.

The cost of NNTS service (line 2) is based on SFNG's contract level with FGT and an estimation of FGT's reservation charge for this service. The reservation charge utilized for the period is the current rate in effect.

The demand and commodity portions of transportation system supply are shown on Schedule E-1, lines 1, 4, and 5. The commodity pipeline amount (line 1) is based on FGT's current FTS commodity rate multiplied by the number of therms projected to be transported for system supply. The commodity other (line 4) is based on data shown on Schedule E-3 which details our projected direct supplier purchases for the twelve-month period. We projected the "FTS" commodity cost on line 4 using a combination of analyses. We analyzed the 1998 and 1999 monthly prices of natural gas delivered to FGT by zone as reported in Inside FERC Gas Market Report. We also reviewed the recent NYMEX postings for the period November 1999 through December 2000. We developed our monthly index price of gas using the above data and allowing for seasonal trends and current market pricing. To this index, we added compressor fuel and our supplier's estimated margin for first of the month pricing and swing service.

The demand component of SFNG's cost of gas (line 5) for the months of January 2000 - December 2000 is calculated by multiplying SFNG's contract level for capacity with FGT by FGT's current FTS demand rate.

Q. Based on the projected total cost of gas and projected sales, what is the weighted average cost per therm for the twelve-month period ended December 2000?

A. This figure is shown on Schedule E-1, line 40, and is 36.080 cents per therm. To arrive at the total PGA factor, the 36.080 cents per therm is adjusted for the estimated total true-up through December 1999 (shown on Schedule E-4) and for revenue-related taxes.

Q. What is the projected PGA factor for the period January 2000 -

December 2000?

A. The projected PGA factor for the period is 31.059 cents per therm.

Q. The estimated total true-up for the twelve months ended December 1999 as calculated on Schedule E-4 is included in the projected PGA factor for the period January 2000 – December 2000. Please explain how it was calculated.

A. The final true-up amount for the period April 1998 –December 1998 is added to the estimated end of period net true-up for January 1999 - December 1999. The January 1999 - December 1999 estimated true-up is based on eight months' actual data plus four months' projected data.

Q. What is the impact of the total true-up as of December 31, 1999 on the projected PGA factor for the January 2000 - December 2000 period?

A. The projected true-up as of December 31, 1999 is an overrecovery of $142,267 (Schedule E-4). Dividing the overrecovery by the January 2000 - December 2000 projected therm sales of 2,748,250 results in a refund of 5.177 cents per therm to be included in the proposed PGA factor.

Q. What is the maximum levelized purchased gas factor (cap) that you are proposing for the January 2000 – December 2000 period?

A. The maximum levelized purchased gas factor (cap) that we are proposing for the period is 31.059 cents per therm.

Q. **Does this conclude your testimony?**

A. Yes, it does.

SCHEDULE E-1
EXHIBIT NO________
DOCKET NO. 990003-GU
SOUTH FLORIDA NATURAL GAS CO
AK-1
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COMPANY: SOUTH FLORIDA NATURAL GAS CO.

PURCHASED GAS ADJUSTMENT
COST RECOVERY CLAUSE CALCULATION

ORIGINAL ESTIMATE FOR THE PROJECTED PERIOD: *JANUARY Through DECEMBER 2000*

		PROJECTION												
COST OF GAS PURCHASED		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
1 COMMODITY (Pipeline)		1,742	1,466	1,464	896	533	524	505	504	503	503	964	1,470	11,075
2 NO NOTICE SERVICE		407	219	212	201	201	177	183	761	823	1,280	743	823	6,032
3 SWING SERVICE		0	0	0	0	0	0	0	0	0	0	0	0	0
4 COMMODITY (Other)		132,692	104,766	99,932	58,282	34,284	33,951	32,829	32,989	33,104	33,715	68,397	108,701	773,641
5 DEMAND		24,892	23,233	24,892	20,904	6,801	6,581	6,801	6,581	6,801	10,732	24,892	25,722	188,833
6 MANAGEMENT FEE		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
LESS END-USE CONTRACT														
7 COMMODITY (Pipeline)		0	0	0	0	0	0	0	0	0	0	0	0	0
8 DEMAND		0	0	0	0	0	0	0	0	0	0	0	0	0
9		0	0	0	0	0	0	0	0	0	0	0	0	0
10		0	0	0	0	0	0	0	0	0	0	0	0	0
11 TOTAL COS(1+2+3+4+5+6)-(7+8+9+10)		160,733	130,684	127,501	81,284	42,819	42,234	41,317	41,836	42,231	47,231	95,996	137,717	991,582
12 NET UNBILLED		0	0	0	0	0	0	0	0	0	0	0	0	0
13 COMPANY USE		0	0	0	0	0	0	0	0	0	0	0	0	0
14 TOTAL THERM SALES		148,877	118,828	115,646	69,428	30,964	30,378	29,462	29,980	30,376	35,375	84,141	125,861	849,315
THERMS PURCHASED														
15 COMMODITY (Pipeline)	BILLING DETERMINANTS ONLY	432,220	363,770	363,390	222,450	132,370	130,080	125,300	124,960	124,920	124,870	239,150	364,770	2,748,250
16 NO NOTICE SERVICE	BILLING DETERMINANTS ONLY	69,000	37,200	36,000	34,100	34,100	30,000	31,000	129,000	139,500	217,000	126,000	139,500	1,022,400
17 SWING SERVICE	COMMODITY													
18 COMMODITY (Other)	COMMODITY	432,220	363,770	363,390	222,450	132,370	130,080	125,300	124,960	124,920	124,870	239,150	364,770	2,748,250
19 DEMAND	BILLING DETERMINANTS ONLY	661,500	617,400	661,500	555,520	180,730	174,900	180,730	174,900	180,730	285,200	661,500	683,550	5,018,160
20 OTHER		0	0	0	0	0	0	0	0	0	0	0	0	0
LESS END-USE CONTRACT														
21 COMMODITY (Pipeline)		0	0	0	0	0	0	0	0	0	0	0	0	0
22 DEMAND		0	0	0	0	0	0	0	0	0	0	0	0	0
23		0	0	0	0	0	0	0	0	0	0	0	0	0
24 TOTAL PURCHASES (+17+18+20)-(21+23)		432,220	363,770	363,390	222,450	132,370	130,080	125,300	124,960	124,920	124,870	239,150	364,770	2,748,250
25 NET UNBILLED		0	0	0	0	0	0	0	0	0	0	0	0	0
26 COMPANY USE		0	0	0	0	0	0	0	0	0	0	0	0	0
27 TOTAL THERM SALES		432,220	363,770	363,390	222,450	132,370	130,080	125,300	124,960	124,920	124,870	239,150	364,770	2,748,250
CENTS PER THERM														
28 COMMODITY (Pipeline)	(1/15)	0.403	0.403	0.403	0.403	0.403	0.403	0.403	0.403	0.403	0.403	0.403	0.403	0.403
29 NO NOTICE SERVICE	(2/16)	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0.590	0.590
30 SWING SERVICE	(3/17)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
31 COMMODITY (Other)	(4/18)	30.700	28.800	27.500	26.200	25.900	26.100	26.200	26.400	26.500	27.000	28.600	29.800	28.150
32 DEMAND	(5/19)	3.763	3.763	3.763	3.763	3.763	3.763	3.763	3.763	3.763	3.763	3.763	3.763	3.763
33 OTHER	(6/20)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
LESS END-USE CONTRACT														
34 COMMODITY Pipeline	(7/21)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
35 DEMAND	(8/22)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
36	(9/23)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
37 TOTAL COST	(11/24)	37.188	35.925	35.087	36.540	32.348	32.467	32.975	33.479	33.807	37.824	40.141	37.754	36.080
38 NET UNBILLED	(12/25)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
39 COMPANY USE	(13/26)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
40 TOTAL THERM SALES	(11/27)	37.188	35.925	35.087	36.540	32.348	32.467	32.975	33.479	33.807	37.824	40.141	37.754	36.080
41 TRUE-UP	(E-2)	-5.177	-5.177	-5.177	-5.177	-5.177	-5.177	-5.177	-5.177	-5.177	-5.177	-5.177	-5.177	-5.177
42 TOTAL COST OF GAS	(40+41)	32.011	30.748	29.910	31.363	27.171	27.290	27.798	28.302	28.630	32.647	34.964	32.577	30.903
43 REVENUE TAX FACTOR		1.005030	1.005030	1.005030	1.005030	1.005030	1.005030	1.005030	1.005030	1.005030	1.005030	1.005030	1.005030	1.005030
44 PGA FACTOR ADJUSTED FOR T (42x43)		32.172	30.903	30.060	31.521	27.308	27.428	27.938	28.445	28.774	32.811	35.139	32.741	31.059
45 PGA FACTOR ROUNDED TO NEAREST .001		32.172	30.903	30.060	31.521	27.308	27.428	27.938	28.445	28.774	32.811	35.139	32.741	31.059

COMPANY: SOUTH FLORIDA NATURAL GAS CO. PURCHASED GAS ADJUSTMENT

COST RECOVERY CLAUSE CALCULATION

REVISED ESTIMATE FOR THE PROJECTED PERIOD: January 1Through DECEMBER 99

SCHEDULE E-1/R
EXHIBIT NO________
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	ACTUAL								REVISED PROJECTION				
COST OF GAS PURCHASED	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
1 COMMODITY (Pipeline)	999	894	894	715	662	517	(1,009)	(1,769)	672	674	683	685	4,617
2 NO NOTICE SERVICE	1,280	823	823	407	219	212	201	201	177	183	761	823	6,110
3 SWING SERVICE	0	(155)	(155)	0	422	365	(945)	0	0	0	0	0	(468)
4 COMMODITY (Other)	62,152	52,191	52,191	40,384	44,348	33,467	33,632	36,307	49,466	70,447	70,258	70,466	615,309
5 DEMAND	25,035	24,739	24,739	19,296	6,820	6,427	6,801	6,801	6,597	10,758	24,952	25,784	188,749
6 MGMT FEE	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
LESS END-USE CONTRACT													
7 COMMODITY (Pipeline)	0	0	0	0	0	0	0	0	0	0	0	0	0
8 DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0
9	0	0	0	0	0	0	0	0	0	0	0	0	0
10	0	0	0	0	0	0	0	0	0	0	0	0	0
11 TOTAL C((1+2+3+4+5+6)-(7+8+9+10)	90,466	79,492	79,492	61,801	53,471	41,988	39,680	42,540	57,912	83,062	97,654	98,758	826,317
12 NET UNBILLED	20,951	31,571	31,571	0	0	0	0	0	0	0			84,093
13 COMPANY USE	0	0	0	0	0	0	0	0	0	0			0
14 TOTAL THERM SALES	101,551	61,388	118,963	72,435	51,914	49,765	37,817	40,641	51,070	76,219	90,811	91,916	844,490
THERMS PURCHASED													
15 COMMODITY (Pipeli BILLING DETERMIN	343,190	307,350	307,350	199,050	184,530	184,530	143,030	134,980	221,147	221,686	224,788	225,456	2,697,087
16 NO NOTICE SERVIC BILLING DETERMIN	217,000	139,500	139,500	69,000	37,200	37,200	34,100	34,100	30,000	31,000	129,000	139,500	1,037,100
17 SWING SERVICE COMMODITY													0
18 COMMODITY (Other COMMODITY	343,190	307,350	307,350	199,050	184,530	184,530	143,030	134,980	221,147	221,686	224,788	225,456	2,697,087
19 DEMAND BILLING DETERMIN	343,190	307,350	307,350	199,050	184,530	184,530	143,030	134,980	174,900	285,200	661,500	683,550	3,609,160
20 OTHER COMMODITY	0	0	0	0	0	0	0	0	0		0	0	0
LESS END-USE CONTRACT													
21 COMMODITY (Pipeline)	0	0	0	0	0	0	0	0	0		0	0	0
22 DEMAND	0	0	0	0	0	0	0	0	0		0	0	0
23	0	0	0		0	0	0	0	0		0	0	0
24 TOTAL PURCHASES (+17+18+20)-(21+2	343,190	307,350	307,350	199,050	184,530	184,530	143,030	134,980	221,147	221,686	224,788	225,456	2,697,087
25 NET UNBILLED	75,702	114,071	114,071	0	0	0	0	0	0	0			303,844
26 COMPANY USE	0	117	0	0	0	0	0	0	0	0			117
27 TOTAL THERM SALES	366,926	429,841	429,841	261,689	186,923	186,923	136,128	146,283	221,147	221,686	224,788	225,456	3,037,631
CENTS PER THERM													
28 COMMODITY (Pipeli (1/15)	0.291	0.291	0.291	0.359	0.359	0.280	-0.705	-1.311	0.304	0.304	0.304	0.304	0.171
29 NO NOTICE SERVIC (2/16)	0.590	0.590	0.590	0.590	0.589	0.570	0.589	0.589	0.590	0.590	0.590	0.590	0.589
30 SWING SERVICE (3/17)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
31 COMMODITY (Other (4/18)	18.110	16.981	16.981	20.288	24.033	18.136	23.514	26.898	22.368	31.778	31.255	31.255	22.814
32 DEMAND (5/19)	7.295	8.049	8.049	9.694	3.696	3.483	4.755	5.039	3.772	3.772	3.772	3.772	5.230
33 OTHER (6/20)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
LESS END-USE CONTRACT													
34 COMMODITY Pipelir (7/21)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
35 DEMAND (8/22)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
36 (9/23)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
37 TOTAL COST (11/24)	26.360	25.864	25.864	31.048	28.977	22.754	27.742	31.516	26.187	37.468	43.443	43.804	30.637
38 NET UNBILLED (12/25)	27.676	27.677	27.677	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	27.676
39 COMPANY USE (13/26)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
40 TOTAL THERM SALI (11/27)	24.655	18.493	18.493	23.616	28.606	22.463	29.149	29.081	26.187	37.468	43.443	43.804	27.203
41 TRUE-UP (E-2)	-3.0350	-3.0350	-3.0350	-3.0350	-3.0350	-3.0350	-3.0350	-3.0350	-3.0350	-3.0350	-3.0350	-3.0350	3.3980
42 TOTAL COST OF G/ (40+41)	21.620	15.458	15.458	20.581	25.571	19.428	26.114	26.046	23.152	34.433	40.408	40.769	30.601
43 REVENUE TAX FACTOR	1.003764	1.005030	1.005030	1.005030	1.005030	1.005030	1.005030	1.005030	1.003764	1.003764	1.003764	1.003764	1.003764
44 PGA FACTOR ADJUSTED FOI (42x43)	21.701	15.536	15.536	20.685	25.700	19.525	26.245	26.177	23.239	34.563	40.560	40.922	30.716
45 PGA FACTOR ROUNDED TO NEAREST	21.701	15.536	15.536	20.685	25.700	19.525	26.245	26.177	23.239	34.563	40.560	40.922	30.716

SCHEDULE E-2
EXHIBIT N0__________
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COMPANY: SOUTH FLORIDA NATURAL GAS CO. CALCULATION OF TRUE-UP AMOUNT

FOR THE CURRENT PERIOD:JANUARY 1999 Through DECEMBER 1999

	----ACTUAL----								----REVISED PROJECTION----				TOTAL
	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	PERIOD
TRUE-UP CALCULATION													
1 PURCHASED GAS COST	63,152	56,862	53,191	41,384	45,348	34,467	34,504	37,318	50,466	71,447	71,258	71,466	630,863
2 TRANSPORTATION COST	27,314	16,171	26,301	20,418	8,124	6,791	5,176	5,221	7,446	11,615	26,396	27,292	188,265
3 TOTAL	90,466	73,034	79,492	61,802	53,472	41,258	39,680	42,539	57,912	83,062	97,654	98,758	819,129
4 FUEL REVENUES (NET OF REVENUE TAX)	101,551	61,388	118,963	72,435	51,914	49,765	37,817	40,641	51,070	76,219	90,811	91,916	844,490
5 TRUE-UP COLLECTED OR (REFUNDED	6,843	6,843	6,843	6,843	6,843	6,843	6,843	6,843	6,843	6,843	6,843	6,843	82,116
6 FUEL REVENUE APPLICABLE TO PERI *(LINE 4 (+ or -) LINE 5)*	108,394	68,231	125,806	79,278	58,757	56,608	44,660	47,484	57,913	83,062	97,654	98,759	926,606
7 TRUE-UP PROVISION - THIS PERIOD (LINE 6 - LINE 3)	17,928	(4,803)	46,314	17,476	5,285	15,350	4,980	4,945	1	0	0	1	107,477
8 INTEREST PROVISION-THIS PERIOD (2	464	462	524	624	643	677	711	725	753	753	724	695	7,756
9 BEGINNING OF PERIOD TRUE-UP AND INTEREST	109,150	120,699	109,515	149,510	160,768	159,853	169,037	167,885	166,712	160,623	154,533	148,414	1,776,700
10 TRUE-UP COLLECTED OR (REFUNDED (REVERSE OF LINE 5)	(6,843)	(6,843)	(6,843)	(6,843)	(6,843)	(6,843)	(6,843)	(6,843)	(6,843)	(6,843)	(6,843)	(6,843)	(82,116)
10a FLEX RATE REFUND (if applicable)	0	0	0	0	0	0	0	0	0	0	0	0	0
11 TOTAL ESTIMATED/ACTUAL TRUE-UP (7+8+9+10+10a)	120,699	109,515	149,510	160,768	159,853	169,037	167,885	166,712	160,623	154,533	148,414	142,267	142,267
INTEREST PROVISION													
12 BEGINNING TRUE-UP AND INTEREST PROVISION (9)	109,150	120,699	109,515	149,510	160,768	159,853	169,037	167,885	166,712	160,623	154,533	148,414	1,776,700
13 ENDING TRUE-UP BEFORE INTEREST (12+7-5)	120,235	109,053	148,986	160,143	159,210	168,360	167,174	165,987	159,870	153,780	147,690	141,572	1,802,061
14 TOTAL (12+13)	229,385	229,752	258,502	309,654	319,978	328,213	336,211	333,872	326,582	314,403	302,224	289,987	3,578,762
15 AVERAGE (50% OF 14)	114,693	114,876	129,251	154,827	159,989	164,107	168,106	166,936	163,291	157,202	151,112	144,993	1,789,381
16 INTEREST RATE - FIRST DAY OF MONTH	4.900%	4.810%	4.850%	4.880%	4.800%	4.850%	5.050%	5.100%	5.320%	5.750%	5.750%	5.750%	
17 INTEREST RATE - FIRST DAY OF SUBSEQUENT MONTH	4.810%	4.850%	4.880%	4.800%	4.850%	5.050%	5.100%	5.320%	5.750%	5.750%	5.750%	5.750%	
18 TOTAL (16+17)	9.710%	9.660%	9.730%	9.680%	9.650%	9.900%	10.150%	10.420%	11.070%	11.500%	11.500%	11.500%	
19 AVERAGE (50% OF 18)	4.855%	4.830%	4.865%	4.840%	4.825%	4.950%	5.075%	5.210%	5.535%	5.750%	5.750%	5.750%	
20 MONTHLY AVERAGE (19/12 Months)	0.405%	0.403%	0.405%	0.403%	0.402%	0.413%	0.423%	0.434%	0.461%	0.479%	0.479%	0.479%	
21 INTEREST PROVISION (15x20)	464	462	524	624	643	677	711	725	753	753	724	695	

SCHEDULE E-3
EXHIBIT NO________
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SOUTH FLORIDA NATURAL GAS
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COMPAN' SOUTH FLORIDA NATURAL GAS CO. TRANSPORTATION PURCHASES
SYSTEM SUPPLY AND END USE

ESTIMATED FOR THE PROJECTED PERIOD OF: JAN 2000 Through DEC 2000

MONTH	PURCHAS FROM	PURCHAS FOR	SCH TYPE	SYSTEM SUPPLY	END USE	TOTAL PURCHASE	COMMODITY COST THIRD PARTY	COMMODITY COST PIPELINE	DEMAND COST	OTHER CHARGES ACA/GRI/FUEL	CENTS PER THERM
JAN	PENINSU	SYSTEM $	FTS-1	432,220	0	432,220	132,692	1,742	24,892		36.862
FEB	PENINSU	SYSTEM $	FTS-1	363,770	0	363,770	104,766	1,466	23,233		35.590
MAR	PENINSU	SYSTEM $	FTS-1	363,390	0	363,390	99,932	1,464	24,892		34.753
APR	PENINSU	SYSTEM $	FTS-1	222,450	0	222,450	58,282	896	20,904		36.000
MAY	PENINSU	SYSTEM $	FTS-1	132,370	0	132,370	34,284	533	6,801		31.441
JUN	PENINSU	SYSTEM $	FTS-1	130,080	0	130,080	33,951	524	6,581		31.563
JUL	PENINSU	SYSTEM $	FTS-1	125,300	0	125,300	32,829	505	6,801		32.031
AUG	PENINSU	SYSTEM $	FTS-1	124,960	0	124,960	32,989	504	6,581		32.070
SEP	PENINSU	SYSTEM $	FTS-1	124,920	0	124,920	33,104	503	6,801		32.347
OCT	PENINSU	SYSTEM $	FTS-1	124,870	0	124,870	33,715	503	10,732		35.998
NOV	PENINSU	SYSTEM $	FTS-1	239,150	0	239,150	68,397	964	24,892		39.412
DEC	PENINSU	SYSTEM $	FTS-1	364,770	0	364,770	108,701	1,470	25,722		37.255
TOTAL				**2,748,250**	**0**	**2,748,250**	**773,641**	**11,075**	**188,833**	**0** (1)	**35.424**

(1) COST INCLUDED IN PIPELINE COMMODITY

COMPANY: SOUTH FLORIDA NATURAL GAS CO.

SCHEDULE E-4
EXHIBIT NO________
DOCKET NO. 990003-GU
SOUTH FLORIDA NATURAL GAS
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CALCULATION OF TRUE-UP AMOUNT
PROJECTED PERIOD

ESTIMATED FOR THE PROJECTED PERIOD: JAN 2000 Through DEC 2000

	PRIOR PERIOD:	APRIL 98 - DEC 98		CURRENT PERIOD: JANUARY 99 - DECEMBER 99		
	(1) FIVE 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 $ GAS REVENUES	553,435	523,899	(29,536)	926,606	897,070	
2 TRUE-UP PROVISION FOR THIS PERIOD OVER (UNDER) COLLECTION	62,758	89,728	26,970	107,477	134,447	
3 INTEREST PROVISION FOR THIS PERIOD	4,628	4,628	0	7,756	7,756	
3 (a) ADJUSTMENT				64	64	
3(b) ADJUSMENT FOR TRANSITION PERIOD	34,392	34,392	0			
4 END OF PERIOD TOTAL NET TRUE-UP	101,778	128,748	26,970	115,297	142,267	(1)

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

(+) = OVERRECOVERY
(-) = UNDERRECOVERY

COLUMN DATA OBTAINED FROM SCHEDULE (E-2)
COLUMN 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)

$\frac{142,267}{2,748,250}$ equals $0.05177 PER THERM TRUE-UP REFUND

SCHEDULE E-5
EXHIBIT NO________
DOCKET NO. 90003-GU
SOUTH FLORIDA NATURAL GA
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COMPANY: SOUTH FLORIDA NATURAL GAS CO. THERM SALES AND CUSTOMER DATA
INCLUDES TRANSPORTATION SALES

ESTIMATED FOR THE PROJECTED PERIOD: JAN 2000 Through DEC 2000

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
THERM SALES (FIRM)													
RESIDENTIAL	194,240	152,370	143,780	80,850	39,900	38,710	37,280	36,940	37,170	37,650	85,180	116,470	1,000,540
COMMERCIAL	237,980	211,400	219,610	141,600	92,470	91,370	88,020	88,020	87,750	87,220	153,970	248,300	1,747,710
COMMERCIAL LARGE VOL.													0
INDUSTRIAL													0
													0
	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL FIRM	432,220	363,770	363,390	222,450	132,370	130,080	125,300	124,960	124,920	124,870	239,150	364,770	2,748,250
THERM SALES (INTERRUPTIBLE)													
SMALL INTERRUPT	0	0	0	0	0	0	0	0	0	0	0	0	0
INTERRUPTIBLE													0
LARGE INTERRUPT	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL INTERRUPT	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL THERM SAL	432,220	363,770	363,390	222,450	132,370	130,080	125,300	124,960	124,920	124,870	239,150	364,770	2,748,250
NUMBER OF CUSTOMERS (FIRM)													
RESIDENTIAL	4,027	4,112	4,112	4,087	3,976	3,858	3,715	3,682	3,704	3,752	3,853	3,978	3,905
COMMERCIAL	354	365	365	360	360	356	343	343	342	339	346	354	352
COMMERCIAL LARGE VOL.													0
INDUSTRIAL													0
													0
	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL FIRM	4,381	4,477	4,477	4,447	4,336	4,214	4,058	4,025	4,046	4,091	4,199	4,332	4,257
NUMBER OF CUSTOMERS (INT.)													
SMALL INTERRUPT	0	0	0	0	0	0	0	0	0	0	0	0	0
INTERRUPTIBLE													0
LARGE INTERRUPT	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL INTERRUPT	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL CUSTOMER	4,381	4,477	4,477	4,447	4,336	4,214	4,058	4,025	4,046	4,091	4,199	4,332	4,257
THERM USE PER CUSTOMER													
RESIDENTIAL	48	37	35	20	10	10	10	10	10	10	22	29	256
COMMERCIAL	672	579	602	393	257	257	257	257	257	257	445	701	4,965
COMMERCIAL LAR	0	0	0	0	0	0	0	0	0	0	0	0	0
INDUSTRIAL	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
SMALL INTERRUPT	0	0	0	0	0	0	0	0	0	0	0	0	0
INTERRUPTIBLE	0	0	0	0	0	0	0	0	0	0	0	0	0
LARGE INTERRUPT	0	0	0	0	0	0	0	0	0	0	0	0	0