

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

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

DATE FILED: October 28, 2002

DOCUMENT NUMBER-DATE

11803 OCT 28 02

FPSC-COMMISSION CLERK

DIRECT TESTIMONY OF ROGER W. FLETCHER

1
2 Q. Please state your name and business address.

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

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

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

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

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

11 Q. Briefly review your educational and professional background.

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

16 Q. Please describe your current responsibilities.

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

25

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

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

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

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

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

24 Q. Was this report prepared by you?

25

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

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

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

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

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

25

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

20 Q. Explain your second finding.

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

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

10 Q. Please explain the third finding.

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

20 Q. Does this conclude your testimony?

21 A. Yes, it does.

22

23

24

25

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 020384-GU

DATED: OCTOBER 28, 2002

CERTIFICATE OF SERVICE

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

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

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

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

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

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

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

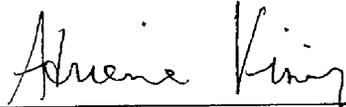
McWhirter Reeves Law Firm
Vicki Gordon Kaufman/Tim Perry
117 South Gadsden Street
Tallahassee, FL 32301

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

CERTIFICATE OF SERVICE
PAGE 2

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

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



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

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

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

DIRECT TESTIMONY

OF

ROGER W. FLETCHER

On Behalf of the Florida Public Service Commission

EXHIBIT RWF - 1

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



Public Service Commission

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

DATE : OCTOBER 18, 2002

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

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

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

BRIEF

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

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

RECOMMENDATIONS

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

Memorandum

October 18, 2002

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

DISCUSSION

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

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

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

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

Memorandum

October 18, 2002

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

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

RWF
Attachments

TABLE OF CONTENTS

<u>Adjustments Recommended</u>	<u>Assignment</u>	<u>MFRs Schedule</u>	<u>Page Number</u>
Yes	Allocation of Common Plant - Land & Structures	B-5 & G-1	5
Yes	Capital Expenditure Assumptions - Mains & Services	G-1	24
Yes	Failed Meter Change Out Expense	C-5	56
No	Meter Sampling Plan Compliance	NA	79
No	Meter Test Contract Evaluation	NA	98
No	Appliance Elevation Program Expenses	NA	112
No	Environmental Clean Up Expense	NA	122
No	Status of Periodic Meter Tests-Capacity 251cfh to 2500 cfh	I-3	147
No	Status of Periodic Meter Test-Capacity Over 2500 cfh	I-3	149
Yes	Land Use Evaluation-St Augustine-Golf World Property (Special Request by Tom Stambaugh-Tampa Audit Staff)	NA	151

ALLOCATION OF COMMON PLANT
TECO-PEOPLES GAS SYSTEM
RATE CASE DOCKET NO. 020384-GU

Assignment:

Determine if there is any nonutility usage of utility facilities.

Findings:

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

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

Discussion:

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

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

--

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

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

Page 13

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

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

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

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

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

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

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

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

Line 21 - Orlando Land - Fairvilla Site, Highway 441

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

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

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

-2-

SCHEDULE B-5,

BASE TEST YEAR

STAFF RECOMMENDED ADJUSTMENTS - ACCOUNT 374, PAGES 13 & 14

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

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

Line 25 - Eustis Land - Industrial Park, Parcel 1

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

Line 37 - Jacksonville Land - Phillips Highway Plant Property

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

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

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

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

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

-3-

SCHEDULE B-5,

BASE TEST YEAR

STAFF RECOMMENDED ADJUSTMENTS - ACCOUNT 374, PAGES 13 & 14

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

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

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

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

Line 4 - Ocala - Environmental Audit - Land

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

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

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

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

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

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

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

<u>Plant</u>		<u>Depreciation</u>		<u>Adjustment</u>
<u>Utility</u>	<u>Nonutility</u>	<u>Total</u>	<u>Adjustment</u>	<u>Percentage</u>
\$1,903,277	\$93,785	\$1,997,062	\$93,785	4.70%

Page 14, Line 19 - Tampa Fire Training Facility

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

Page 14, Line 21 - Tampa - Maintenance Building

Reason: Adjustment based on office building allocation.

<u>Plant</u>		<u>Depreciation</u>		<u>Adjustment</u>
<u>Utility</u>	<u>Nonutility</u>	<u>Total</u>	<u>Adjustment</u>	<u>Percentage</u>
\$12,128	\$940	\$13,068	\$940	7.20%

-2-

SCHEDULE B-5

BASE TEST YEAR

STAFF RECOMMENDED ADJUSTMENTS, ACCOUNT 375, PAGES 14 & 15

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

Reason: Nonutility usage of office space.

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

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

Reason: Nonutility usage of office space

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

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

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

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

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

Reason: Nonutility usage of office space.

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

--

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

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

Page 15, Line 11 - Panama City Division Office

Reason: Nonutility use of office space

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

Page 15, Line 13 - Ocala Division Office

Reason: Nonutility use of office space

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

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

Total Adjustments - Account 374 \$623,046

Page 197, Line 1 - South Florida Region Office

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

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

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

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

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

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

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

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

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

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

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

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

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

-2-

SCHEDULE G-1

TEST YEAR + 1

STAFF RECOMMENDED ADJUSTMENTS, ACCOUNT 374, PAGES 197 & 198

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

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

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

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

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

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

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

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

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

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

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

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

-3-

SCHEDULE G-1

TEST YEAR + 1

STAFF RECOMMENDED ADJUSTMENTS, ACCOUNT 374, PAGES 197 & 198

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

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

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

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

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

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

--

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

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

Page 198, Line 24 - South Florida Region Office

Reason: Not used and useful

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

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

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

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

Page 198, Line 30 - Tampa Fire Training Facility

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

-2-

SCHEDULE G-1

TEST YEAR + 1

STAFF RECOMMENDED ADJUSTMENTS - ACCOUNT 375, PAGES 198 & 199

Page 198, Line 32 - Maintenance Building

Reason: Adjustment based on office building allocation.

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

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

Reason: Nonutility usage of office space

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

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

Reason: Nonutility usage of office space

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

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

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

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

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

Reason: Nonutility usage of office space.

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

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

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

Page 199, Line 35 - Panama City Division Office

Reason: Nonutility use of office space

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

Page 199, Line 37- Ocala Division Office

Reason: Nonutility use of office space

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

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

Total Adjustments, Account 374: \$637,019

Page 203, Line 1 - South Florida Region Office

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

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

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

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

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

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

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

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

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

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

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

SCHEDULE G-1

PROJECTED TEST YEAR

STAFF RECOMMENDED ADJUSTMENTS - ACCOUNT 374, PAGES 203 & 204

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

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

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

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

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

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

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

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

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

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

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

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

-3-

SCHEDULE G-1

PROJECTED TEST YEAR

STAFF RECOMMENDED ADJUSTMENTS - ACCOUNT 374, PAGES 203 & 204

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

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

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

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

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

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

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

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

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

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

Page 204, Line 24 - South Florida Region Office

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

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

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

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

Page 204, Line 30 - Tampa Fire Training Facility

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

Page 204, Line 32 - Maintenance Building

Reason: Adjustment based on office building allocation.

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

-2-

SCHEDULE G-1

PROJECTED TEST YEAR

STAFF RECOMMENDED ADJUSTMENTS - ACCOUNT 375, PAGES 204 & 205

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

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

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

Reason: Nonutility usage of office space

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

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

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

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

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

Reason: Nonutility usage of office space.

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

- -

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

Total Adjustments, Account 390:	Plant \$46,105	Depreciation \$7,576
---------------------------------	-------------------	-------------------------

Page 205, Line 35 - Panama City Division Office

Reason: Nonutility use of office space

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

Page 205, Line 37- Ocala Division Office

Reason: Nonutility use of office space

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

REVIEW OF CAPITAL MAIN ASSUMPTIONS

Test Year +1

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

Assignment:

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

Findings:

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

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

Discussion:

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

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

CANCELED

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

COMPLETED PRIOR TO CY 2002

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

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

POSTPONED UNTIL CY 2003

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

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

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

EXHIBIT 1

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

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

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

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

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

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

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

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

--

Budget 2002 Main Costs

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

Budget 2002 Main Costs

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

Budget 2002 Main Costs

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

Budget 2002 Main Costs

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

Budget 2002 Main Costs

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

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

Budget 2002 Main Costs

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

Budget 2002 Main Costs

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

Budget 2002 Service Line Costs

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

Budget 2002 Service Line Costs

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

Budget 2002 Service Line Costs

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

Budget 2002 Service Line Costs

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

Budget 2002 Service Line Costs

<u>Project with Description</u>	<u>Total Service Cost</u>	<u>Plastic</u>	<u>Steel</u>
2000076 Hudson Street- Sarasota	1,059	953	105
52000023 Monte Verde in Prestancia	1,059	953	105
2990034 North Creek	1,059	953	105
2970039 Old Oak	1,059	953	105
52990088 Paradise Point Circle	1,059	953	105
2970044 SR52 - US19 to Little Road	1,059	953	105
3010009 Alafaya Tr. at Lake Underhill	1,059	953	105
53990108 Festival Bay Mall	1,059	953	105
53001006 The Fountains Shopping Center	1,059	953	105
3010011 115 Main Street main extension	1,059	953	105
53010014 1200 W. International Speedway	1,059	953	105
53010004 337 Bill France Main Extension	1,059	953	105
4990535 Lullwater Drive	1,059	953	105
4010022 Moonlight Bay Dr	1,059	953	105
54010006 Sewanee St. main line exst.	1,059	953	105
4990254 Shalamar	1,059	953	105
4990554 Summerwood Phase 2	1,059	953	105
54990555 Woodrun	1,059	953	105
1990076 Broward County Correctional Fa	529	477	53
1980001 Broward County Detention	529	477	53
51010005 Jupiter Park of Commerce	529	477	53
2001027 Aston Gardens ACLF	529	477	53
2010067 BAYPOINTE SUBDIVISION	529	477	53
52010044 Beef O'Brady's	529	477	53
2970043 Brookside	529	477	53
2010001 Commerce Park	529	477	53
52010058 Community Srvc 3107 N 50th St	529	477	53
52970003 CR581/SR54 (total buildout)	529	477	53
2970050 Dade City Expansion	529	477	53
2010007 Moffitt Cancer Center	529	477	53
52010071 South Cross Bayou Water Recl	529	477	53
2010034 West Park Village	529	477	53
2001037 3409 & 3411 SAN LUIS ST.	529	477	53
52010027 5119 W. LONGFELLOW AVE.	529	477	53
3010046 Agri-Starts Inc. Extension	529	477	53
3990121 Best Western Airport Inn - 810	529	477	53
53000007 Bridle Path: Mt. Dora	529	477	53
3990023 City of Orlando	529	477	53
3010033 Del Verde Way Main Extension	529	477	53
53990047 International Festival	529	477	53
53000054 Orange County Correctional	529	477	53
3000024 Plaza Venezia	529	477	53
53000023 Publix 1910 N. John Young Pkwy	529	477	53
53001015 Publix main extension	529	477	53
3990113 The Villas at Summer Bay	529	477	53
3990096 Tuck's Knoll S/D	529	477	53
53010045 U.S. Nutraceuticals	529	477	53

Analysis of Revenue Capital

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

EXTRAORDINARY EXPENSES

Division 16 : SW FL

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

(adjusted for italicized items).

Revenue Capital Net of Div. 16 Revenue Mains

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

	Budget 2002	Actual 2001	Actual 2000	Actual 1999	Actual 1998	5-Yr Avg. 98-02
Service Replacements	\$ 691,050	\$ 819,314	\$ 611,916	\$ 524,211	\$ 378,404	\$ 604,979
Main Replacements	2,389,396	959,529	842,076	803,638	1,252,729	1,249,474
System Improvements	1,559,601	1,532,359	1,928,438	1,258,053	1,624,800	1,580,650
Municipal Improvements	3,871,371	4,399,299	2,240,913	2,903,906	1,833,061	3,049,510
Catholic Protection	255,200	310,876	257,582	194,519	263,445	256,324
Transportation Vehicles	2,388,009	8,192,932	5,444,613	1,269,112	936,943	3,646,322
Communication Equipment	287,500	1,333,515	325,591	935,245	1,138,543	804,079
Office Equipment	2,471,112	1,757,394	3,229,512	3,631,820	6,194,977	3,456,963
Tools & Shop Equipment	487,100	231,978	339,811	139,990	162,908	272,357
Power Operated Equipment	362,600	112,065	82,907	36,318	343,795	187,537
Testing/Meas. Equipment	791,400	214,432	435,985	110,155	143,627	339,120
Franchise Acquisitions	-	-	-	-	-	-
Improvements to Property	1,578,300	3,150,443	3,385,005	1,741,122	171,325	2,005,239
Improvements to Leased Property	-	10,827	-	1,040	4,449	3,263
Special System Upgrade	-	-	-	-	-	-
Misc. Maintenance	395,000	473,037	127,129	580,796	507,058	416,604
Reimbursable Constr. - Net	-	804,518	(2,010,409)	2,573,138	222,050	317,860
Removal Costs	1,608,000	(4,975,326)	1,664,169	1,419,340	1,122,881	167,813
Total Maintenance/Removal	\$ 19,135,639	\$ 19,326,192	\$ 18,905,236	\$ 18,122,403	\$ 16,300,995	\$ 18,358,093

Check (s/b zero)

EXTRAORDINARY EXPENSES

Transportation Vehicles		\$ 6,120,643	\$ 3,832,354			
Interim Airplane S/11 (Div. 90)		722,161	3,201,120			
New Airplane Bravo (Div. 90)		5,399,482	631,234			
Removal Costs		\$ (5,945,929)				
Airplane Removal (Div. 90)		(4,170,000)				
Building Removal (Div. 01)		(1,775,929)				
Office Equipment (Div. 90)				\$ 3,213,288	\$ 5,152,494	
Intellipoint				253,215		
Gas Mgt. System				1,078,950		
Centralized SCADA				581,489		
Meter Reading Repl Project				309,013		
GOFR Data Network					125,746	
Service Order Auto. Sys.				699,575	2,043,248	
PC & Laptop Upgrade				194,818	1,581,217	
Upgrade Network Servers				118,228	1,402,283	
Improvements to Property	\$ 1,152,500	\$ 2,711,597	\$ 1,873,575	\$ 789,109		
N. Miami Local Ops Coconut Creek (01)		411,406	507,387			
South Region Office Sunrise (01)	1,152,500	865,495				
SW FL on Enterprise (16)		1,000,333				
Pt. Myers Yard (18)		67,270				
Palm Beach Operations Facility (13)		387,093	293,124			
Sarasota Operations Building (11)			1,073,064	249,303		
Daytona Div. Office (09)				540,806		
Municipal Improvements		\$ 2,755,030				
Riverland Village (01)		152,780				
Collins Ave Reconstruction (01)		80,729				
Powerline Road Gov't Improv (01)		93,639				
Collier Parkway Road Widening (02)		87,293				
S.R. 54 - DOT (02)		180,233				
CR 545 Main Relocation (04)		102,549				
Bennet Road Relocation (04)		78,379				
SR 426 (Aloma Ave) Relocation (04)		91,995				
Lake Underhill Road Project (04)		112,491				
Holden Heights replacement (04)		148,123				
SR 500 (US 441) Main Relocate (05)		271,211				
San Juan Relocation (08)		98,287				
Blanding Blvd @ Cedar (08)		197,783				
Fouraker Rd Relocation (06)		221,389				
63rd Ave Municipal Rd Project (11)		287,075				
Municipal - Clarke Rd (11)		181,038				
San Carlos at US 41 (18)		410,058				
Misc. Maintenance		\$ 62,320	\$ 186,231	\$ 484,202		
Network Modeling Svcs.		62,320	192,275	276,898		
Mapping & Gas Dist. System			(6,044)	207,204		
Testing/Measuring Equipment	\$ 300,000					
Adjusted Maintenance/Removal	\$ 17,683,139	\$ 16,439,881	\$ 13,199,307	\$ 17,333,294	\$ 16,300,995	\$ 16,191,323

(adjusted for italicized items)

Maintenance Capital Net of Adjustments

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

Handwritten: 11/26/02

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

TO: Frank Sivard UTILITY: TECO-Peoples Gas System

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

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

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

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 8/02/02

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

ITEM DESCRIPTION:

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

TO: AUDIT MANAGER

DATE: 8/12/02

THE REQUESTED RECORD OR DOCUMENTATION:

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

J. Paul Higgins
(SIGNATURE AND TITLE OF RESPONDENT)

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

EXHIBIT 2

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

SOUTHERN REGION
BUDGET 2002 MAIN COST

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

NORTHERN REGION
BUDGET 2002 MAIN COST

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

CENTRAL REGION
BUDGET 2002 MAIN COST

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

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

WEST REGION
BUDGET 2002 MAIN COST

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

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

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

REGION TOTALS
PROJECTED CAPITAL MAIN EXPENDITURES

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

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

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

--

FAILED METER CHANGE-OUT EXPENSES
TECO-PEOPLES GAS SYSTEM
RATE CASE - DOCKET NO. 020384-GU

Assignment :

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

Findings :

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

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

Discussion :

On December 23, 1997, TECO-Peoples Gas System petitioned the Florida Public Service Commission to enter into a statistical meter sampling program, per Commission Rule 25-7.064(1), F.A.C. The approved Meter Sampling Plan attached as Exhibit 1, requires a meter sample size of 315 meters to be tested each calendar year. If this sample group of 315 meters are tested and found to be within acceptable the accuracy limits, no further meter testing would be required that year. However, if the sample group fails, system personnel are required to identify and isolate, according to a predetermined set of criteria, the meters that caused the sample failure. Since the initiation of the meter sampling program in 1998, each year the statistical sample group has failed to meet accuracy requirements, and system personnel were required to conduct further analysis of the failed meters to establish isolation groups to be removed from service over a three-year period. The number of meters that were changed out and tested as the result of the failure to meet accuracy requirements are shown below according to calendar year totals.

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

--

-2-

Peoples Gas System Rate Case

Docket No. 020384-GU

RE: Failed Meter Change-Out Expenses

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

SUMMARY CHART

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

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

+ Assuming meter sample passes in CY 2003

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

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

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

-3-

Peoples Gas System Rate Case

Docket No. 020384-GU

RE: Failed Meter Change-Out Expenses

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

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

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

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

Sum of unit costs for installation, removal & testing:

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

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

Recommended Historic Base Year Adjustment

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

<u>Total Change Out Meters</u>	<u>Total Unit Cost</u>
19,927 x \$ 82.48	= \$1,643,579 - Total expenses of failed meters
315 x \$ 82.48	= - \$ 25,981 - Total calculated expenses if statistical sample would have met accuracy requirements.
Recommended Adjustment -	\$1,617,598

EXHIBIT 1

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



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

Public Service Commission

December 23, 1997

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

Re: Request To Adopt Statistical Meter Sampling Plan

Dear Mr. Sivard:

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

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

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

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

Francis J. Sivard
Page 2
December 23, 1997

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

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

Sincerely,

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

CRBB:rwf
Enclosures

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

Peoples Gas

Meter Sampling Plan

**Prepared by
System Engineering**

A. General

This sampling plan details the process by which Peoples Gas will use statistical sampling and testing of meters to verify the overall accuracy of the meters. This sampling plan conforms to Florida Administrative Code per Chapter 25-7.064, Periodic Meter Test. All positive displacement meters with capacities of 2.50 (275) cubic feet per hour or less (measured at the manufacturers specification for one-half inch pressure differential) may remain in continuous service and be included in the Sampling Plan. The Sampling Plan uses military standard statistical sampling techniques to identify how many meters will be removed from the field and tested to verify they satisfy meter accuracy as defined in Florida Administrative Code per Chapter 25-7-063, Meter Accuracy at Installation. Those meters to be tested under the plan will be removed from service and tested within the calendar year identified in the sample, including any isolation groups. The sampled meters will be tested for accuracy, the results analyzed and the analysis reported by February 11 of the next calendar year.

B. Meters to be tested

1. Normal Sampling

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

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

Example:

Table I - *Sample Size Code Letters*

Batch size: 150,001 – 500,000

General Inspection Level I indicates code letter "M"

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

Code letter "M" indicates Sample Size = 315

AQL at four (4) is:

Acceptance number - 21

Rejection number - 22

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

2. Isolation Plan

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

3. Testing of Isolated Groups

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

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

4. Accelerated Change-out Plan

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

C. Meters Not Included in Sampling Analysis:

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

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

D. Employee Training

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

TABLE I—Sample size code letters

(See 9.2 and 9.3)

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

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

(See 9.4 and 9.5)

Sample size code letter	Sample size	Acceptable Quality Levels (normal inspection)																									
		0.010	0.015	0.025	0.040	0.065	0.10	0.15	0.25	0.40	0.65	1.0	1.5	2.5	4.0	6.5	10.4	15	25	40	65	100	150	250	400	650	1000
		Ac Re	Ac Re	Ac Re	Ac Re	Ac Re	Ac Re	Ac Re	Ac Re	Ac Re	Ac Re	Ac Re	Ac Re	Ac Re	Ac Re	Ac Re	Ac Re	Ac Re	Ac Re	Ac Re	Ac Re	Ac Re	Ac Re	Ac Re	Ac Re	Ac Re	Ac Re
A	2																										
B	3																										
C	5																										
D	8																										
E	13																										
F	20																										
G	32																										
H	50																										
J	80																										
K	125																										
L	200																										
M	315																										
N	500																										
P	800																										
Q	1250																										
R	2000																										

25%
23%
23%
21%
20%
17%
16.8%

11
67

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

SINGLE
NORMAL
PLANS

EXHIBIT 2

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

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

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

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

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

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

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

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

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

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

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

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

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

Projected 2005 expenses based on approximately 3500 change-outs

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

Removal costs (2005 projected)

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

Projected 2006 expenses based on approximately 3500 change-outs

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

Removal costs (2006 projected)

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

Note: This model projected based on assumption of passing sample in 2003.
09/12/02

**Capital Meter Change-outs (Failed family meters)
Installation & Removal Costs**

01/01/2001 THRU 12/31/2001

Division	Capital Changeout	Meter Set		Meter set	
		Off	Off/new service	On	On/new service
1	5784	98	365	474	737
2	612	25	4184	258	907
3	3111	24	115	125	260
4	408	16	2141	22	340
5	574	4	45	17	80
6	1164	10	222	99	783
7	2138	39	63	240	187
8	776	4	83	20	4
9	925	3	38	23	400
10	19	1	1	4	1
11	306	13	1469	20	406
13	110	2	171	9	130
14	0	4	151	25	161
15	0	1	2444	21	298
16	0	2	613	1	467
TOTALS	19927	246	12105	1358	5161

Total units 38797 (19927+246+12105+1358+5161)

Total \$ \$2,445,201 From Account - 01xx70006600

Unit Cost/installation \$63.03 (\$2445201 / 38797)

Total expense for change out installation \$1,255,909 Amount shown on staff summary

Removal costs \$268,018 Costs based on total removal cost divided by total removals, times total cap change-outs

09/12/02

--

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

01/01/2000 THRU 12/31/2000

Division	Capital Changeout	Meter Set		Meter set		Meter set	
		Off	Off/new service	On	On/new service		
1	6452	123	437	567	518		
2	223	32	2777	325	1367		
3	4101	26	82	135	239		
4	2910	19	2486	55	537		
5	45	7	59	23	71		
6	2575	11	427	125	431		
7	798	53	108	431	159		
8	117	2	106	23	19		
9	706	2	52	52	347		
10	29	0	5	5	5		
11	339	15	1231	26	424		
13	5	5	253	14	145		
14	0	1	6	9	17		
15	0	2	112	4	39		
TOTALS	18498	298	8141	1794	4318		
Total units				33049	(18498+298+8141+1794+4318)		
Total \$				\$1,830,554	From Account - 01xx70006600		
Unit Cost/installation				\$125.80	(\$1830554 / 33049)		
Total expense for change out installation				\$2,327,097	Amount shown on staff summary		
Removal costs				\$536,072	Costs based on total removal cost divided by total removals, times total cap change-outs.		

09/12/02

**Capital Meter Change-outs (Failed family meters)
Installation & Removal Costs**

01/01/1999 THRU 12/31/1999

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

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

EXHIBIT 3

September 25, 2002

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

Re: Meter removal costs

Dear Roger,

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

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

Sincerely,

Keith C. Martin
Director of Engineering Services

Cc: Bruce Narzissenfeld, Controller

--

Removal Costs Associated With Capital Changeouts

Meter Removal Expenses (All Types of Removals)

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

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

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

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

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

--

EXHIBIT 4

--

Peoples Gas System
Accelerated Changeout Testing
Audit Request #13

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

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

EXHIBIT 1

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



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

Public Service Commission

December 23, 1997

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

Re: Request To Adopt Statistical Meter Sampling Plan

Dear Mr. Sivard:

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

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

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

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

Francis J. Sivard
Page 2
December 23, 1997

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

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

Sincerely,

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

CRBB:rwf
Enclosures

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

Peoples Gas

Meter Sampling Plan

Prepared by
System Engineering

A. General

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

B. Meters to be tested

1. Normal Sampling

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

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

Example:

Table I - *Sample Size Code Letters*

Batch size: 150,001 - 500,000

General Inspection Level I indicates code letter "M"

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

Code letter "M" indicates Sample Size = 315

AQL at four (4) is:

Acceptance number - 21

Rejection number - 22

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

2. Isolation Plan

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

3. Testing of Isolated Groups

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

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

4. Accelerated Change-out Plan

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

C. Meters Not Included in Sampling Analysis:

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

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

D. Employee Training

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

TABLE I—Sample size code letters

(See 9.2 and 9.3)

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

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

(See 9.4 and 9.5)

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

25%
23%
25%
21%
20%
17%
16.8%

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

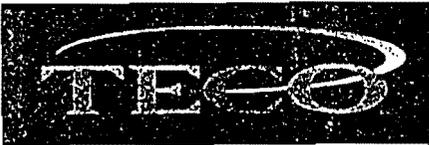
SINGLE
NORMAL
PLANS

11

88

EXHIBIT 2

--



PEOPLES GAS

September 27, 2002

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

Re: Meter Sampling Plan Test Results

Dear Roger,

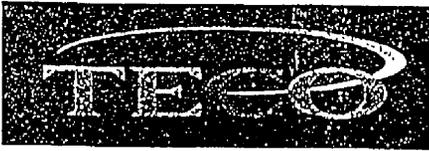
We have completed a preliminary evaluation of test on the meters identified in the 2002 sample plan. Of the meters sampled, 30 of the 315 meters were not within our prescribed accuracy limits. The Plan states that if 22 meters do not meet the accuracy limits, we must further determine if the problem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

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

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

Sincerely,

Keith C. Martin,



PEOPLES GAS

January 31, 2002

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

Re. Meter Sampling Plan Test Results

Mr. Mills:

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

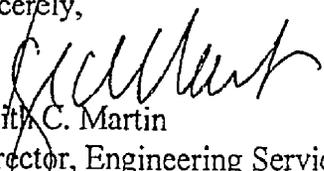
1. All RD (Rockwell 175-200 class meters) company wide, representing approximately 21,500 meters.
2. All SD and SH (Sprague 175 and 250 class meters) company wide, representing approximately 6,100 meters.

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

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

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

Sincerely,


 Keith C. Martin
 Director, Engineering Services

cc: Roger Fletcher

RECEIVED

FEB 07 2002

Florida Public Service Commission
 Division of Auditing and Safety



PEOPLES GAS

February 9, 2001

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

Re. Meter Sampling Plan Test Results

Mr. Mills:

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

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

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

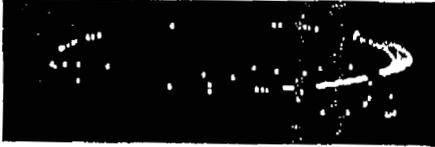
We are again confident that this plan is accomplishing our goal of identifying and targeting those meters that most need to be removed from our system.

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

Sincerely,

Keith C. Martin
 Director, Engineering Services

cc: Roger Fletcher



PEOPLES GAS

October 9, 2002

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

Re: Meter Sampling Plan Test Results – 1999 Sample

Dear Roger,

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

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

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

Sincerely,


 Keith C. Martin,
 Director, Engineering Services



November 16, 1998

*KAY ROGERS: 11-18
H.C. MILLER 11/18*

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

Re: Meter Sampling Plan Test Results

Dear Ed:

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

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

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

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

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

Sincerely,

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

..

EXHIBIT 3

PEOPLES GAS SYSTEM

REPORT-ID: CSRPCOB2-01
COMPANY-01

1998 ACCELERATED CHANGE-OUT RECAP

RUN DATE: 08/06/02
PAGE: 1

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

PEOPLES GAS SYSTEM

REPORT-ID: CSRPCOB2-01
COMPANY-01

1999 ACCELERATED CHANGE-OUT RECAP

RUN DATE: 08/06/02
PAGE: 2

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

REPORT-ID: CSRPCOB2-01
 COMPANY-01

PEOPLES GAS SYSTEM

RUN DATE: 08/06/02
 PAGE: 3

2000 ACCELERATED CHANGE-OUT RECAP

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

REPORT-ID: CSRPCOB2-01
 COMPANY-01

PEOPLES GAS SYSTEM

RUN DATE: 08/06/02
 PAGE: 4

2001 ACCELERATED CHANGE-OUT RECAP

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

EVALUATION OF METER TEST CONTRACTS

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

Assignment :

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

Findings:

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

Discussion:

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

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

--

CONTRACT
NORTH AMERICAN SERVICE GROUP



METER SERVICE AGREEMENT

between

TECO PEOPLES GAS, TAMPA, FLORIDA

and

NORTH AMERICAN SERVICES GROUP

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

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

I. SCOPE

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

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

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

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

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

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

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

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

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

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

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

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

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

II. COMMERCIAL

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

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

Intest

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

Junk

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

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

RefurbishPLUS

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

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

--

REVISEDIntest

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

Junk

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

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

RefurbishPLUS

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

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

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

Meter Core Purchase

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

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

Remanufacturing

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

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

ReBuy Credits

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

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

Reverify – (Shelf life recertification/Low mileage Meters)

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

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

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

--

III. SUMMARY

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

NORTH AMERICAN SERVICES GROUP

DATE

TECO PEOPLES GAS

DATE

APPENDIX – METER SERVICE AGREEMENT

TECO PEOPLES GAS

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

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

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

I. Service Programs

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

Intest & Junk

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

- 2 -

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

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

666 – Water

777 – Index / Index drive

888 – Case Leak / Damage

999- Meter locked up / Will not run

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

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

--

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

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

RefurbishPLUS

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

II. Meter Specifications

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

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

III. Meter Data Requirements

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

IV. Delivery Schedules

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

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

V. Warranty

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

VI. Van Prover

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

APPLIANCE ELEVATION PROGRAM EVALUATION
TECO-PEOPLES GAS SYSTEM
RATE CASE - DOCKET 020384-GU

Assignment:

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

Findings:

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

Discussion:

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

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

EXHIBIT 1

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

--

Posted

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

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

TEST YEAR RATE BASE - ATTACHMENT 1

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD
LUIS J. LAUREDO

ORDER GRANTING CERTAIN INCREASES

BY THE COMMISSION:

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

Background

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

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

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

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

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

1. We find that the capital expenditures amount set out in the major assumptions of the Projected Test Year Calculations should be reduced to remove projects that will take place outside of the projected test year. For projects deferred beyond the projected test year, 13-month-average Plant in Service should be reduced by \$359,000; Accumulated Depreciation should be reduced by \$6,533 and Depreciation Expense also reduced by \$6,533. In addition, Plant in Service, Accumulated Depreciation and Depreciation Expense should be reduced by \$809,000, \$311,000, and \$24,000 for delayed completion dates within the projected test year.
2. We find that Plant-in-Service should be reduced by \$187,049, accumulated depreciation should be reduced by \$35,067, and depreciation expense reduced by \$4,899 to reflect increased non-utility usage of certain utility facilities.
3. We find that the appropriate projected test year Plant-In-Service is \$326,398,920 after making an adjustment increasing average Plant in Service by \$581,711 to correct retirement projections.
4. We find that the appropriate projected test year Depreciation Reserve is \$117,980,820 after making an adjustment increasing average Accumulated Depreciation by \$738,767 for incorrect retirement projections and incorrect accrual computations.
5. We find that the appropriate amount of Construction Work in Progress for the projected test year is \$5,686,000.
6. We find that the appropriate amount of Customer Advances for Construction for the projected test year is \$1,650,000.
7. We find that unamortized rate case expense should not be included in rate base. Therefore, we reduce working capital by \$100,000.
8. We find that a portion of materials and supplies inventory should be allocated to non-utility operations. Materials and supplies inventory should be reduced by \$152,147.

DOCUMENT NO.
10114-92
9-3-92

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

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

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

CAPITAL STRUCTURE - ATTACHMENT 2

Fair Rate of Return

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

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

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

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

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

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

NET OPERATING INCOME - ATTACHMENT 3

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

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

ORDER NO. PSC-92-0924-FOF-GU
DOCKET NO. 911150-GU
PAGE 4

before rate relief is appropriate.

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

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

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

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

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

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

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

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

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

EXHIBIT 2

TECO-PEOPLES GAS SYSTEM
WATER HEATER ELEVATION PROGRAM EXPENSES

PEOPLES GAS SYSTEM
Water Heater Elevation Program Expenses

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

EXHIBIT 3

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

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

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

EXHIBIT 4

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

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

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

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

Post-It® Fax Note	7671	Date	10/9	# of pages	2
To	Roger Fleischer	From	Rosamary		
Co./Dept.	PSC	Co.	PLS		
Phone #	407 317 7341	Phone #	813 228 4191		
Fax #	407 317 7336	Fax #	813 228 4194		

ENVIRONMENTAL EXPENSE EVALUATION

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

Assignment:

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

Findings:

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

Discussion:

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

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

EXHIBIT 1

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

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

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

ROGER FLETCHER
 (AUDITOR PREPARING REQUEST)

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

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

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

ITEM DESCRIPTION:

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

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

TO: AUDIT MANAGER _____ DATE: _____

THE REQUESTED RECORD OR DOCUMENTATION:

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

 (SIGNATURE AND TITLE OF RESPONDENT)

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

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

North Miami

Vendor Name / Jnl Description	Vendor # / Jnl Month	Invoice # / Journal #	Description	Amount
OEI Consultants, Inc.	0016331	804943	Type Four Contract	59,086.42
OEI Consultants, Inc.	0016331	804634	99518-01	690.00
OEI Consultants, Inc.	0016331	805064	99518-02	83,422.22
OEI Consultants, Inc.	0016331	805161	99518-03	35,802.87
OEI Consultants, Inc.	0016331	805279	99518-04	5,597.76
River Properties, Inc.	9005122	041201	FGS Portion of Miami River Canal Sanitary Improvement	8,948.78
OEI Consultants, Inc.	0016331	805348	99518-0	8,820.26
OEI Consultants, Inc.	0016331	805341	99518-0	2,922.21
OEI Consultants, Inc.	0016331	805648	99518-0	1,748.80
Hazardous Substance & Waste	0010757	T256101	Review File, Site Development Plan	973.50
OEI Consultants, Inc.	0016331	805815	N Miami Beach	14,191.49
OEI Consultants, Inc.	0016331	805979	N Miami Beach	33,470.97
River Properties, Inc.	9005122	112701	PGS Portion of Miami River Canal Sanitary Improvement	8,460.37
Tampa Electric Company	Jan	896	TEC Invoice 045911	23.37
Tampa Electric Company	Feb	910	Journal	92.87
Tampa Electric Company	Mar	923	TEC Invoice 046331	680.23
Tampa Electric Company	Apr	897	TEC Invoice 046603	278.20
Tampa Electric Company	May	906	TEC Invoice 046864	1,114.97
Tampa Electric Company	Jun	902	Journal Invoice #047148	401.26
Tampa Electric Company	Jul	904	Journal	782.15
Tampa Electric Company	Aug	880	TEC Invoice #047636	108.40
Tampa Electric Company	Oct	851	TEC Invoice 048288	78.77
TBCO Energy	Nov	804	TBCO Invoice 048556	28.99
TOTAL				267,714.86

Trans	Vendor Name	Vendor # / Jnl Month	Invoice # / Journal #	Description	Amount
	Environmental Consulting	0015641	003404	Stormwater Management	969.39
	Environmental Consulting	0015641	003606	Stormwater Management	9,259.27
	Environmental Consulting	0015641	003416	99-0883	10,207.26
	Ackerman, Senterfitt & Edison, P.A.	0016316	7618899	Legal Services	3,916.96
	MacFarlane Ferguson	1004575	171251	Legal Services	2,900.84
	Ackerman, Senterfitt & Edison, P.A.	0016316	7624852	Legal Services	457.20
	Environmental Consulting	0015641	010296	00-0641	695.50
	Environmental Consulting	0015641	010302	99-0883	2,854.00
	Ackerman, Senterfitt & Edison, P.A.	0016316	7632388	Legal Services	654.00
	Ackerman, Senterfitt & Edison, P.A.	0016316	7642413	Legal Services	315.90
	Environmental Consulting	0015641	010986	00-0641 Stormwater Management	1,601.00
	Environmental Consulting	0015641	044603	00-0641 Stormwater Management	6,825.82
	Environmental Consulting	0015641	A10991	Soil Sampling	735.11
	Ackerman, Senterfitt & Edison, P.A.	0016316	7651283	Legal Services	600.00
	Environmental Consulting	0015641	012323	Task 0100 Stormwater Management	3,203.39
	Environmental Consulting	0015641	012326	99-0883 Trolley Car Planning	4,518.17
	Ackerman, Senterfitt & Edison, P.A.	0016316	7658314	Legal Services	2,455.50
	Ackerman, Senterfitt & Edison, P.A.	0016316	7661939	Legal Services	4,011.84
	Kimmins Contracting, Inc.	1000141	27936	Removal & Disposal of Contaminated Soils	22,500.00
	Ackerman, Senterfitt & Edison, P.A.	0016316	7671510	Legal Services	4,840.48
	Ackerman, Senterfitt & Edison, P.A.	0016316	7677463	Legal Services	6,195.08
	Ackerman, Senterfitt & Edison, P.A.	0016316	7680958	Legal Services	8,970.88
	Ackerman, Senterfitt & Edison, P.A.	0016331	805853	Legal Services	37,813.04
	Ackerman, Senterfitt & Edison, P.A.	0016316	7693211	Legal Services	1,088.85
	Tampa Electric Company	Jan	896	TEC Invoice 045811	1,374.10
	Tampa Electric Company	Feb	910	Journal	159.70
	Tampa Electric Company	Mar	923	TEC Invoice 046331	582.19
	Tampa Electric Company	Apr	897	TEC Invoice 046603	69.56
	Tampa Electric Company	May	906	TEC Invoice 046964	641.25
	Tampa Electric Company	Jun	902	Journal Invoice #0-17148	579.94
	Tampa Electric Company	Jul	904	Journal	832.24
	Tampa Electric Company	Aug	880	TEC Invoice 0047636	1,239.07
	Tampa Electric Company	Sep	890	Journal	1,393.01
	Tampa Electric Company	Oct	851	TEC Invoice 048288	472.65
	TECO Energy	Nov	894	TECO Invoice 048556	344.01
	TOTAL				145,280.90

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

Jan
 Feb
 Mar
 Apr
 May
 Jun
 Jul
 Aug
 Sep
 Oct
 Nov
 Dec

Jacksonville	Vendor Name	Vendor # / Inl Month	Invoice # / Journal #	Description	Amount
	Environmental Consulting	0015641	002292	99-0927	1,112.14
	Environmental Consulting	0015641	002961	99-0927	156.10
	Environmental Consulting	0015641	003396	99-0927	2,688.40
	MacFarlane Ferguson	1004575	172679	Legal Services	464.71
	MacFarlane Ferguson	1004575	173689	Legal Services	580.82
	Environmental Consulting	0015641	010303	99-0927	1,887.25
	MESA Corrosion Control	0012495	9477	Interference Tests	895.50
	MacFarlane Ferguson	1004575	175811	Legal Services	318.00
	Environmental Consulting	0015641	A10992	IRA Investigation	1,539.26
	MacFarlane Ferguson	1004575	177844	Legal Services	724.00
	MacFarlane Ferguson	1004575	178887	Legal Services	621.00
	MacFarlane Ferguson	1004575	180052	Legal Services	1,621.75
	MacFarlane Ferguson	1004575	181015	Legal Services	567.94
	Ackerman, Senterfitt & Edison, P.A.	0016316	7680959	Legal Services	867.20
	G&I Consultants, Inc.	0016331	805972	Jax Former MOP Site	2,372.94
	MacFarlane Ferguson	1004575	182061	Legal Services	1,084.27
	MacFarlane Ferguson	1004575	183921	Legal Services	345.00
	Tampa Electric Company	Jan	896	TEC Invoice 045511	12.04
	Tampa Electric Company	Feb	910	Journal	138.95
	Tampa Electric Company	Mar	923	TEC Invoice 046231	166.15
	Tampa Electric Company	Apr	897	TEC Invoice 046603	83.97
	Tampa Electric Company	May	906	TEC Invoice 046864	112.17
	Tampa Electric Company	Jun	902	Journal Invoice #047148	427.26
	Tampa Electric Company	Jul	904	Journal	155.81
	Tampa Electric Company	Aug	880	TEC Invoice #047636	33.93
	Tampa Electric Company	Sep	890	Journal	39.46
	Tampa Electric Company	Oct	851	TEC Invoice 048288	200.27
	TECO Energy	Nov	894	TECO Invoice 048556	83.94
	Tampa Electric Company	Dec	872	TEC Invoice 048744	302.00
	TOTAL				19,442.23

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

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

Orals	Vendor Name	Vendor # / Jrd Month	Invoice # / Journal #	Description	Amount
	GEI Consultants, Inc.	0016331	804950	Contract to Install and Sample 5 Monitoring	2,342.97
	Ackerman, Senterfitt & Edison, P.A.	0016316	7613021	Legal Services	1,453.97
	Ackerman, Senterfitt & Edison, P.A.	0016316	7618897	Legal Services	1,066.73
	Ackerman, Senterfitt & Edison, P.A.	0016316	7624839	Legal Services	4,542.17
	GEI Consultants, Inc.	0016331	805035	Meeting w/EPA Regarding the REFS Work Plan	10,960.09
	Ackerman, Senterfitt & Edison, P.A.	0016316	7632389	Legal Services	652.99
	Ackerman, Senterfitt & Edison, P.A.	0016316	7636315	Legal Services	1,298.58
	Ackerman, Senterfitt & Edison, P.A.	0016316	7642412	Legal Services	336.56
	Ackerman, Senterfitt & Edison, P.A.	0016316	7651282	Legal Services	902.41
	Ackerman, Senterfitt & Edison, P.A.	0016316	7658318	Legal Services	2,867.92
	Ackerman, Senterfitt & Edison, P.A.	0016316	7661943	Legal Services	283.26
	Ackerman, Senterfitt & Edison, P.A.	0016316	7671512	Legal Services	1,777.91
	Ackerman, Senterfitt & Edison, P.A.	0016316	7680957	Legal Services	2,146.79
	GEI Consultants, Inc.	0016331	805976	Meeting w/EPA Regarding the REFS Work Plan	2,249.09
	Ackerman, Senterfitt & Edison, P.A.	0016316	7693215	Legal Services	2,051.10
	Ackerman, Senterfitt & Edison, P.A.	0016316	806068	Legal Services	4,301.45
	Tampa Electric Company	Jan	896	TEC Invoice 045811	982.26
	Tampa Electric Company	Mar	923	TEC Invoice 046331	397.22
	Tampa Electric Company	Apr	897	TEC Invoice 046603	104.35
	Tampa Electric Company	May	906	TEC Invoice 046864	77.40
	Tampa Electric Company	Jun	902	Journal Invoice #047148	362.00
	Tampa Electric Company	Jul	904	Journal	16.21
	TECO Energy	Nov	894	TECO Invoice 048556	28.99
	TOTAL				41,242.36

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

EXHIBIT 2

Environmental Clean Up Narrative



Environmental Affairs Memorandum

Page 1 of 12

TO: Frank Sivard

FROM: Chris Gasinski

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

DATE: July 26, 2002

SUBJECT: MGP Environmental Activity Summary – 2002 Update

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

North Miami – Fulford Plant

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



Environmental Affairs Memorandum

Page 2 of 12

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

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



Environmental Affairs Memorandum

Page 3 of 12

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

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

Ft. Lauderdale – Cox Plant

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

Miami – Rinker

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



Environmental Affairs Memorandum

Page 4 of 12

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



Environmental Affairs Memorandum

Page 5 of 12

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

Jacksonville

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



Environmental Affairs Memorandum

Page 6 of 12

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

Tampa

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



Environmental Affairs Memorandum

Page 7 of 12

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



Environmental Affairs Memorandum

Page 9 of 12

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

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

Orlando

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

--



Environmental Affairs Memorandum

Page 10 of 12

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

St. Petersburg – Dome Site

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

Ocala

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



Environmental Affairs Memorandum

Page 11 of 12

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



Environmental Affairs Memorandum

Page 12 of 12

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

PEOPLES GAS SYSTEM
Summary of Environmental Activity

		N. Miami	Ft. Lauderdale	Tampa	St. Petersburg	Orlando	Jacksonville	Miami	Lakeland	Ocala	General	Total Expenditures	Accumulated Amortization	Balance
Balance	12/31/1997	4,352,571.34	216,476.26	2,249,052.06	383,114.24	3,475.81	23,058.93	952,073.65	21,332.65	(546,464.39)	10,338.75	7,665,029.30	(6,896,000.00)	769,029.30
													(1,315,493.69) (1)	
Balance	12/31/1998	26,071.66 4,378,643.20	0.00 216,476.26	101,167.26 2,350,219.32	0.00 383,114.24	0.00 3,475.81	39,920.46 62,979.39	61,688.25 1,013,761.90	3,053.56 24,385.21	663,377.70 116,913.31	0.00 10,338.75	895,279.09 8,560,308.39	(640,000.00) (8,851,493.69)	(291,185.30)
Balance	12/31/1999	136,084.10 4,514,727.30	3,000.00 219,476.26	86,171.49 2,436,390.81	0.00 383,114.24	16,464.98 19,940.79	166,898.98 229,878.37	9,459.46 1,023,231.36	3,151.22 27,537.43	(44,062.61) 72,850.70	390.00 10,728.75	377,567.62 8,937,876.01	(639,996.00) (2) (9,491,469.69)	(553,613.68)
Balance	12/31/2000	70,957.87 4,585,685.17	0.00 219,476.26	386,633.14 2,823,023.95	0.00 383,114.24	12,849.22 32,790.01	268,595.34 498,473.71	1,190.34 1,024,421.70	542.19 28,079.62	88,293.05 161,143.75	0.00 10,728.75	829,061.15 9,766,937.16	(639,996.00) (10,131,485.69)	(364,548.53)
Balance	12/31/2001	267,724.85 4,853,410.03	0.00 219,476.26	145,280.90 2,968,304.85	0.00 383,114.24	41,144.00 73,934.01	19,442.23 517,915.94	883.91 1,025,305.61	488.00 28,567.62	41,242.36 202,386.11	28,365.06 39,093.81	544,571.32 10,311,508.48	(639,996.00) (10,771,481.69)	(459,973.21)
Balance	7/31/2002	107,098.37 4,960,508.40	0.00 219,476.26	450,914.89 3,419,219.74	0.00 383,114.24	99,887.10 173,821.11	19,273.99 537,189.93	309.60 1,025,615.21	291.70 28,859.32	72,925.42 275,311.53	14,332.27 53,426.08	765,033.34 11,076,541.82	(373,331.00) (11,144,812.69)	(68,270.87)
Estimate	12/31/2002											1,699,322.87 12,775,864.69	(640,000.00) (11,784,812.69)	991,052.00
Estimate	12/31/2003											2,000,000.00 14,775,864.69	(640,000.00) (12,424,812.69)	2,351,052.00

146

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

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

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

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

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

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

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

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

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

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

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

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

Assignment:

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

Findings:

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

Discussion:

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

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

State of Florida



Public Service Commission

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

DATE : OCTOBER 4, 2002

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

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

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

Assignment

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

Recommendation

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

Discussion

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

Memorandum

October 4, 2002

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

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

RWF

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

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

DIRECT TESTIMONY

OF

ROGER W. FLETCHER

On Behalf of the Florida Public Service Commission

EXHIBIT RWF - 2

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





Public Service Commission

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

DATE : October 8, 2002

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

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

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

BRIEF

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

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

RECOMMENDATION

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

DISCUSSION

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

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

Base Year

Schedule B-5, Account 374

Account Adjustments: \$1,534 Reduction, see #4

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

Description:
Land Cox Plant.

Company Allocation:
No charges.

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

Description:
Coconut Creek Reg. Station.

Company Allocation:
\$12,413 - utility.

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

Description: Plantation Gate Station.

Company Allocation: \$22,954 - utility.

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

Description: Fulford Plant.

Page 3

September 25, 2002

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

Company Allocation: \$38,351 - utility.

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

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

Description: SMI - Plant Site.

Company Allocation: \$39,181 utility.

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

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

Description: PBG Operations Facility.

Company Allocation: \$230,941 - utility.

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

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

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

Description: NMI Fulford West & Previous Office.

--

Page 4

September 25, 2002

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

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

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

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

Description: NMI Office Bldg. Fulford.

Company Allocation: \$258,312 - utility.

Staff Findings: Accept as stated.

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

Description: NMI Engine Bldg.

Company Allocation: \$63,740 - utility.

Staff Findings: Accept as stated.

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

Description: NMI Meter Shop.

Company Allocation: \$51,293 - utility.

Staff Findings: Accept as stated.

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

Description: NMI Warehouse - Fulford.

Company Allocation: \$249,677.

--

Page 5
Re: TECO Peoples Gas Company
Rate Case, Docket Number 020384 - GU

September 25, 2002

- Staff Findings:** Accept as stated.
- 6) **Account:** 375 (page 14, line 40).
Description: SMI Office Bldg.
Company Allocation: \$487,460 - utility.
Staff Findings: This is used solely for utility operations. Accept as stated.
- 7) **Account:** 375 (page 14, line 41).
Description: SMI Tool Shed.
Company Allocation: \$1,377 - utility.
Staff Findings: Accept as stated.
- 8) **Account:** 375 (page 14, line 42).
Description: SMI Training Facility.
Company Allocation: \$4,301.
Staff Findings: Accept as stated.
- 9) **Account:** 375 (page 14, line 43).
Description: SMI Warehouse.
Company Allocation: \$32,758.
Staff Findings: Accept as stated.

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

Base Year
Schedule B-5, Account 390
Account Adjustments: None

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

Base Year + 1
Schedule G-1

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

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

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

Page 7

September 25, 2002

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

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

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

Page 8
 Re: TECO Peoples Gas Company
 Rate Case, Docket Number 020384 - GU

September 25, 2002

Company Allocation: \$39,181 utility.

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

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

Description: PBG Operations Facility.

Company Allocation: \$230,941 - utility.

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

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

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

Description: South Florida Regional Office.

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

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

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

Description: NMI Office Bldg. Fulford.

Company Allocation: \$258,312- utility.

Page 9
Re: TECO Peoples Gas Company
Rate Case, Docket Number 020384 - GU

September 25, 2002

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

Page 10

September 25, 2002

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

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

Page 11
 Re: TECO Peoples Gas Company
 Rate Case, Docket Number 020384 - GU

September 25, 2002

Projected Test Year
Schedule G-1

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

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

- 1) **Account:** 374 (page 203, line 1).
Description: South Florida Regional Office.
Company Allocation: \$589,000 - utility.
Staff Findings: This land is located in Sunrise, Fl. It has never been occupied or used by the Company for natural gas operations. It is not currently used/useful for natural gas operations. It is recommended the entire amount be removed from the rate base.

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

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

Page 12
 Re: TECO Peoples Gas Company
 Rate Case, Docket Number 020384 - GU.

September 25, 2002

Company Allocation: \$22,954 - utility.

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

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

Description: Fulford Plant.

Company Allocation: \$38,351 - utility.

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

5) See addendum page 21.

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

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

Description: South Florida Regional Office.

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

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

Page 12a
Re: TECO Peoples Gas Company
Rate Case, Docket Number 020384 - GU

September 25, 2002

Addendum to page 12

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

Description: SMI - Plant Site.

Company Allocation: \$39,181 - utility.

Staff Findings: Accept as stated.

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

Description: PBG - Operations Facility.

Company Allocation: \$230,941.

Staff Findings: Accept as stated.

Attachments

Page 13
Re: TECO Peoples Gas Company
Rate Case, Docket Number 020384 - GU

September 25, 2002

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

Page 14
Re: **TECO Peoples Gas Company**
Rate Case, Docket Number 020384 - GU

September 25, 2002

Company Allocation: \$487,460 - utility.

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

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

Description: SMI Tool Shed.

Company Allocation: \$1,377 - utility.

Staff Findings: Accept as stated.

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

Description: SMI Training Facility.

Company Allocation: \$4,301.

Staff Findings: Accept as stated.

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

Description: SMI Warehouse.

Company Allocation: \$32,758.

Staff Findings: Accept as stated.

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

Description: PBG - Office Bldg.

Company Allocation: \$663,331 - utility.

Staff Findings: Accept as stated.

Page 15
Re: TECO Peoples Gas Company
Rate Case, Docket Number 020384 - GU

September 25, 2002

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

Page 16
 Re: TECO Peoples Gas Company
 Rate Case, Docket Number 020384 - GU

September 25, 2002

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

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

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

Account 376

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

Line 1, Page 1 of Request #11

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

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

Line 22, Page 1 of Request #11

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

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

Page 17

September 25, 2002

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

Line 1, Page 6 of Request #11

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

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

Line 4, Page 6 of Request #11

This is a municipal project with no estimated start date.

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

Line 6, Page 6 of Request #11

This is a municipal project with no estimated start date.

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

Line 8, Page 6 of Request #11

This is a municipal project with no estimated start date.

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

Line 32, Page 7 of Request #11

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

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

Line 34, Page 7 of Request #11

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

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

Page 18
Re: TECO Peoples Gas Company
Rate Case, Docket Number 020384 - GU

September 25, 2002

Special Requested Information

1) North Miami(NMI) Division

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

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

1) natural gas = 106.

2)TECO Partners = 8.

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

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

2) Miami Division

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

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

1) natural gas = 13.

2)TECO Partners = 1.

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

3) Fort Myers (SWF) Division

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

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

1) natural gas =16.

2)TECO Partners = 3.

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

4) Palm Beach Gardens (PBG) Division

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

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

1) natural gas =9.

2)TECO Partners = 3.

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

5) North Miami Division Land.

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

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

Page 19
Re: TECO Peoples Gas Company
Rate Case, Docket Number 020384 - GU

September 25, 2002

Environmental Expenditures

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

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

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

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

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

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

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

Page 20
Re: TECO Peoples Gas Company
Rate Case, Docket Number 020384 - GU

September 25, 2002

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

EXHIBIT 1

MIAMI

ALLOCATION of Common PLANT (ACTUAL)

SCHEDULE B-4

MONTHLY PLANT BALANCES TEST YEAR - 13 MONTHS

PAGE 1 OF 1

FLORIDA PUBLIC SERVICE COMMISSION

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

TYPE OF DATA SHOWN:

COMPANY: PEOPLES GAS SYSTEM

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

DOCKET NO.: 020384 - GU

Table with columns: LINE NO., A/C NO., DESCRIPTION, Dec-00, Jan-01, Feb-01, Mar-01, Apr-01, May-01, Jun-01, Jul-01, Aug-01, Sep-01, Oct-01, Nov-01, Dec-01, 13 MONTH AVERAGE. Rows include ORGANIZATION, FRANCHISES AND CONSENTS, MISC INTANGIBLE PLANT, CUSTOMIZED SOFTWARE, LAND & LAND RIGHTS, LAND RIGHTS / EASEMENTS, STRUCTURES & IMPROVEMENTS, MAINS (STEEL), MAINS (PLASTIC), MEAS & REG STAT EQUIP-GEN, SERVICES (STEEL), SERVICES (PLASTIC), METERS, METER INSTALLATIONS, HOUSE REGULATORS, HOUSE REG-INST, IND MEAS & REG STAT EQUIP, ALTERNATIVE FUELING STATIONS, OTHER EQUIPMENT, STRUCTURES & IMPROVEMENTS, OFFICE EQUIPMENT, COMPUTER EQUIPMENT, COMPUTER MACHINES, LABORATORY EQUIPMENT, FLOWER OPERATED EQUIPMENT, COMMUNICATION EQUIPMENT, MISC EQUIPMENT, NOT YET CLASSIFIED, UTILITY PLANT IN SERVICE, GAS PLANT PURCHASED OR SOLD, TOTAL UTILITY PLANT.

SUPPORTING SCHEDULES.

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

FLORIDA PUBLIC SERVICE COMMISSION

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

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

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384 - GU

LINE NO.	A/C NO.	DESCRIPTION	Dec-00	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01	13 MONTH AVERAGE
1	374	LAND & LAND RIGHTS	\$ 1,518,973	\$ 1,516,973	\$ 1,516,973	\$ 1,516,973	\$ 1,516,973	\$ 1,516,973	\$ 1,516,973	\$ 1,674,589	\$ 1,674,589	\$ 1,674,589	\$ 1,674,589	\$ 1,674,589	\$ 1,663,873	\$ 1,588,894
2	375	STRUCTURES & IMPROVEMENTS	14,778,768	14,753,674	14,753,674	14,723,352	14,512,015	14,512,015	14,512,015	14,651,747	14,934,828	14,934,828	14,942,230	14,902,348	11,256,317	14,474,447
3	390	STRUCTURES & IMPROVEMENTS	966,118	966,118	966,118	964,362	964,362	964,362	964,362	964,362	964,362	964,362	964,362	964,362	964,362	964,362
4	390.02	STRUCTURES & IMPROVEMENTS-Leasehold	84,044	84,044	84,044	72,405	72,405	72,405	72,405	72,405	28,216	28,216	28,216	28,216	28,216	58,095
5	391	OFFICE EQUIPMENT	2,749,907	2,749,907	2,749,907	2,567,278	2,539,425	2,539,425	2,403,088	2,412,721	2,392,547	2,392,547	2,392,547	2,392,547	2,392,547	2,513,415
6	391.01	COMPUTER EQUIPMENT	16,361,639	16,361,639	16,353,549	16,361,274	16,279,230	16,277,312	16,040,634	16,171,921	16,190,808	16,129,224	16,229,757	16,242,744	16,261,436	16,250,859
7	391.02	OFFICE MACHINES	461,062	461,062	461,062	460,058	452,502	452,502	452,502	461,831	461,831	460,652	460,652	465,437	465,437	459,828
8	391.03	OFFICE FURNITURE/EQUIPMENT	615,466	615,466	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	388,911
9	392.01	AUTO & TRUCK LESS THAN 1/2 TON	7,941,850	7,930,883	7,930,883	7,887,563	7,774,311	7,608,458	7,289,353	7,496,036	7,154,772	7,327,892	7,653,238	7,730,955	7,760,119	7,652,793
10	392.02	AUTO & TRUCK 3/4 - 1 TON	1,158,212	1,158,212	1,158,212	1,158,212	1,158,212	1,158,212	1,158,212	1,295,637	1,325,490	1,510,597	1,726,847	1,781,512	1,791,017	1,347,583
11	392.03	AIRPLANES	0	0	0	1,356,103	1,356,103	1,356,103	0	0	0	0	0	0	0	6,029,716
12	392.04	TRAILERS, OTHER	259,945	259,945	259,945	258,643	258,643	258,643	258,643	267,910	261,489	261,489	261,489	258,961	256,234	260,152
13	392.05	TRUCKS OVER 1 TON	1,068,423	1,068,423	1,068,423	1,068,423	899,050	892,124	972,180	1,075,066	1,015,229	1,015,229	1,139,803	1,139,803	1,139,803	84,063
14	393	STORES EQUIPMENT	69,060	69,060	69,060	69,060	63,792	63,792	63,792	63,792	60,283	60,283	60,283	60,283	60,283	1,058,814
15	394	TOOLS, SHOP, GARAGE EQUP	3,127,594	3,127,594	3,127,594	3,100,054	3,024,629	3,024,401	3,024,401	3,060,035	3,060,035	3,056,653	3,066,538	3,079,828	3,111,516	3,076,205
16	394.01	TOOLS, SHOP, GARAGE EQUP	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986
17	395	LABORATORY EQUIPMENT	129,741	129,741	129,741	129,741	129,560	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,534
18	396	POWER OPERATED EQUIPMENT	1,837,334	1,837,334	1,837,334	1,834,685	1,778,366	1,778,227	1,778,227	1,812,886	1,806,207	1,806,207	1,765,678	1,776,803	1,771,572	1,801,620
19	397	COMMUNICATION EQUIPMENT	3,594,292	3,594,292	3,594,292	3,459,990	3,259,942	3,259,919	3,259,919	3,265,887	3,263,951	3,263,951	3,263,951	3,263,951	3,263,951	3,354,482
20	398	MISC EQUIPMENT	308,342	308,342	308,342	308,342	308,142	308,142	308,142	308,142	308,142	308,142	308,142	308,142	312,995	308,577
21		TOTAL	\$ 57,197,755	\$ 57,161,695	\$ 56,885,864	\$ 57,813,228	\$ 56,964,474	\$ 56,789,305	\$ 54,721,139	\$ 55,701,237	\$ 55,549,057	\$ 55,642,326	\$ 56,584,610	\$ 56,696,366	\$ 59,176,082	\$ 56,698,701

LINE NO.	A/C NO.	DESCRIPTION	13 MONTH AVERAGE	NONUTILITY %	13 MONTH AVG NONUTILITY	METHOD OF ALLOCATION
22	374	LAND & LAND RIGHTS	\$1,588,894	8.3%	\$132,605	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
23	375	STRUCTURES & IMPROVEMENTS	14,474,447	2.8%	409,637	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
24	390	STRUCTURES & IMPROVEMENTS	964,767	5.7%	54,958	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
25	390.02	STRUCTURES & IMPROVEMENTS-Leasehold	58,095	0.0%	0	
26	391	OFFICE EQUIPMENT	2,513,415	0.0%	0	
27	391.01	COMPUTER EQUIPMENT	16,250,859	2.5%	401,621	DEPENDENT UPON THE APPLICATION, BASED ON A COMBINATION OF CUSTOMER COUNT, CHECKS PROCESSED, # OF BILLS & # OF USER IDs
28	391.02	OFFICE MACHINES	459,828	0.0%	0	
29	391.03	OFFICE FURNITURE/EQUIPMENT	388,916	0.0%	0	
30	392.01	AUTO & TRUCK LESS THAN 1/2 TON	7,652,793	0.0%	0	
31	392.02	AUTO & TRUCK 3/4 - 1 TON	1,347,583	0.0%	0	
32	392.03	AIRPLANES	776,771	0.0%	0	
33	392.04	TRAILERS, OTHER	260,152	0.0%	0	
34	392.05	TRUCKS OVER 1 TON	1,058,614	0.0%	0	
35	393	STORES EQUIPMENT	64,063	0.0%	0	
36	394	TOOLS, SHOP, GARAGE EQUIPMENT	3,076,205	0.0%	0	
37	394.01	TOOLS, SHOP, GARAGE EQUIPMENT	168,986	0.0%	0	
38	395	LABORATORY EQUIPMENT	129,634	0.0%	0	
39	396	POWER OPERATED EQUIPMENT	1,801,620	0.0%	0	
40	397	COMMUNICATION EQUIPMENT	3,354,482	0.0%	0	
41	398	MISC EQUIPMENT	308,577	0.0%	0	
42		TOTAL	\$56,698,701		\$998,821	

FLORIDA PUBLIC SERVICE COMMISSION

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

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

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO: 020384 - GU

13-MONTH AVERAGE

LINE NO.	A/C NO.	DESCRIPTION & ADDRESS	PLANT			ACCUMULATED DEPRECIATION/AMORTIZATION			BASIS FOR ALLOCATION
			UTILITY	NON-UTILITY	TOTAL	UTILITY	NON-UTILITY	TOTAL	
1	374	LAND-COX PLANT, 398 N W 7TH AVE., FT LAUDERDALE PARCEL # 2	\$0	\$9,891	\$9,891				BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY <i>Acct 374</i> <i>LAND</i>
2	374	NMI-LAND-COCONUT CREEK REG STA, 100 W ATLANTIC BLVD,POMP,PAR# 4	12,413	0	12,413				
3	374	NMI-LAND-PLANTATION GATE STA, PETERS ROAD PARCEL # 5	22,954	0	22,954				
4	374	NMI-LAND-FULFORD PLANT, 15779 W DIXIE HWY,N MIAMI BCH,PARCEL # 1	38,351	0	38,351				
5	374	TPA-EASEMENT-NEBRASKA AVE FROM BIRD ST SOUTH 432 FT	5,334	0	5,334				
6	374	TPA-LAND - GATE STATION @ LITHIA PINECREST RD	8,000	0	8,000				
7	374	TPA-LAND RIGHTS-PURCHASE FOR NW GATE STATION	8,909	0	8,909				
8	374	TPA-LAND-CSX RR PROPERTY W OF 13 ST @ FRANK ADAMO DR (SR 60)	7,960	0	7,960				
9	374	TPA-LAND-ESTUARY PLANT, 1300 N. 13TH STREET, TAMPA- PARCEL #1	41,797	0	41,797				
10	374	TPA-LAND-ESTUARY PLANT, SOUTH OF RAILROAD, TAMPA- PARCEL #2	2,768	0	2,768				
11	374	TPA-LAND-PORT SUTTON GATE STATION,78TH & MADISON- PARCEL #3	4,939	0	4,939				
12	374	STP-LAND-LOT N SIDE, 1800 9TH AVE N., ST PETE, PARCEL #2	0	41,445	41,445				
13	374	STP-LAND-MAIN GATE STATION, 77TH AVE & 18TH WAY, ST PETE, PAR #4	2,928	0	2,928				
14	374	STP-LAND-NORTH GATE STATION,13800 82 ST N., ST PETE, PARCEL #3	16,535	0	16,535				
15	374	STP-LAND-PLANT SITE, 1800 9TH AVE N., ST PETE (SWAP WICITY #405)	6,504	1,573	6,504				
16	374	STP-LAND-REG STATION, 3 AVE S & 16 STREET S, PARCEL #7	500	0	500				
17	374	STP-LAND-REG STATION, S SIDE 30 AVE N,WEST OF 16 ST N., PAR #6	3,000	0	3,000				
18	374	STP-LAND-REG STATION, S SIDE 30 AVE S,WEST OF 30 ST S., PAR #5	3,800	0	3,800				
19	374	STP-MDBH1020, MADIERA BEACH-EASEMENT @ 127 AVE TREASURE ISLAND	2,900	0	2,900				
20	374	ORL-LAND-DIST YARD, 601 W. ROBINSON STREET, PARCEL # 2	41,315	0	41,315				
21	374	ORL-LAND-FAIRVILLA SITE, US HWY 441,N OF SILVER STAR, PARCEL #3	1,997	0	1,997				
22	374	ORL-LAND-OAKLAND HILLS, FIESTA LANE & DURANGO WAY, PARCEL # 4	1,008	0	1,008				
23	374	ORL-LAND-PLANT SITE, 600 W. ROBINSON STREET, PARCEL # 1	49,693	0	49,693				
24	374	TRI-LAND-DIVISION OFFICE SITE,1724 KURT ST,EUSTIS, PARCEL # 2	9,000	0	9,000				
25	374	TRI-LAND-EUSTIS INDUSTRIAL PARK,MTR STA SITE, PARCEL # 1	500	0	500				
26	374	TRI-LAND-MT. OORA GATE STATION,WOLF BRANCH RD.,PARCEL # 3	8,518	0	8,518				
27	374	JAX-LAND - CAPPER ROAD GATE STATION, PARCEL # 16	22,989	0	22,989				
28	374	JAX-LAND - JERICHO ROAD GATE STATION, PARCEL # 15	13,282	0	13,282				
29	374	JAX-LAND-CEDER HILLS GATE STATION SITE, PARCEL # 3	1,582	0	1,582				
30	374	JAX-LAND-CHURCH STREET PLANT SITE, PARCEL # 1	39,371	0	39,371				
31	374	JAX-LAND-KING STREET BET FORBES & POST ST,REG STA, PARCEL #6	200	0	200				
32	374	JAX-LAND-MAGNOLIA & MCCOY STREETS,REG STA, PARCEL #11	988	0	988				
33	374	JAX-LAND-OAK STREET & EDISON AVE REG STA, PARCEL # 4	300	0	300				
34	374	JAX-LAND-PART OF LOT 3 BL 138,NEWMAN BET STATE&ORANGE HAT,PAR#6	400	0	400				
35	374	JAX-LAND-PART OF LOT 5 BL 12,11 ST WARRENS REPLAT,PARCEL #7	539	0	539				
36	374	JAX-LAND-PEARL PLAZA SILVER & 24TH STREET,REG STA, PARCEL #9	1,000	0	1,000				
37	374	JAX-LAND-PHILLIPS HWY PLANT PROPERTY, PARCEL #14	314,816	0	314,816				
38	374	JAX-LAND-SOUTHSIDE REG STA,PIONESSA PROPERTY, PARCEL #13	12,947	0	12,947				
39	374	JAX-LAND-W 12 FT OF N 12 FT LOT 1 BL 32 DOTEN SO,REG STA,PAR#5	538	0	538				
40	374	SMI-PLANT SITE - NW 1ST AVE & NW 17TH ST, PARCEL # 1	39,181	0	39,181				
41	374	LAK-LAND - PEACHTREE PLANT SITE (PARCEL # 1)	1,245	68	1,313				
42	374	DAY-LAND-1727 RIDGEWOOD AVE, HOLY HILL FL 32117	155,747	0	155,747				
43	374	DAY-LAND-GATE STATION SITE, PARCEL # 3	4,393	0	4,393				
44	374	DAY-LAND-REGULATOR STA SITE, PARCEL # 1 (INDUSTRIAL PARK)	477	0	477				
45	374	SAR-LAND - GATE STATION, 12th & CENTRAL, SARASOTA	50,000	0	50,000				
46	374	PBG-LAND - PBG OPERATIONS FACILITY 1363 JUPITER PARK DR	230,941	0	230,941				
47	374	PC -LAND-301 MAPLE AVE	84,869	6,661	91,750				
48	374	PC -LAND-GULF ASPHALT GATE STATION	23,645	0	23,645				
49	374	PC -LAND-MAPLE AVE GATE STATION	3,080	0	3,080				
50	374	SUB TOTALS CONTINUED ON B-5 p. 3	\$1,304,372	\$59,859	\$1,364,231	\$0	\$0	\$0	

FLORIDA PUBLIC SERVICE COMMISSION

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

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

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

13-MONTH AVERAGE

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

Account 375
STRUCTURES

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384 - GU

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

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

13-MONTH AVERAGE

LINE NO.	A/C NO.	DESCRIPTION & ADDRESS	PLANT			ACCUMULATED DEPRECIATION/AMORTIZATION			BASIS FOR ALLOCATION
			UTILITY	NON-UTILITY	TOTAL	UTILITY	NON-UTILITY	TOTAL	
1	375	SUB TOTALS FROM B-5 p. 3	\$13,884,648	\$403,248	\$14,287,894	\$2,881,593	\$88,732	\$2,970,325	
2	375	HIG-FENCE FOR REGULATOR STATION	1,174	0	\$1,174	555	0	555	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
3	375	SAR-OFFICE BLDG	11,352	0	\$11,352	1,342	0	1,342	
4	375	SAR-STORAGE SHED	10,877	0	\$10,877	1,897	0	1,897	
5	375	SAR-WAREHOUSE	4,938	0	\$4,938	468	0	468	
6	375	PC-OFFICE BLDGE - MAPLE AVE	78,805	6,390	\$85,195	8,803	535	7,138	
7	375	PC-SHED	2,193	0	\$2,193	340	0	340	
8	375	OCA-OFFICE BLDG - 33RD AVE	54,104	0	\$54,104	7,859	0	7,859	
9	375	COR-MISC	16,724	0	\$16,724	1,428	0	1,428	
10	375	TOTAL	\$14,084,810	\$409,637	\$14,474,447	\$2,902,079	\$89,267	\$2,991,346	
11	390	PC-DIVISION OFFICE	877,818	54,958	732,776	109,368	8,888	118,238	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
12	390	OCA-STORAGE BUILDINGS	5,511	0	5,511	760	0	760	
13	390	OCA-DIVISION OFFICE	228,480	0	228,480	40,258	0	40,258	
14	390	TOTAL	\$909,809	\$54,958	\$964,767	\$150,385	\$8,888	\$159,253	
15	390.02	HIG-DIVISION OFFICE	30,901	0	30,901	30,901	0	30,901	
16	390.02	PBG-DIVISION OFFICE	27,193	0	27,193	27,193	0	27,193	
17	390.02	TOTAL	\$58,095	\$0	\$58,095	\$58,095	\$0	\$58,095	

EXHIBIT 2

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY PEOPLES GAS SYSTEM
 DOCKET NO. 020384-GU

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

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

LINE NO	AVC NO	DESCRIPTION	Dec-01	Jan-02	Feb-02	Mar-02	Apr-02	May-02	Jun-02	Jul-02	Aug-02	Sep-02	Oct-02	Nov-02	Dec-02	13 MONTH AVERAGE
1	374	LAND AND LAND RIGHTS	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873
2	375	STRUCTURES AND IMPROVEMENTS	14,908,758	15,040,283	15,171,808	15,303,333	15,434,858	15,566,383	15,697,908	15,829,433	15,960,958	16,092,483	16,224,008	16,355,533	16,487,058	15,697,908
3	390	STRUCTURES AND IMPROVEMENTS	964,282	960,849	957,338	953,823	950,309	946,796	943,283	939,770	936,257	932,743	929,230	925,717	922,204	943,283
4	390.02	STRUCTURES & IMPROVEMENTS - Leasehold	28,218	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216
5	391	OFFICE FURNITURE	2,500,930	2,551,411	2,592,891	2,634,550	2,676,120	2,717,689	2,759,258	2,800,828	2,842,397	2,883,966	2,925,536	2,967,105	3,008,675	2,758,573
6	391.01	COMPUTER EQUIPMENT	18,475,988	18,595,640	18,715,812	18,845,975	18,976,138	19,106,301	19,236,463	19,341,828	19,458,789	19,571,952	19,687,115	19,802,278	19,917,441	19,208,194
7	391.02	OFFICE EQUIPMENT/MACHINES	471,686	471,075	470,465	469,855	469,244	468,634	468,024	467,413	466,803	466,193	465,582	464,972	464,362	468,024
8	391.03	OFFICE FURNITURE/EQUIP	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725
9	392.01	AUTO & TRUCK LESS THAN 1/2 TON	7,851,215	8,564,703	9,278,190	9,991,678	10,705,166	11,418,654	12,132,142	12,845,630	13,559,118	14,272,606	14,986,094	15,699,582	16,413,070	13,786,669
10	392.02	AUTO & TRUCK 3/4 TO 1 TON	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721
11	392.03	AIRPLANES	6,029,718	6,029,718	6,029,718	6,029,718	6,029,718	6,029,718	6,029,718	6,029,718	6,029,718	6,029,718	6,029,718	6,029,718	6,029,718	6,029,718
12	392.04	TRAILERS, OTHER	262,891	261,899	261,108	260,316	259,524	258,732	257,940	257,149	256,357	255,565	254,773	253,981	253,190	257,940
13	392.05	TRUCKS OVER 1 TON	1,139,803	1,131,497	1,123,191	1,114,886	1,106,580	1,098,274	1,089,969	1,081,663	1,073,357	1,065,052	1,056,746	1,048,440	1,040,135	1,089,969
14	393	STORES EQUIPMENT	63,229	62,893	62,158	61,822	61,087	60,552	60,018	59,481	58,945	58,410	57,874	57,339	56,803	60,018
15	394	TOOLS SHOP & GARAGE EQUIPMENT	3,208,789	3,245,611	3,284,433	3,317,755	3,351,077	3,384,399	3,417,721	3,451,043	3,484,365	3,517,687	3,551,009	3,584,331	3,617,653	3,418,452
16	394.01	TOOLS SHOP & GARAGE EQUIPMENT - CNG	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986
17	395	LABORATORY EQUIPMENT	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578
18	396	POWER OPERATED EQUIPMENT	1,864,409	1,866,780	1,909,111	1,931,482	1,953,853	1,976,224	1,998,595	2,020,966	2,043,337	2,065,708	2,088,079	2,110,450	2,132,821	1,998,595
19	397	COMMUNICATION EQUIPMENT	3,478,713	3,478,447	3,478,180	3,498,911	3,521,641	3,522,084	3,521,818	3,521,551	3,521,285	3,521,019	3,520,752	3,520,486	3,520,219	3,509,701
20	398	MISC. EQUIPMENT	312,985	312,973	312,961	312,949	312,937	312,924	312,912	312,900	312,888	312,876	312,863	312,851	312,839	312,912
21		TOTAL	\$56,354,372	\$67,436,666	\$98,485,546	\$68,560,928	\$66,848,638	\$70,115,060	\$70,370,773	\$70,821,487	\$70,872,200	\$71,122,913	\$71,373,626	\$71,624,339	\$71,875,056	\$69,975,970

LINE NO	AVC NO	DESCRIPTION	13 MONTH AVERAGE	NONUTILITY %	13 MONTH AVG NONUTILITY	METHOD OF ALLOCATION
22	374	LAND AND LAND RIGHTS	\$2,252,873	0.2%	\$207,583	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON UTILIZED PROPERTY
23	375	STRUCTURES AND IMPROVEMENTS	15,897,908	2.7%	417,092	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
24	390	STRUCTURES AND IMPROVEMENTS	943,283	5.7%	54,097	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
25	390.02	STRUCTURES & IMPROVEMENTS - Leasehold	28,216	0.0%	0	
26	391	OFFICE FURNITURE	2,758,573	0.0%	0	
27	391.01	COMPUTER EQUIPMENT	19,209,194	2.6%	502,048	DEPENDENT UPON THE APPLICATION, BASED ON A COMBINATION OF CUSTOMER COUNT, CHECKS PROCESSED, # OF BILLS & # OF USER ID'S
28	391.02	OFFICE EQUIPMENT/MACHINES	468,024	0.0%	0	
29	391.03	OFFICE FURNITURE/EQUIP	347,725	0.0%	0	
30	392.01	AUTO & TRUCK LESS THAN 1/2 TON	9,378,669	0.0%	0	
31	392.02	AUTO & TRUCK 3/4 TO 1 TON	1,915,721	0.0%	0	
32	392.03	AIRPLANES	6,029,718	0.0%	0	
33	392.04	TRAILERS, OTHER	257,940	0.0%	0	
34	392.05	TRUCKS OVER 1 TON	1,089,969	0.0%	0	
35	393	STORES EQUIPMENT	60,018	0.0%	0	
36	394	TOOLS SHOP & GARAGE EQUIPMENT	3,418,452	0.0%	0	
37	394.01	TOOLS SHOP & GARAGE EQUIPMENT - CNG	168,986	0.0%	0	
38	395	LABORATORY EQUIPMENT	129,578	0.0%	0	
39	396	POWER OPERATED EQUIPMENT	1,998,514	0.0%	0	
40	397	COMMUNICATION EQUIPMENT	3,509,701	0.0%	0	
41	398	MISC. EQUIPMENT	312,912	0.0%	0	
42		TOTAL	\$69,975,970		\$1,180,788	

FLORIDA PUBLIC SERVICE COMMISSION

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

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

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO. 020384-GU

13 MONTH AVERAGE

LINE NO	A/C NO	DESCRIPTION & ADDRESS	PLANT			ACCUMULATED DEPRECIATION/AMORTIZATION			METHOD OF ALLOCATION
			UTILITY	NON-UTILITY	TOTAL	UTILITY	NON-UTILITY	TOTAL	
1	374	SOUTH FLORIDA REGIONAL OFFICE	\$589,000	\$0	\$589,000	\$0	\$0	\$0	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
2	374	NMI-LAND-COCONUT CREEK REG STA, 100 W ATLANTIC BLVD,POMP.PAR#	12,413	0	12,413				
3	374	NMI-LAND-PLANTATION GATE STA, PETERS ROAD PARCEL # 5	22,954	0	22,954				
4	374	NMI-LAND-FULFORD PLANT, 15779 W DIXIE HWY,N MIAMI BCH,PARCEL # 1	38,351	0	38,351				
5	374	TPA-EASEMENT-NEBRASKA AVE FROM BIRD ST SOUTH 432 FT	5,334	0	5,334				
6	374	TPA-LAND - GATE STATION @ LITHIA PINECREST RD	8,000	0	8,000				
7	374	TPA-LAND RIGHTS-PURCHASE FOR NW GATE STATION	8,909	0	8,909				
8	374	TPA-LAND-CSX RR PROPERTY W OF 13 ST @ FRANK ADAMO DR (SR 60)	7,960	0	7,960				
9	374	TPA-LAND-ESTUARY PLANT, 1300 N. 13TH STREET, TAMPA- PARCEL #1	41,797	0	41,797				
10	374	TPA-LAND-ESTUARY PLANT, SOUTH OF RAILROAD, TAMPA- PARCEL #2	2,766	0	2,766				
11	374	TPA-LAND-PORT SUTTON GATE STATION,78TH & MADISON- PARCEL #3	4,939	0	4,939				
12	374	STP-LAND-LOT N SIDE, 1800 9TH AVE N , ST PETE, PARCEL #2	0	41,445	41,445				
13	374	STP-LAND-MAIN GATE STATION, 77TH AVE & 18TH WAY, ST PETE, PAR #4	2,928	0	2,928				
14	374	STP-LAND-NORTH GATE STATION,13800 82 ST N , ST PETE, PARCEL #3	16,535	0	16,535				
15	374	STP-LAND-PLANT SITE, 1800 9TH AVE N , ST PETE (SWAP WCITY 8405)	6,831	1,573	8,504				
16	374	STP-LAND-REG STATION, 3 AVE S & 18 STREET S, PARCEL #7	500	0	500				
17	374	STP-LAND-REG STATION, S SIDE 30 AVE N,WEST OF 16 ST N , PAR #6	3,000	0	3,000				
18	374	STP-LAND-REG STATION, S SIDE 30 AVE S,WEST OF 30 ST S , PAR #5	3,800	0	3,800				
19	374	STP-MDBH1020, MADIERA BEACH-EASEMENT @ 127 AVE TREASURE ISLAN	2,900	0	2,900				
20	374	ORL-LAND-DIST YARD, 601 W. ROBINSON STREET, PARCEL # 2	41,315	0	41,315				
21	374	ORL-LAND-FAIRVILLA SITE, US HWY 441,N OF SILVER STAR, PARCEL #3	1,897	0	1,897				
22	374	ORL-LAND-OAKLAND HILLS, FIESTA LANE & DURANGO WAY, PARCEL # 4	1,008	0	1,008				
23	374	ORL-LAND-PLANT SITE, 600 W. ROBINSON STREET, PARCEL # 1	49,693	0	49,693				
24	374	TRI-LAND-DIVISION OFFICE SITE,1724 KURT ST,EUSTIS, PARCEL # 2	9,000	0	9,000				
25	374	TRI-LAND-EUSTIS INDUSTRIAL PARK,MTR STA SITE, PARCEL # 1	500	0	500				
26	374	TRI-LAND-MT. DORA GATE STATION,WOLF BRANCH RD.,PARCEL # 3	8,516	0	8,516				
27	374	JAX-LAND - CAPPER ROAD GATE STATION, PARCEL # 16	22,989	0	22,989				
28	374	JAX-LAND - JERICHO ROAD GATE STATION, PARCEL # 15	13,282	0	13,282				
29	374	JAX-LAND-CEDER HILLS GATE STATION SITE, PARCEL # 3	1,582	0	1,582				
30	374	JAX-LAND-CHURCH STREET PLANT SITE, PARCEL # 1	39,371	0	39,371				
31	374	JAX-LAND-KING STREET BET FORBES & POST ST,REG STA, PARCEL #8	200	0	200				
32	374	JAX-LAND-MAGNOLIA & MCCOY STREETS,REG STA, PARCEL #11	988	0	988				
33	374	JAX-LAND-OAK STREET & EDISON AVE REG STA, PARCEL # 4	300	0	300				
34	374	JAX-LAND-PART OF LOT 3 BL 138,NEWMAN BET STATE&ORANGE HAT,PAR#	400	0	400				
35	374	JAX-LAND-PART OF LOT 5 BL 12,11 ST WARRENS REPLAT,PARCEL #7	539	0	539				
36	374	JAX-LAND-PEARL PLAZA SILVER & 24TH STREET,REG STA, PARCEL #9	1,000	0	1,000				
37	374	JAX-LAND-PHILLIPS HWY PLANT PROPERTY, PARCEL #14	314,618	0	314,618				
38	374	JAX-LAND-SOUTHSIDE REG STA,PIONESSA PROPERTY, PARCEL #13	12,947	0	12,947				
374		SUB TOTALS CONTINUED ON G-1 p. 16b	\$1,299,257	\$43,016	\$1,342,275	\$0	\$0	\$0	

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO: 020384-GU

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

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

LINE NO.	AC NO.	DESCRIPTION & ADDRESS	13-MONTH AVERAGE			ACCUMULATED DEPRECIATION/AMORTIZATION			METHOD OF ALLOCATION
			PLANT			TOTAL			
			UTILITY	NON-UTILITY	TOTAL	UTILITY	NON-UTILITY	TOTAL	
1	374	SUB TOTALS FROM G1 p. 16a	\$1,299,257	\$43,018	\$1,342,275	\$0	\$0	\$0	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
2	374	JAX-LAND-W 12 FT OF N 12 FT LOT 1 BL 32 DOTEN S/D, REG STA, PAR#5	538	0	538				
3	374	SMI-PLANT SITE - NW 1ST AVE & NW 17TH ST, PARCEL # 1	39,181	0	39,181				
4	374	LAK-LAND - PEACHTREE PLANT SITE (PARCEL # 1)	1,245	88	1,313				
5	374	DAY-LAND-1722 RIDGEWOOD AVE, HOLY HILL FL 32117	155,747	0	155,747				
6	374	DAY-LAND-GATE STATION SITE, PARCEL # 3	4,393	0	4,393				
7	374	DAY-LAND-REGULATOR STA SITE, PARCEL # 1 (INDUSTRIAL PARK)	477	0	477				
8	374	SAR-LAND - GATE STATION, 12th & CENTRAL, SARASOTA	50,000	0	50,000				
9	374	PBG-LAND - PBG OPERATIONS FACILITY 1363 JUPITER PARK DR	230,941	0	230,941				
10	374	PC -LAND-301 MAPLE AVE	84,888	8,881	91,750				
11	374	PC -LAND-GULF ASPHALT GATE STATION	23,645	0	23,645				
12	374	PC -LAND-MAPLE AVE GATE STATION	3,080	0	3,080				
13	374	PC -Land @ corner of 3rd Ave & Maple (next to Panama City Office)	0	157,818	157,818				
14	374	OCA-APPRAISAL - 8TH AVE & 16TH STREET	800	0	800				
15	374	OCA-ENVIRONMENTAL AUDIT - LAND	2,980	0	2,980				
16	374	OCA-LAND - 316 SW 33RD AVE	68,200	0	68,200				
17	374	OCA-LAND - LEVEY COUNTY GATE STATION	41,114	0	41,114				
18	374	OCA-LAND - LEVEY COUNTY GATE STATION	1,000	0	1,000				
19	374	OCA-LAND - SILVER SPRINGS GATE STATION	28,038	0	28,038				
20	374	OCA-LAND RIGHTS - RIGHT OF WAY / BASELINE RD	1,200	0	1,200				
21	374	OCA-LEGAL FEES - RICHARD, BLINN & HALDEN	10,338	0	10,338				
22	374	OCA-SURVEY - GATE STATION PROPERTY	250	0	250				
23	374	TOTAL	\$2,045,291	\$207,583	\$2,252,873	\$0	\$0	\$0	
24	375	SOUTH FLORIDA REGIONAL OFFICE	\$1,069,145	\$0	\$1,069,145	\$26,878	\$0	\$26,878	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
25	375	NMI-OFFICE BLDG - FULFORD	258,312	0	258,312	54,159	0	54,159	
26	375	NMI-ENGINE BLDG	83,740	0	83,740	27,487	0	27,487	
27	375	NMI-METER SHOP	51,293	0	51,293	12,794	0	12,794	
28	375	NMI-WAREHOUSE - FULFORD	249,877	0	249,877	101,782	0	101,782	
29	375	TPA-OFFICE BLDG - CHANNELSIDE/13 ST	2,333,394	0	2,333,394	418,401	0	418,401	
30	375	TPA-FIRE TRAINING FACILITY	14,281	0	14,281	5,580	0	5,580	
31	375	TPA-GAS CONTROL BLDG	18,875	0	18,875	8,150	0	8,150	
32	375	TPA-MAINTENANCE BLDG	13,068	0	13,068	4,881	0	4,881	
33	375	TPA-STORAGE BLDG	5,370	0	5,370	4,758	0	4,758	
34	375	TPA-TRANSPORTATION BLDG	58,180	0	58,180	19,890	0	19,890	
35	375	TPA-WAREHOUSE BLDG	140,879	0	140,879	34,888	0	34,888	
36	375	TPA-WELDING SHOP	20,312	0	20,312	8,253	0	8,253	
37	375	SUB TOTALS CONTINUED ON B-5 p. 16c	\$4,292,307	\$0	\$4,292,307	\$724,700	\$0	\$724,700	

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 020384-GU

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

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

LINE NO	A/C NO	DESCRIPTION & ADDRESS	13-MONTH AVERAGE			METHOD OF ALLOCATION			
			PLANT			ACCUMULATED DEPRECIATION/AMORTIZATION			
			UTILITY	NON-UTILITY	TOTAL	UTILITY	NON-UTILITY	TOTAL	
1	375	SUB TOTALS FROM G1 p. 16b	\$4,292,307	\$0	\$4,292,307	\$724,700	\$0	\$724,700	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
2	375	STP-OFFICE BLDG - 9TH AVE	1,682,648	381,951	2,064,599	381,292	88,551	469,842	
3	375	STP-ANNEX BLDG	28,872	0	28,872	4,987	0	4,987	
4	375	STP-STORAGE BLDG	38,718	0	38,718	10,138	0	10,138	
5	375	STP-WAREHOUSE BLDG	128,273	0	128,273	33,730	0	33,730	
6	375	ORL-OFFICE BLDG - 600 ROBINSON	1,067,522	0	1,067,522	244,098	0	244,098	
7	375	ORL-WAREHOUSE	145,287	0	145,287	47,517	0	47,517	
8	375	TRI-OFFICE BLDG- KURT	474,187	0	474,187	108,205	0	108,205	
9	375	TRI-WAREHOUSE	44,753	0	44,753	3,983	0	3,983	
10	375	TRI-WELDING SHOP	4,528	0	4,528	750	0	750	
11	375	JAX-OFFICE BLDG - PHILIPS HWY	2,777,839	0	2,777,839	514,419	0	514,419	
12	375	JAX-DISTRIBUTION AREA - 1745 CHURCH ST	39,022	0	39,022	21,897	0	21,897	
13	375	JAX-EQUIP BLDG	24,538	0	24,538	8,398	0	8,398	
14	375	JAX-MAINTENANCE BLDG	148,868	0	148,868	4,043	0	4,043	
15	375	JAX-WAREHOUSE	201,808	0	201,808	53,358	0	53,358	
16	375	SMI-OFFICE BLDG - 17TH ST	487,480	0	487,480	158,993	0	158,993	
17	375	SMI-TOOL SHED	1,377	0	1,377	124	0	124	
18	375	SMI-TRAINING FACILITY	4,301	0	4,301	835	0	835	
19	375	SMI-WAREHOUSE	32,758	0	32,758	18,380	0	18,380	
20	375	LAK-OFFICE BLDG - KATHLEEN RD	523,820	28,722	552,541	116,538	8,392	122,931	
21	375	LAK-WAREHOUSE	88,208	0	88,208	17,482	0	17,482	
22	375	DAY-OFFICE BLDG - RIDGEWOOD AVE	443,288	0	443,288	38,779	0	38,779	
23	375	DAY-UTILITY SHED	4,220	0	4,220	429	0	429	
24	375	HIG-FENCE FOR REGULATOR STATION	1,174	0	1,174	548	0	548	
25	375	SAR-OFFICE BLDG-8261 VICO CT	780,322	0	780,322	20,384	0	20,384	
26	375	SAR-STORAGE SHED	10,877	0	10,877	2,040	0	2,040	
27	375	SAR-WAREHOUSE	4,938	0	4,938	557	0	557	
28	375	PBG-OFFICE BLDG-1363 JUPITER PARK DR	683,331	0	683,331	18,878	0	18,878	
29	375	PC -OFFICE BLDG - MAPLE AVE	78,805	8,390	85,195	8,129	659	8,788	
30	375	PC -SHED	2,193	0	2,193	372	0	372	
31	375	OCA-OFFICE BLDG - 33RD AVE	54,104	0	54,104	8,878	0	8,878	
32	375	SWF-OFFICE BLDG-5109 ENTERPRISE	1,012,210	0	1,012,210	25,447	0	25,447	
33	375	COR-MISC	18,724	0	18,724	1,748	0	1,748	
34	375	TOTALS	\$15,280,848	\$417,062	\$15,697,908	\$2,595,228	\$93,602	\$2,688,828	
35	390	PC -DIVISION OFFICE	887,195	54,097	941,291	112,388	9,110	121,470	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
36	390	OCA-STORAGE BUILDINGS	5,511	0	5,511	781	0	781	
37	390	OCA-DIVISION OFFICE	218,480	0	218,480	41,359	0	41,359	
37	390	TOTAL	\$889,186	\$54,097	\$943,283	\$154,500	\$9,110	\$163,610	

SUPPORTING SCHEDULES: G-8 p.1

RECAP SCHEDULES: G-1 p.15

FLORIDA PUBLIC SERVICE COMMISSION

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

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

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO: 020384-GU

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

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

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

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

This page intentionally left blank.

SUPPORTING SCHEDULES:

RECAP SCHEDULES:

EXHIBIT 3

FLORIDA PUBLIC SERVICE COMMISSION

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

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

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

LINE NO.	A/C NO.	DESCRIPTION	Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03	13 MONTH AVERAGE
1	374	LAND AND LAND RIGHTS	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873
2	375	STRUCTURES AND IMPROVEMENTS	16,487,058	16,548,975	16,606,891	16,666,808	16,726,725	16,786,641	16,846,558	16,906,475	16,966,391	17,026,308	17,086,225	17,146,141	17,206,058	16,846,558
3	390	STRUCTURES AND IMPROVEMENTS	922,204	918,691	915,178	911,664	908,151	904,638	901,125	897,612	894,098	890,585	887,072	883,559	880,046	901,125
4	390.02	STRUCTURES & IMPROVEMENTS - Leasehold	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216
5	391	OFFICE FURNITURE	3,008,875	3,075,581	3,142,288	3,209,394	3,276,301	3,343,208	3,410,114	3,477,021	3,543,927	3,610,834	3,677,741	3,744,647	3,811,554	3,410,114
6	391.01	COMPUTER EQUIPMENT	19,917,445	20,102,798	20,288,147	20,473,496	20,658,849	20,844,200	21,029,551	21,214,902	21,400,253	21,585,604	21,770,955	21,956,306	22,141,657	21,029,551
7	391.02	OFFICE EQUIPMENT/MACHINES	464,362	463,751	463,141	462,531	461,920	461,310	460,700	460,090	459,479	458,869	458,258	457,648	457,038	460,700
8	391.03	OFFICE FURNITURE/EQUIP	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725
9	392.01	AUTO & TRUCK LESS THAN 1/2 TON	9,269,040	9,863,858	10,458,676	11,053,494	10,974,312	10,895,130	10,815,948	10,736,766	10,657,584	10,578,402	10,499,220	10,420,038	10,340,856	10,504,871
10	392.02	AUTO & TRUCK 3/4 TO 1 TON	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721
11	392.03	AIRPLANES	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716
12	392.04	TRAILERS, OTHER	253,190	252,398	251,606	250,814	250,022	249,231	248,439	247,647	246,855	246,063	245,272	244,480	243,688	248,439
13	392.05	TRUCKS OVER 1 TON	1,040,135	1,031,829	1,023,523	1,015,218	1,006,912	998,606	990,301	981,995	973,689	965,384	957,078	948,772	940,467	990,301
14	393	STORES EQUIPMENT	56,803	56,260	55,732	55,197	54,661	54,126	53,590	53,055	52,519	51,984	51,448	50,913	50,377	53,590
15	394	TOOLS SHOP & GARAGE EQUIPMENT	3,617,533	3,834,834	3,651,614	3,668,594	3,685,574	3,702,555	3,719,535	3,736,516	3,753,496	3,770,477	3,787,457	3,804,437	3,821,417	3,719,535
16	394.01	TOOLS SHOP & GARAGE EQUIPMENT - CNG	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986
17	395	LABORATORY EQUIPMENT	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578
18	396	POWER OPERATED EQUIPMENT	2,132,819	2,140,837	2,148,854	2,156,872	2,164,890	2,172,907	2,180,925	2,188,942	2,196,959	2,204,977	2,212,994	2,221,012	2,229,029	2,181,924
19	397	COMMUNICATION EQUIPMENT	3,520,219	3,568,470	3,616,721	3,664,971	3,713,222	3,761,472	3,809,723	3,857,973	3,906,224	3,954,474	4,002,725	4,050,975	4,099,226	3,809,723
20	398	MISC. EQUIPMENT	312,839	312,827	312,815	312,802	312,790	312,778	312,766	312,754	312,741	312,729	312,717	312,705	312,693	312,766
21		TOTAL	\$71,875,056	\$72,841,728	\$73,808,400	\$74,775,072	\$75,097,744	\$75,360,416	\$75,653,088	\$75,945,759	\$76,238,431	\$76,531,103	\$76,823,775	\$77,116,447	\$77,409,119	\$75,342,611

LINE NO.	A/C NO.	DESCRIPTION	13 MONTH AVERAGE	NONUTILITY %	3 MONTH AVG NONUTILITY	METHOD OF ALLOCATION
22	374	LAND AND LAND RIGHTS	\$2,252,873	9.2%	\$207,583	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
23	375	STRUCTURES AND IMPROVEMENTS	16,846,558	2.5%	417,082	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
24	390	STRUCTURES AND IMPROVEMENTS	901,125	5.8%	52,435	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
25	390.02	STRUCTURES & IMPROVEMENTS - Leasehold	28,216	0.0%	0	
26	391	OFFICE FURNITURE	3,410,114	0.0%	0	
27	391.01	COMPUTER EQUIPMENT	21,029,551	2.4%	502,046	DEPENDENT UPON THE APPLICATION, BASED ON A COMBINATION OF CUSTOMER COUNT, CHECKS PROCESSED, # OF BILLS & # OF USER ID'S
28	391.02	OFFICE EQUIPMENT/MACHINES	460,700	0.0%	0	
29	391.03	OFFICE FURNITURE/EQUIP	347,725	0.0%	0	
30	392.01	AUTO & TRUCK LESS THAN 1/2 TON	10,504,871	0.0%	0	
31	392.02	AUTO & TRUCK 3/4 TO 1 TON	1,915,721	0.0%	0	
32	392.03	AIRPLANES	6,029,716	0.0%	0	
33	392.04	TRAILERS, OTHER	248,439	0.0%	0	
34	392.05	TRUCKS OVER 1 TON	990,301	0.0%	0	
35	393	STORES EQUIPMENT	53,590	0.0%	0	
36	394	TOOLS SHOP & GARAGE EQUIPMENT	3,719,535	0.0%	0	
37	394.01	TOOLS SHOP & GARAGE EQUIPMENT - CNG	168,986	0.0%	0	
38	395	LABORATORY EQUIPMENT	129,578	0.0%	0	
39	396	POWER OPERATED EQUIPMENT	2,181,924	0.0%	0	
40	397	COMMUNICATION EQUIPMENT	3,809,723	0.0%	0	
41	398	MISC. EQUIPMENT	312,766	0.0%	0	
42		TOTAL	\$75,342,611		\$1,179,126	

FLORIDA PUBLIC SERVICE COMMISSION

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

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

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

13-MONTH AVERAGE

LINE NO.	A/C NO.	DESCRIPTION & ADDRESS	PLANT			ACCUMULATED DEPRECIATION/AMORTIZATION			METHOD OF ALLOCATION
			UTILITY	NON-UTILITY	TOTAL	UTILITY	NON-UTILITY	TOTAL	
1	374	SOUTH FLORIDA REGIONAL OFFICE	\$589,000	\$0	\$589,000	\$0	\$0	\$0	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
2	374	NMI-LAND-COCONUT CREEK REG STA, 100 W ATLANTIC BLVD,POMP,	12,413	0	12,413				
3	374	NMI-LAND-PLANTATION GATE STA, PETERS ROAD PARCEL # 5	22,954	0	22,954				
4	374	NMI-LAND-FULFORD PLANT, 15779 W DIXIE HWY,N MIAMI BCH,PARC	38,351	0	38,351				
5	374	TPA-EASEMENT-NEBRASKA AVE FROM BIRD ST SOUTH 432 FT	5,334	0	5,334				
6	374	TPA-LAND - GATE STATION @ LITHIA PINECREST RD	8,000	0	8,000				
7	374	TPA-LAND RIGHTS-PURCHASE FOR NW GATE STATION	8,909	0	8,909				
8	374	TPA-LAND-CSX RR PROPERTY W OF 13 ST @ FRANK ADAMO DR (SR	7,960	0	7,960				
9	374	TPA-LAND-ESTUARY PLANT, 1300 N. 13TH STREET, TAMPA- PARCEL	41,797	0	41,797				
10	374	TPA-LAND-ESTUARY PLANT, SOUTH OF RAILROAD, TAMPA- PARCEL	2,768	0	2,768				
11	374	TPA-LAND-PORT SUTTON GATE STATION,78TH & MADISON- PARCEL	4,939	0	4,939				
12	374	STP-LAND-LOT N SIDE, 1800 9TH AVE N , ST PETE, PARCEL #2	0	41,445	41,445				
13	374	STP-LAND-MAIN GATE STATION, 77TH AVE & 18TH WAY, ST PETE, PA	2,928	0	2,928				
14	374	STP-LAND-NORTH GATE STATION,13800 62 ST N , ST PETE, PARCEL	16,535	0	16,535				
15	374	STP-LAND-PLANT SITE, 1800 9TH AVE N , ST PETE (SWAP W/CITY 840	6,931	1,573	8,504				
16	374	STP-LAND-REG STATION, 3 AVE S & 16 STREET S, PARCEL #7	500	0	500				
17	374	STP-LAND-REG STATION, S SIDE 30 AVE N,WEST OF 16 ST N., PAR #	3,000	0	3,000				
18	374	STP-LAND-REG STATION, S SIDE 30 AVE S,WEST OF 30 ST S , PAR #5	3,800	0	3,800				
19	374	STP-MDBH1020, MADIERA BEACH-EASEMENT @ 127 AVE TREASURE	2,900	0	2,900				
20	374	ORL-LAND-DIST YARD, 601 W. ROBINSON STREET, PARCEL # 2	41,315	0	41,315				
21	374	ORL-LAND-FAIRVILLA SITE, US HWY 441,N OF SILVER STAR, PARCEL	1,997	0	1,997				
22	374	ORL-LAND-OAKLAND HILLS, FIESTA LANE & DURANGO WAY, PARCE	1,008	0	1,008				
23	374	ORL-LAND-PLANT SITE, 600 W. ROBINSON STREET, PARCEL # 1	49,693	0	49,693				
24	374	TRI-LAND-DIVISION OFFICE SITE,1724 KURT ST,EUSTIS, PARCEL # 2	9,000	0	9,000				
25	374	TRI-LAND-EUSTIS INDUSTRIAL PARK,MTR STA SITE, PARCEL # 1	500	0	500				
26	374	TRI-LAND-MT. DORA GATE STATION,WOLF BRANCH RD.,PARCEL # 3	8,518	0	8,518				
27	374	JAX-LAND - CAPPER ROAD GATE STATION, PARCEL # 16	22,989	0	22,989				
28	374	JAX-LAND - JERICO ROAD GATE STATION, PARCEL # 15	13,282	0	13,282				
29	374	JAX-LAND-CEDER HILLS GATE STATION SITE, PARCEL # 3	1,582	0	1,582				
30	374	JAX-LAND-CHURCH STREET PLANT SITE, PARCEL # 1	39,371	0	39,371				
31	374	JAX-LAND-KING STREET BET FORBES & POST ST,REG STA, PARCEL	200	0	200				
32	374	JAX-LAND-MAGNOLIA & MCCOY STREETS,REG STA, PARCEL #11	988	0	988				
33	374	JAX-LAND-OAK STREET & EDISON AVE REG STA, PARCEL # 4	300	0	300				
34	374	JAX-LAND-PART OF LOT 3 BL 138,NEWMAN BET STATE&ORANGE HA	400	0	400				
35	374	JAX-LAND-PART OF LOT 5 BL 12 ,11 ST WARRENS REPLAT,PARCEL #	539	0	539				
36	374	JAX-LAND-PEARL PLAZA SILVER & 24TH STREET,REG STA, PARCEL	1,000	0	1,000				
37	374	JAX-LAND-PHILLIPS HWY PLANT PROPERTY, PARCEL #14	314,618	0	314,618				
38	374	JAX-LAND-SOUTHSIDE REG STA,PIONESSA PROPERTY, PARCEL #13	12,947	0	12,947				
374		SUB TOTALS CONTINUED ON G-1 p. 19b	\$1,299,257	\$43,018	\$1,342,275	\$0	\$0	\$0	

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 020384-GU

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

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

LINE NO.	A/C NO.	DESCRIPTION & ADDRESS	13-MONTH AVERAGE			METHOD OF ALLOCATION			
			PLANT			ACCUMULATED DEPRECIATION/AMORTIZATION			
			UTILITY	NON-UTILITY	TOTAL	UTILITY	NON-UTILITY	TOTAL	
1	374	SUB TOTALS FROM G1 p. 19a	\$1,299,257	\$43,018	\$1,342,275	\$0	\$0	\$0	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
2	374	JAX-LAND-W 12 FT OF N 12 FT LOT 1 BL 32 DOTEN S/D,REG STA,PAR	538	0	538				
3	374	SMI-PLANT SITE - NW 1ST AVE & NW 17TH ST, PARCEL # 1	39,181	0	39,181				
4	374	LAK-LAND - PEACHTREE PLANT SITE (PARCEL # 1)	1,245	88	1,313				
5	374	DAY-LAND-1722 RIDGEWOOD AVE, HOLY HILL FL 32117	155,747	0	155,747				
6	374	DAY-LAND-GATE STATION SITE, PARCEL # 3	4,393	0	4,393				
7	374	DAY-LAND-REGULATOR STA SITE, PARCEL # 1 (INDUSTRIAL PARK)	477	0	477				
8	374	SAR-LAND - GATE STATION, 12th & CENTRAL, SARASOTA	50,000	0	50,000				
9	374	PBG-LAND - PBG OPERATIONS FACILITY 1383 JUPITER PARK DR	230,941	0	230,941				
10	374	PC-LAND-301 MAPLE AVE	84,869	8,881	91,750				
11	374	PC-LAND-GULF ASPHALT GATE STATION	23,645	0	23,645				
12	374	PC-LAND-MAPLE AVE GATE STATION	3,080	0	3,080				
13	374	PC-Land @ corner of 3rd Ave & Maple (next to Panama City Office)	0	157,816	157,816				
14	374	OCA-APPRAISAL - 8TH AVE & 18TH STREET	800	0	800				
15	374	OCA-ENVIRONMENTAL AUDIT - LAND	2,980	0	2,980				
16	374	OCA-LAND - 318 SW 33RD AVE	86,200	0	86,200				
17	374	OCA-LAND - LEVEY COUNTY GATE STATION	41,114	0	41,114				
18	374	OCA-LAND - LEVEY COUNTY GATE STATION	1,000	0	1,000				
19	374	OCA-LAND - SILVER SPRINGS GATE STATION	28,038	0	28,038				
20	374	OCA-LAND RIGHTS - RIGHT OF WAY / BASELINE RD	1,200	0	1,200				
21	374	OCA-LEGAL FEES - RICHARD, BLINN & HALDEN	10,336	0	10,336				
22	374	OCA-SURVEY - GATE STATION PROPERTY	250	0	250				
23	374	TOTAL	\$2,045,291	\$207,583	\$2,252,873	\$0	\$0	\$0	
24	375	SOUTH FLORIDA REGIONAL OFFICE	\$1,569,145	\$0	\$1,569,145	\$54,998	\$0	\$54,998	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
25	375	NMI-OFFICE BLDG - FULFORD	406,962	0	406,962	62,054	0	62,054	
26	375	NMI-ENGINE BLDG	83,740	0	83,740	29,762	0	29,762	
27	375	NMI-METER SHOP	51,293	0	51,293	14,409	0	14,409	
28	375	NMI-WAREHOUSE - FULFORD	249,677	0	249,677	110,554	0	110,554	
29	375	TPA-OFFICE BLDG - CHANNELSIDE/13 ST	2,333,394	0	2,333,394	488,032	0	488,032	
30	375	TPA-FIRE TRAINING FACILITY	14,261	0	14,261	6,078	0	6,078	
31	375	TPA-GAS CONTROL BLDG	16,675	0	16,675	9,795	0	9,795	
32	375	TPA-MAINTENANCE BLDG	13,068	0	13,068	5,330	0	5,330	
33	375	TPA-STORAGE BLDG	5,370	0	5,370	5,006	0	5,006	
34	375	TPA-TRANSPORTATION BLDG	56,180	0	56,180	21,794	0	21,794	
35	375	TPA-WAREHOUSE BLDG	140,679	0	140,679	38,105	0	38,105	
36	375	TPA-WELDING SHOP	20,312	0	20,312	6,920	0	6,920	
37	375	SUB TOTALS CONTINUED ON B-5 p. 19c	\$4,940,957	\$0	\$4,940,957	\$851,834	\$0	\$851,834	

FLORIDA PUBLIC SERVICE COMMISSION

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

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

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

13-MONTH AVERAGE

LINE NO.	A/C NO.	DESCRIPTION & ADDRESS	PLANT			ACCUMULATED DEPRECIATION/AMORTIZATION			METHOD OF ALLOCATION
			UTILITY	NON-UTILITY	TOTAL	UTILITY	NON-UTILITY	TOTAL	
1	375	SUB TOTALS FROM G1 p. 19b	\$4,940,957	\$0	\$4,940,957	\$851,834	\$0	\$851,834	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
2	375	STP-OFFICE BLDG - 9TH AVE	1,682,848	381,951	2,064,599	433,375	98,373	531,748	
3	375	STP-ANNEX BLDG	28,672	0	28,672	5,840	0	5,840	
4	375	STP-STORAGE BLDG	38,718	0	38,718	11,318	0	11,318	
5	375	STP-WAREHOUSE BLDG	126,273	0	126,273	37,758	0	37,758	
6	375	ORL-OFFICE BLDG - 600 ROBINSON	1,567,522	0	1,567,522	277,190	0	277,190	
7	375	ORL-WAREHOUSE	145,287	0	145,287	52,351	0	52,351	
8	375	TRI-OFFICE BLDG- KURT	474,187	0	474,187	122,900	0	122,900	
9	375	TRI-WAREHOUSE	44,753	0	44,753	5,228	0	5,228	
10	375	TRI-WELDING SHOP	4,528	0	4,528	883	0	883	
11	375	JAX-OFFICE BLDG - PHILIPS HWY	2,777,839	0	2,777,839	597,745	0	597,745	
12	375	JAX-DISTRIBUTION AREA - 1745 CHURCH ST	39,022	0	39,022	23,202	0	23,202	
13	375	JAX-EQUIP BLDG	24,538	0	24,538	7,175	0	7,175	
14	375	JAX-MAINTENANCE BLDG	146,688	0	146,688	7,914	0	7,914	
15	375	JAX-WAREHOUSE	201,808	0	201,808	58,780	0	58,780	
16	375	SMI-OFFICE BLDG - 17TH ST	487,460	0	487,460	175,202	0	175,202	
17	375	SMI-TOOL SHED	1,377	0	1,377	162	0	162	
18	375	SMI-TRAINING FACILITY	4,301	0	4,301	780	0	780	
19	375	SMI-WAREHOUSE	32,758	0	32,758	19,647	0	19,647	
20	375	LAK-OFFICE BLDG - KATHLEEN RD	523,820	28,722	552,341	132,698	7,279	139,978	
21	375	LAK-WAREHOUSE	88,208	0	88,208	20,103	0	20,103	
22	375	DAY-OFFICE BLDG - RIDGEWOOD AVE	443,288	0	443,288	51,078	0	51,078	
23	375	DAY-UTILITY SHED	4,220	0	4,220	547	0	547	
24	375	HIG-FENCE FOR REGULATOR STATION	1,174	0	1,174	589	0	589	
25	375	SAR-OFFICE BLDG-8281 VICO CT	760,322	0	760,322	40,390	0	40,390	
26	375	SAR-STORAGE SHED	10,877	0	10,877	2,368	0	2,368	
27	375	SAR-WAREHOUSE	4,938	0	4,938	696	0	696	
28	375	PBG-OFFICE BLDG-1363 JUPITER PARK DR	683,331	0	683,331	34,122	0	34,122	
29	375	PC -OFFICE BLDG - MAPLE AVE	78,805	6,390	85,195	10,343	839	11,182	
30	375	PC -SHED	2,193	0	2,193	437	0	437	
31	375	OCA-OFFICE BLDG - 33RD AVE	54,104	0	54,104	10,270	0	10,270	
32	375	SWF-OFFICE BLDG-5109 ENTERPRISE	1,012,210	0	1,012,210	52,069	0	52,069	
33	375	COR-MISC	16,724	0	16,724	2,218	0	2,218	
34	375	TOTALS	\$18,429,495	\$417,062	\$18,846,558	\$3,048,182	\$108,491	\$3,156,673	
35	390	PC -DIVISION OFFICE	648,698	52,435	699,133	99,884	8,099	107,982	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
36	390	OCA-STORAGE BUILDINGS	5,511	0	5,511	694	0	694	
37	390	OCA-DIVISION OFFICE	198,480	0	198,480	38,787	0	38,787	
37	390	TOTAL	\$848,690	\$52,435	\$901,125	\$137,344	\$8,099	\$145,443	

FLORIDA PUBLIC SERVICE COMMISSION

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

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

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

13-MONTH AVERAGE

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

EXHIBIT 4

● M I A M,
Peoples Gas System
Florida Public Service Commission
Docket: 020384-GU-Rate Case
Request Number: 11

CAPITAL
PLANT
ADDITIONS

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

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

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

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

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

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

Budget 2002 Main Costs

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

Budget 2002 Main Costs

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

Budget 2002 Main Costs

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

Budget 2002 Main Costs

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

Budget 2002 Main Costs

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

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

Budget 2002 Main Costs

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

Budget 2002 Main Costs

<u>Project with Description</u>	<u>Capital Mains '02</u>	<u>Plastic</u>	<u>Steel</u>
1 Beach Blvd	75,000	49,500	25,500
2 5TH ST /MCDUFF AVE	60,000	39,600	20,400
3 Airport Rd	40,000	26,400	13,600
4 Oak St	36,000	23,760	12,240
5 Point Meadows Dr.	30,000	19,800	10,200
6 MURRY HILL	25,000	16,500	8,500
7 MLK Blvd	20,000	13,200	6,800
8 Hath Bridge Proj	20,000	13,200	6,800
9 NW 14 ST & MAGNOLIA AVE	13,854	9,144	4,710
10 DERPETH3	8,194	5,408	2,786
11 SE 31ST STREET	7,818	5,160	2,658
12 Total Municipal Improvements	<u>\$ 3,871,366</u>	<u>\$ 2,555,102</u>	<u>\$ 1,316,264</u>
13 Shores	50,000	39,417	10,583
14 NE 12th Street	30,000	23,650	6,350
15 Westside Ind. Park	30,000	23,650	6,350
16 SE 24TH Terrace	25,000	19,708	5,292
17 Myrtle Ave Backfeed	15,000	11,825	3,175
18 Orlando Unknown	100,000	78,833	21,167
19 Daytona Unknown	50,000	39,417	10,583
20 Lakeland Unknown	50,000	39,417	10,583
21 Eustis Unknown	50,000	39,417	10,583
22 Millenia Blvd & Oakridge rd ex	25,000	19,708	5,292
23 53990132,6161 JONES AVE	25,000	19,708	5,292
24 02-Dale Mabry	300,000	236,500	63,500
25 11- Siesta Key	125,000	98,542	26,458
26 02-Culbreath	100,000	78,833	21,167
27 03- US 19 - Pasco	100,000	78,833	21,167
28 02-Misc	50,000	39,417	10,583
29 03- Misc	25,000	19,708	5,292
30 Las Olas Blvd @ ICWW 2003	112,500	88,687	23,813
31 Collins Ave, Bal Harbour NM to be complete 2002 / NOT START IN DESIGN	112,500	88,687	23,813
32 Copans Road Backfeed NOT DONE	84,600	66,693	17,907
33 Davie Blvd & New River NM complete 2004 / IN DESIGN	50,000	39,417	10,583
34 Miami Gate Station Upgrade. NOT DONE	50,000		7,583
Total Distribution System Improvements	<u>\$ 1,559,600</u>		<u>1,116</u>
Goldenrod, Woodlands & S	5,000		5,000
(2) Rectifier locations in Lal	5,200		5,200
CP-54	50,000		50,000
General C.P. Requirements	75,000		75,000
Misc	120,000		20,000
Total Cathodic Protection	<u>255,200</u>		<u>20,000</u>
Miscellaneous	<u>\$ 395,005</u>	<u>\$ 395,005</u>	<u>\$ -</u>
Total All 37600 and 37602	<u>\$ - 35,549,976</u>	<u>\$ 25,586,985</u>	<u>\$ 9,962,991</u>

COE/POST

$$\begin{array}{r} 139,600 \\ 112,500 \\ \hline 252,100 \end{array}$$

409,600 ✓
409,600 ✓

Budget 2002 Service Line Costs

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

Budget 2002 Service Line Costs

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

Budget 2002 Service Line Costs

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

Budget 2002 Service Line Costs

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

Budget 2002 Service Line Costs

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

Budget 2002 Service Line Costs

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

Projected 2003 Capital Budget

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

(1) Unless otherwise noted, Adjusted 2002 is Budget 2002.
 (2) Projected 2003 is Adjusted 2002 with indicated growth.

Analysis of Revenue Capital

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

EXTRAORDINARY EXPENSES

Division 16 : SW FL

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

(adjusted for italicized items).

Revenue Capital Net of Div. 16 Revenue Mains

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

EXHIBIT 5

PEOPLES GAS SYSTEM
Summary of Environmental Activity

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

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

*MIAMI***Environmental Affairs
Memorandum**

Page 1 of 12

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

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

North Miami – Fulford Plant

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



Environmental Affairs Memorandum

Page 2 of 12

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

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



Environmental Affairs Memorandum

Page 3 of 12

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

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

Ft. Lauderdale – Cox Plant

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

Miami – Rinker

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



Environmental Affairs Memorandum

Page 4 of 12

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



Environmental Affairs Memorandum

Page 5 of 12

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

Jacksonville

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



Environmental Affairs Memorandum

Page 6 of 12

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

Tampa

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



Environmental Affairs Memorandum

Page 7 of 12

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



Environmental Affairs Memorandum

Page 8 of 12

groundwater impacts were identified. In an effort to support the City's trolley project, PGS reported these results to the City and offered help to manage the project to reduce human and environmental exposure liabilities during and after construction.

- December 2000, PGS negotiated an agreement with the City, in which PGS agreed to provide funds to pay for the trolley system modifications required due to MGP impacts in the area. This agreement gives PGS a liability release for any impacted media that may remain beneath the City's trolley system after construction in the defined area.
- July 2001, Ash Engineering, Inc. submitted to PGS, site improvement plans for the Tampa operations facility. Improvements include the addition of impervious area and a stormwater treatment facility.
- December 2001, ECT prepared a Soil and Dewatering Management Plan for the Trolley project.
- Construction associated with the Tampa Trolley project adjacent to the PGS Tampa office has been completed. Overall Trolley completion is expected in November 2002.
- June 2002, Jacques Whitford Company (JWC) initiated further on-site contamination assessment work. Work consisted of additional wells and collecting multiple soil samples, as well as digging some test trenches. Additional field work on-site is projected in 2002.

Lakeland

- In January 1992 the Environmental protection Agency (EPA) performed a site screening investigation, which concluded that by-products from the former MGP have contaminated soil. The report indicated that the contaminated soils are primarily located on property owned by Florida Tile and that additional investigation and/or remediation was necessary.
- In 1993 Florida Tile removed approximately 1,500 tons of coal tar and coal tar contaminated soil that was discovered during the construction of a storm water retention pond. In March 1994 Florida Tile filed suit against Continental Holdings, Inc., successor to Florida Gas Company, and Florida Power & Light Co. to recover all costs associated with the remediation.
- In October 1997 Florida Power & Light Company excavated approximately 4,200 tons of coal tar impacted soil from Florida Tile and PGS properties. A report was produced that summarized the activities and results.
- During December 1997 the FDEP performed an Expanded Site Investigation at the request of the USEPA. A report summarizing the activities and results was completed. In this



Environmental Affairs Memorandum

Page 9 of 12

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

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

Orlando

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



Environmental Affairs Memorandum

Page 10 of 12

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

St. Petersburg – Dome Site

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

Ocala

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



Environmental Affairs Memorandum

Page 11 of 12

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



**Environmental Affairs
Memorandum**

Page 12 of 12

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

NORTH & CENTRAL REGIONS

State of Florida

**Public Service Commission****-M-E-M-O-R-A-N-D-U-M-**

DATE : OCTOBER 11, 2002

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

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

RE : **TECO-PEOPLES GAS SYSTEM - RATE CASE**
DOCKET NUMBER 020384-GU
PLANT ALLOCATION (SCHEDULE B-5 & G-1)
CENTRAL AND NORTHERN REGIONS

BRIEF

The engineering staff (Robert Trotter and Roger Fletcher) of the Bureau of Gas Safety was assigned to verify common plant allocations for the Central and Northern regions of the TECO-Peoples Gas System, as contained in their Minimum Filing Requirements (MFRs), Schedule B-5, pages 13-15 and Schedule G-1, pages 197-200 and pages 203-206.

The assigned evaluation was conducted during the period from August 16, 2002 through September 13, 2002. These evaluations consisted of an on site inspection of land and structures to verify the use and usefulness of each common plant item and to calculate an allocation between regulated and nonregulated utility operations of the facilities.

RECOMMENDATION

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

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

DISCUSSION

The evaluation of the common plant allocation for the Historic Base Test Year focused on individual line items shown in Schedule B-5, "Allocation of Common Plant." A copy of this schedule is attached as Exhibit 1. Findings of the evaluation are listed below according to account and line item.

Base Test YearSchedule B-5, Account 374, page 13 & 14

Total Adjustments Account 374: \$22,834 Reduction (See Items 2,3,5,6,18,20,22,28 & 29)

- 1) Account: 374 - page 13, line 20
Description: Land -Orlando (601 Robinson Street, Parcel 2)
Utility Allocation: \$41,315 - 100% utility
Staff Findings: No adjustment, accept as stated.

- 2) Account: 374 - page 13, line 21
Description: Land - Orlando (Fairvilla Site-Hwy. 441)
Utility Allocation: \$1,997 - 100% utility
Staff Findings: This land is the site of a propane transfer station. There is no regulated utility usage of this property. The entire value of the land should be removed from rate base, i.e., 100% non-utility.

- 3) Account: 374 - page 13, line 22
Description: Land - Orlando (Oakland Hills@Fiesta Ln. & Durango Way)
Utility Allocation: \$1,008 - 100% utility
Staff Findings: It was determined that this lot is vacant with no apparent regulated utility usage. The entire value of the property should be removed from rate base, i.e., 100% nonutility.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 4) Account: 374, page 13, line 23
Description: Land - Orlando (Plant Site-600 W. Robinson)
Utility Allocation: \$49,693 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 5) Account: 374, page 13, line 24
Description: Land-Eustis (Office Site-1724 Kurt Street)
Utility Allocation: \$9,000 - 100% utility
Staff Findings: Total land area is approximately 86,858 square feet. Propane tanks belonging to Heritage Propane Company are on 1,508 square feet. It is recommended that \$156 be removed from rate base. (1,508 sq. ft. / 86,858 sq. ft. x \$9,000 = \$156)
- 6) Account: 374, page 13, line 25
Description: Land - Eustis (Industrial Park, Parcel 1)
Utility Allocation: \$500 - 100% utility
Staff Findings: This property is the North of the office property and was sold to Heritage Propane Company. The entire value of the land should be removed from rate base, i.e., \$500 nonutility
- 7) Account: 374, page 13, line 26
Description: Land-Mt. Dora (Gate Station-Wolf Branch Road)
Utility Allocation: \$8,516 - 100% utility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 8) Account: 374, page 13, line 27
Description: Land-Jacksonville (Capper Rd. Gate Station)
Utility Allocation: \$22,989 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 9) Account: 374, page 13, line 28
Description: Land-Jacksonville (Jericho Road Gate Station)
Utility Allocation: \$13,282 - 100% utility
Staff Findings: No adjustments, accept as stated
- 10) Account: 374, page 13, line 29
Description: Land-Jacksonville (Cedar Hill Gate Station)
Utility Allocation: \$1,582 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 11) Account: 374, page 13, line 30
Description: Land-Jacksonville (Church Street Plant Site)
Utility Allocation: \$39,371 - 100% utility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 12) Account: 374, page 13, line 31
Description: Land-Jacksonville (King Street Regulator Station)
Utility Allocation: \$200 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 13) Account: 374, page 13, line 32
Description: Land-Jacksonville (Magnolia & McCoy Regulator Station)
Utility Allocation: \$986 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 14) Account: 374, page 13, line 33
Description: Land-Jacksonville (Oak & Edison Regulator Station)
Utility Allocation: \$300 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 15) Account: 374, page 13, line 34
Description: Land-Jacksonville (Newman Bet & Orange Hat)
Utility Allocation: \$400 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 16) Account: 374, page 13, line 35
Description: Land-Jacksonville (11th Street Warrens Replat, Parcel 7)
Utility Allocation: \$539 - 100% utility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 17) Account: 374, page 13, line 36
Description: Land-Jacksonville (Pearl Plaza Regulator Station)
Utility Allocation: \$1,000 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 18) Account: 374, page 13, line 37
Description: Land-Jacksonville (Phillips Hwy. Plant Property)
Utility Allocation: \$314,616 - 100% utility
Staff Findings: Total land area is 218,600 square feet. Propane tanks are on 9,600 square feet. It is recommended that \$13,817 be removed from rate base.
(9,600 sq. ft. / 218,600 sq. ft. x \$314,616 = \$13,817)
- 19) Account: 374, page 13, line 38
Description: Land-Jacksonville (Southside Regulator Station)
Utility Allocation: \$12,947 - 100 % utility
Staff Findings: No adjustments, accept as stated.
- 20) Account: 374, page 13, line 39
Description: Land-Jacksonville (Doten S/D Regulator Station)
Utility Allocation: \$538 - 100% utility
Staff Findings: This regulator station was retired in calendar year 1992. The property has no regulated utility usage. The entire value should be removed from rate base, i.e., \$538 nonutility.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 21) Account: 374, page 13, line 42
Description: Land-Daytona (1722 Ridgewood Ave., Holly Hill)
Utility Allocation: \$155,747 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 22) Account: 374, page 13, line 43
Description: Land-Daytona (Gate Station Site, Parcel 3)
Utility Allocation: \$4,393 - 100% utility
Staff Findings: Total land area of this property is approximately 74,296 square feet. Heritage Propane Company has operations on this property. Currently, there is an area of 5,200 square feet where propane cylinders and propane vehicle are stored. Another 12,358 square feet is the site of propane bulk tanks and related equipment. It is therefore recommended that \$1,038 be removed from rate base, i.e., \$1,038 nonutility. (17,558 sq. ft. / 74,926 sq. ft. x \$4,393 = \$1,038)
- 23) Account: 374, page 13, line 44
Description: Land-Daytona (Regulator Station Site-Industrial Park)
Utility Allocation: \$477 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 24) Account: 374, page 13, line 47
Description: Land-Panama City (301 Maple Avenue)
Utility Allocation: \$84,869 - utility & \$6,881- nonutility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 25) Account: 374, page 13, line 48
Description: Land-Panama City (Gulf Asphalt Gate Station)
Utility Allocation: \$23,645 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 26) Account: 374, page 13, line 49
Description: Land-Panama City (Maple Avenue Gate Station)
Utility Allocation: \$3,080 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 27) Account: 374, page 14, line 2
Description: Land-Panama City (3rd Ave. & Maple)
Utility Allocation: \$72,746 - 100% Nonutility
Staff Findings: No adjustment, accept as stated.
- 28) Account: 374, page 14, line 3
Description: Appraisal-Ocala (8th Ave. & 16th Street)
Utility Allocation: \$800 - 100% utility
Staff Findings: This parcel of property was not purchased by the utility. The appraisal cost would therefore be an expense item and booked in Account 186 "Miscellaneous Deferred Debits." It is recommended that the total value of the appraisal be removed from rate base, i.e., \$800 - nonutility.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 29) Account: 374, page 14, line 4
Description: Ocala-Environmental Audit-Land
Utility Allocation: \$2980 - 100 % utility
Staff Findings: The environmental audit to clean up contaminated land is not a rate base item. This cost is a nonrecurring expense and should be booked in Account 186 "Miscellaneous Deferred Debits" and amortized. It is recommended that the entire \$2,980 value of the environmental audit be removed from rate base.
- 30) Account: 374, page 14, line 5
Description: Land-Ocala (316 SW 33rd Avenue)
Utility Allocation: \$66,200 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 31) Account: 374, page 14, line 6
Description: Land-Ocala (Levy County Gate Station)
Utility Allocation: \$41,114 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 32) Account: 374, page 14, line 7
Description: Land-Ocala (Levy County Gate Station)
Utility Allocation: \$1,000 - 100% utility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 33) Account: 374, page 14, line 8
Description: Land-Ocala (Silver Springs Gate Station)
Utility Allocation: \$28,038 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 34) Account: 374, page 14, line 9
Description: Land-Ocala (Right of Way, Baseline Road)
Utility Allocation: \$1,200 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 35) Account: 374, page 14, line 10
Description: Ocala-Legal Fees (Richard, Blinn & Halden)
Utility Allocation: \$10,336 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 36) Account: 374, page 14, line 11
Description: Ocala-Survey (Gate Station Property)
Utility Allocation: \$250 - 100% utility
Staff Findings: No adjustment, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 4) Account: 375, page 14, line 33
Description: Triangle - Warehouse - Eustis
Utility Allocation: \$44,753 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 5) Account: 375, page 14, line 34
Description: Triangle - Welding Shop - Eustis
Utility Allocation: \$4,526 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 6) Account: 375, page 14, line 35
Description: Jacksonville-Office Building-Phillips Highway
Utility Allocation: \$2,054,384 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 7) Account: 375, page 14, line 36
Description: Jacksonville-Distribution Area-1745 Church Street
Utility Allocation: \$39,022 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 8) Account: 375, page 14, line 37
Description: Jacksonville Equipment Building
Utility Allocation: \$24,536 - 100% utility
Staff Findings: No adjustment, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 9) Account: 375, page 14, line 38
Description: Jacksonville Maintenance Building
Utility Allocation: \$146,865 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 10) Account: 375, page 14, line 39
Description: Jacksonville Warehouse
Utility Allocation: \$201,806 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 11) Account: 375, page 14, line 46
Description: Daytona Office Building-Ridgewood Avenue
Utility Allocation: \$443,286 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 12) Account: 375, page 14, line 47
Description: Daytona Utility Shed
Utility Allocation: \$4,220 - 100% utility
Staff Findings: No adjustment, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 13) Account: 375, page 15, line 6
- Description: Panama City Office Building - Maple Avenue
- Utility Allocation: \$78,805 - utility \$6,390 - nonutility
- Staff Findings: Staff determined that an additional 900 square feet of the office building is not used and useful. An area 51' x 18' in the vicinity of the training center and meter reading offices was found to be a dead area where a number of empty file cabinets are stored. It is recommended that an additional 4.5% of the office building's value or \$3,834 be removed from rate base. It was further discovered that according to the information presented in response to staff's Audit Request Number 14 (see Exhibit 2), the office space used by TECO Partners employees did not generate any lease revenues during the Base Test Year period of calendar year 2001. This office measures 11' x 11' or an area of 121 square feet. This area represents .6% of the total square footage of the office space. It is therefore recommended that an additional \$515 should be removed from rate base due to the nonutility usage of the area by TECO Partners. The total recommended adjustment to nonutility usage is \$4,349.
(1021 sq.ft. / 20,000 sq.ft. x \$85,195 = \$4,349)
- 14) Account: 375, page 15, line 7
- Description: Panama City - Shed
- Utility Allocation: \$2,193 - 100% utility
- Staff Findings: No adjustment, accept as stated.
- 15) Account: 375, page 15, line 8
- Description: Ocala Office Building - 33rd Avenue
- Utility Allocation: \$54,104 - 100% utility

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

Staff Findings: It was determined that according to the information presented in response to staff's Audit Request Number 14 (see Exhibit 2), the office space used by TECO Partners employees did not generate any lease revenues during the Base Test Year period of calendar year 2001. Three offices are occupied by TECO Partners employees. The offices measure 15' x 10', 9' x 18', and 10' x 12' for a total area of 432 square feet. This area represents 3.84% of the total square footage of the office space. It is therefore recommended that \$2,078 should be removed from rate base due to the nonutility usage of the area occupied by TECO Partners.
(432 sq. ft. / 11250 sq. ft. x \$54,104 = \$2078)

Base Test Year**Schedule B-5, Account 390, Page 15****Total Adjustments Account 390: \$46,105 Reduction (see items 1 & 3)**

- 1) **Account:** 390, page 15, line 11
- Description:** Panama City - Division Office
- Utility Allocation:** \$677,818 - utility \$54,958 - nonutility
- Staff Findings:** An additional 5.1% or \$37,408 should be removed from rate base to reflect nonutility usage area of 1,021 sq. ft. See explanation on page 14 of this memorandum, item 13.
(1,021 sq.ft. / 20,000 sq.ft. x \$732,776 = \$37,408)
- 2) **Account:** 390, page 15, line 12
- Description:** Ocala Storage Buildings
- Utility Allocation:** \$5,511 - 100% utility
- Staff Findings:** No adjustment, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

Base Test Year + 1Schedule G-1, Account 374, page 197 & 198Total Adjustments Account 374: \$23,834 Reduction (See Items 2,3,5,6,17,18,20,22,28 & 29)

- 1) Account: 374 - page 197, line 20
Description: Land -Orlando (601 Robinson Street, Parcel 2)
Utility Allocation: \$41,315 - 100% utility
Staff Findings: No adjustment, accept as stated.

- 2) Account: 374 - page 197, line 21
Description: Land - Orlando (Fairvilla Site-Hwy. 441)
Utility Allocation: \$1,997 - 100% utility
Staff Findings: This land is the site of a propane transfer station. There is no regulated utility usage of this property. The entire value of the land should be removed from rate base, i.e., 100% non-utility.

- 3) Account: 374 - page 197, line 22
Description: Land - Orlando (Oakland Hills@Fiesta Ln. & Durango Way)
Utility Allocation: \$1,008 - 100% utility
Staff Findings: It was determined that this lot is vacant with no apparent regulated utility usage. The entire value of the property should be removed from rate base, i.e., 100% nonutility.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 4) Account: 374, page 197, line 23
Description: Land - Orlando (Plant Site-600 W. Robinson)
Utility Allocation: \$49,693 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 5) Account: 374, page 197, line 24
Description: Land-Eustis (Office Site-1724 Kurt Street)
Utility Allocation: \$9,000 - 100% utility
Staff Findings: Total land area is approximately 86,858 square feet. Propane tanks belonging to Heritage Propane Company are on 1,508 square feet. It is recommended that \$156 be removed from rate base. $(1,508 \text{ sq. ft.} / 86,858 \text{ sq. ft.} \times \$9,000 = \$156)$
- 6) Account: 374, page 197, line 25
Description: Land - Eustis (Industrial Park, Parcel 1)
Utility Allocation: \$500 - 100% utility
Staff Findings: This property is the North of the office property and was sold to Heritage Propane Company. The entire value of the land should be removed from rate base, i.e., \$500 nonutility
- 7) Account: 374, page 197, line 26
Description: Land-Mt. Dora (Gate Station-Wolf Branch Road)
Utility Allocation: \$8,516 - 100% utility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 8) Account: 374, page 197, line 27
Description: Land-Jacksonville (Capper Rd. Gate Station)
Utility Allocation: \$22,989 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 9) Account: 374, page 197, line 28
Description: Land-Jacksonville (Jericho Road Gate Station)
Utility Allocation: \$13,282 - 100% utility
Staff Findings: No adjustments, accept as stated
- 10) Account: 374. Page 197, line 29
Description: Land-Jacksonville (Cedar Hill Gate Station)
Utility Allocation: \$1,582 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 11) Account: 374, page 197, line 30
Description: Land-Jacksonville (Church Street Plant Site)
Utility Allocation: \$39,371 - 100% utility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 12) Account: 374, page 197, line 31
Description: Land-Jacksonville (King Street Regulator Station)
Utility Allocation: \$200 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 13) Account: 374, page 197, line 32
Description: Land-Jacksonville (Magnolia & McCoy Regulator Station)
Utility Allocation: \$986 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 14) Account: 374, page 197, line 33
Description: Land-Jacksonville (Oak & Edison Regulator Station)
Utility Allocation: \$300 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 15) Account: 374, page 197, line 34
Description: Land-Jacksonville (Newman Bet & Orange Hat)
Utility Allocation: \$400 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 16) Account: 374, page 197, line 35
Description: Land-Jacksonville (11th Street Warrens Replat, Parcel 7)
Utility Allocation: \$539 - 100% utility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 17) Account: 374, page 197, line 36
Description: Land-Jacksonville (Pearl Plaza Regulator Station)
Utility Allocation: \$1,000 - 100% utility
Staff Findings: This regulator station was retired in calendar year 2001. Currently the land is not being used for any regulated utility activity. It is recommended that the value of this property be removed from rate base, i.e., \$1,000 nonutility
- 18) Account: 374, page 197, line 37
Description: Land-Jacksonville (Phillips Hwy. Plant Property)
Utility Allocation: \$314,616 - 100% utility
Staff Findings: Total land area is 218,600 square feet. Propane tanks are on 9,600 square feet. It is recommended that \$13,817 be removed from rate base.
(9,600 sq. ft. / 218,600 sq. ft. x \$314,616 = \$13,817)
- 19) Account: 374, page 197, line 38
Description: Land-Jacksonville (Southside Regulator Station)
Utility Allocation: \$12,947 - 100 % utility
Staff Findings: No adjustments, accept as stated.
- 20) Account: 374, page 198, line 2
Description: Land-Jacksonville (Doten S/D Regulator Station)
Utility Allocation: \$538 - 100% utility
Staff Findings: This regulator station was retired in calendar year 1992. The property has no regulated utility usage. The entire value should be removed from rate base, i.e., \$538 nonutility

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 21) Account: 374, page 198, line 5
Description: Land-Daytona (1722 Ridgewood Ave., Holly Hill)
Utility Allocation: \$155,747 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 22) Account: 374, page 198, line 6
Description: Land-Daytona (Gate Station Site, Parcel 3)
Utility Allocation: \$4,393 - 100% utility
Staff Findings: Total land area of this property is approximately 74,296 square feet. Heritage Propane Company has operations on this property. Currently, there is an area of 5,200 square feet where propane cylinders and propane vehicle are stored. Another 12,358 square feet is the site of propane bulk tanks and related equipment. It is therefore recommended that \$1,038 be removed from rate base, i.e., \$1,038 nonutility ($17,558 \text{ sq. ft.} / 74,926 \text{ sq. ft.} \times \$4,393 = \$1,038$)
- 23) Account: 374, page 198, line 7
Description: Land-Daytona (Regulator Station Site-Industrial Park)
Utility Allocation: \$477 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 24) Account: 374, page 198, line 10
Description: Land-Panama City (301 Maple Avenue)
Utility Allocation: \$84,869 - utility & \$6,881 nonutility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 25) Account: 374, page 198, line 11
Description: Land-Panama City (Gulf Asphalt Gate Station)
Utility Allocation: \$23,645 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 26) Account: 374, page 198, line 12
Description: Land-Panama City (Maple Avenue Gate Station)
Utility Allocation: \$3,080 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 27) Account: 374, page 198, line 13
Description: Land-Panama City (3rd Ave. & Maple)
Utility Allocation: \$72,746 - 100% Nonutility
Staff Findings: No adjustment, accept as stated.
- 28) Account: 374, page 198, line 14
Description: Appraisal-Ocala (8th Ave. & 16th Street)
Utility Allocation: \$800 - 100% utility
Staff Findings: This parcel of property was not purchased by the utility. The appraisal cost would therefore be an expense item and booked in Account 186 "Miscellaneous Deferred Debits." It is recommended that the total value of the appraisal be removed from rate base, i.e., \$800 - nonutility.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 29) Account: 374, page 198, line 15
Description: Ocala-Environmental Audit-Land
Utility Allocation: \$2980 - 100 % utility
Staff Findings: The environmental audit to clean up contaminated land is not a rate base item. This cost is a nonrecurring expense and should be booked in Account 186 "Miscellaneous Deferred Debits" and amortized. It is recommended that the entire \$2,980 value of the environmental audit be removed from rate base.
- 30) Account: 374, page 198, line 16
Description: Land-Ocala (316 SW 33rd Avenue)
Utility Allocation: \$66,200 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 31) Account: 374, page 198, line 17
Description: Land-Ocala (Levy County Gate Station)
Utility Allocation: \$41,114 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 32) Account: 374, page 198, line 18
Description: Land-Ocala (Levy County Gate Station)
Utility Allocation: \$1,000 - 100% utility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 33) Account: 374, page 198, line 19
Description: Land-Ocala (Silver Springs Gate Station)
Utility Allocation: \$28,038 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 34) Account: 374, page 198, line 20
Description: Land-Ocala (Right of Way, Baseline Road)
Utility Allocation: \$1,200 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 35) Account: 374, page 198, line 21
Description: Ocala-Legal Fees (Richard, Blinn & Halden)
Utility Allocation: \$10,336 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 36) Account: 374, page 198, line 22
Description: Ocala-Survey (Gate Station Property)
Utility Allocation: \$250 - 100% utility
Staff Findings: No adjustment, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 4) Account: 375, page 199, line 9
Description: Triangle - Warehouse - Eustis
Utility Allocation: \$44,753 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 5) Account: 375, page 199, line 10
Description: Triangle - Welding Shop - Eustis
Utility Allocation: \$4,526 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 6) Account: 375, page 199, line 11
Description: Jacksonville-Office Building-Phillips Highway
Utility Allocation: \$2,054,384 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 7) Account: 375, page 199, line 12
Description: Jacksonville-Distribution Area-1745 Church Street
Utility Allocation: \$39,022 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 8) Account: 375, page 199, line 13
Description: Jacksonville Equipment Building
Utility Allocation: \$24,536 - 100% utility
Staff Findings: No adjustment, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 9) Account: 375, page 199, line 14
Description: Jacksonville Maintenance Building
Utility Allocation: \$146,865 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 10) Account: 375, page 199, line 15
Description: Jacksonville Warehouse
Utility Allocation: \$201,806 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 11) Account: 375, page 199, line 22
Description: Daytona Office Building-Ridgewood Avenue
Utility Allocation: \$443,286 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 12) Account: 375, page 199, line 23
Description: Daytona Utility Shed
Utility Allocation: \$4,220 - 100% utility
Staff Findings: No adjustment, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 13) Account: 375, page 199, line 29
- Description: Panama City Office Building - Maple Avenue
- Utility Allocation: \$78,805 - utility \$6,390 - nonutility
- Staff Findings: Staff determined that an additional 900 square feet of the office building is not used and useful. An area 51' x 18' in the vicinity of the training center and meter reading offices was found to be a dead area where a number of empty file cabinets are stored. It is recommended that an additional 4.5% of the office building's value or \$3,834 be removed from rate base. It was further discovered that according to the information presented in response to staff's Audit Request Number 14, (see Exhibit 2), the office space used by TECO Partners employees did not generate any lease revenues during the Base Test Year period of calendar year 2001. This office measures 11' x 11' or an area of 121 square feet. This area represents .6% of the total square footage of the office space. It is therefore recommended that an additional \$515 should be removed from rate base due to the nonutility usage of the area by TECO Partners. The total recommended adjustment to nonutility usage is \$4,349.
(1021 sq.ft. / 20,000 sq.ft. x \$85,195 = \$4,349)
- 14) Account: 375, page 199, line 30
- Description: Panama City - Shed
- Utility Allocation: \$2,193 - 100% utility
- Staff Findings: No adjustment, accept as stated.
- 15) Account: 375, page 199, line 31
- Description: Ocala office Building - 33rd Avenue
- Utility Allocation: \$54,104 - 100% utility

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

Staff Findings: It was determined that according to the information presented in response to staff's Audit Request Number 14 (see Exhibit 2), the office space used by TECO Partners employees did not generate any lease revenues during the Base Test Year period of calendar year 2001. Three offices are occupied by TECO Partners employees. The offices measure 15' x 10', 9' x 18', and 10' x 12' for a total area of 432 square feet. This area represents 3.84% of the total square footage of the office space. It is therefore recommended that \$2,078 should be removed from rate base due to the nonutility usage of the area occupied by TECO Partners.
(432 sq. ft. / 11250 sq. ft. x \$54,104 = \$2078)

Base Test Year + 1**Schedule G-1, Account 390, Page 199****Total Adjustments Account 390: \$46,105 Reduction (see Items 1 & 3)**

- 1) Account: 390, page 199, line 35
- Description: Panama City - Division Office
- Utility Allocation: \$677,818 - utility \$54,958 - nonutility
- Staff Findings: An additional 5.1% or \$37,408 should be removed from rate base to reflect nonutility usage area of 1,021 sq.ft. See explanation on page 14 of this memorandum, Item 13.
(1,021 sq.ft. / 20,000 sq. ft. x \$732,776 = \$37,408)
- 2) Account: 390, page 199, line 36
- Description: Ocala Storage Buildings
- Utility Allocation: \$5,511 - 100% utility
- Staff Findings: No adjustment, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 3) **Account:** 390, page 199, line 37
- Description:** Ocala Division Office
- Utility Allocation:** \$226,480 - 100% utility
- Staff Findings:** It is recommended that 3.84% or \$8,697 be removed from rate
 base to reflect the nonutility usage for the 432 sq.ft. of office
 space occupied by TECO Partners.
 (432 sq.ft. / 11,250 sq.ft. x \$226,480 = \$8,697)

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

Projected Test YearSchedule G-1, Account 374, page 203 & 204Total Adjustments Account 374: \$24,234 Reduction (See items 2,3,5,6,15,17,18,20,22,28 & 29)

- 1) Account: 374 - page 203, line 20
Description: Land -Orlando (601 Robinson Street, Parcel 2)
Utility Allocation: \$41,315 - 100% utility
Staff Findings: No adjustment, accept as stated.

- 2) Account: 374 - page 203, line 21
Description: Land - Orlando (Fairvilla Site-Hwy. 441)
Utility Allocation: \$1,997 - 100% utility
Staff Findings: This land is the site of a propane transfer station. There is no regulated utility usage of this property. The entire value of the land should be removed from rate base, i.e., 100% non-utility.

- 3) Account: 374 - page 203, line 22
Description: Land - Orlando (Oakland Hills@Fiesta Ln. & Durango Way)
Utility Allocation: \$1,008 - 100% utility
Staff Findings: It was determined that this lot is vacant with no apparent regulated utility usage. The entire value of the property should be removed from rate base, i.e., 100% nonutility.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 4) Account: 374, page 203, line 23
Description: Land - Orlando (Plant Site-600 W. Robinson)
Utility Allocation: \$49,693 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 5) Account: 374, page 203, line 24
Description: Land-Eustis (Office Site-1724 Kurt Street)
Utility Allocation: \$9,000 - 100% utility
Staff Findings: Total land area is approximately 86,858 square feet. Propane tanks belonging to Heritage Propane Company are on 1,508 square feet. It is recommended that \$156 be removed from rate base. (1,508 sq. ft. / 86,858 sq. ft. x \$9,000 = \$156)
- 6) Account: 374, page 203, line 25
Description: Land - Eustis (Industrial Park, Parcel 1)
Utility Allocation: \$500 - 100% utility
Staff Findings: This property is the North of the office property and was sold to Heritage Propane Company. The entire value of the land should be removed from rate base, i.e., \$500 nonutility
- 7) Account: 374, page 203, line 26
Description: Land-Mt. Dora (Gate Station-Wolf Branch Road)
Utility Allocation: \$8,516 - 100% utility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 8) Account: 374, page 203, line 27
Description: Land-Jacksonville (Capper Rd. Gate Station)
Utility Allocation: \$22,989 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 9) Account: 374, page 203, line 28
Description: Land-Jacksonville (Jericho Road Gate Station)
Utility Allocation: \$13,282 - 100% utility
Staff Findings: No adjustments, accept as stated
- 10) Account: 374. Page 203, line 29
Description: Land-Jacksonville (Cedar Hill Gate Station)
Utility Allocation: \$1,582 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 11) Account: 374, page 203, line 30
Description: Land-Jacksonville (Church Street Plant Site)
Utility Allocation: \$39,371 - 100% utility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 12) Account: 374, page 203, line 31
Description: Land-Jacksonville (King Street Regulator Station)
Utility Allocation: \$200 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 13) Account: 374, page 203, line 32
Description: Land-Jacksonville (Magnolia & McCoy Regulator Station)
Utility Allocation: \$986 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 14) Account: 374, page 203, line 33
Description: Land-Jacksonville (Oak & Edison Regulator Station)
Utility Allocation: \$300 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 15) Account: 374, page 203 , line 34
Description: Land-Jacksonville (Newman Bet & Orange Hat)
Utility Allocation: \$400 - 100% utility
Staff Findings: This regulator station was retired in calendar year 2001. Currently, the land is not being used for any regulated utility activity. It is recommended that the value of this property be removed from rate base, i.e., \$400 nonutility

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

-
- 16) Account: 374, page 203, line 35
Description: Land-Jacksonville (11th Street Warrens Replat, Parcel 7)
Utility Allocation: \$539 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 16) Account: 374, page 203, line 36
Description: Land-Jacksonville (Pearl Plaza Regulator Station)
Utility Allocation: \$1,000 - 100% utility
Staff Findings: This regulator station was retired in calendar year 2001. Currently the land is not being used for any regulated utility activity. It is recommended that the value of this property be removed from rate base, i.e., \$1,000 nonutility
- 17) Account: 374, page 203, line 37
Description: Land-Jacksonville (Phillips Hwy. Plant Property)
Utility Allocation: \$314,616 - 100% utility
Staff Findings: Total land area is 218,600 square feet. Propane tanks are on 9,600 square feet. It is recommended that \$13,817 be removed from rate base.
(9,600 sq. ft. / 218,600 sq. ft. x \$314,616 = \$13,817)
- 18) Account: 374, page 203, line 38
Description: Land-Jacksonville (Southside Regulator Station)
Utility Allocation: \$12,947 - 100 % utility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 19) Account: 374, page 204, line 2
Description: Land-Jacksonville (Doten S/D Regulator Station)
Utility Allocation: \$538 - 100% utility
Staff Findings: This regulator station was retired in calendar year 1992. The property has no regulated utility usage. The entire value should be removed from rate base, i.e., \$538 nonutility
- 20) Account: 374, page 204, line 5
Description: Land-Daytona (1722 Ridgewood Ave., Holly Hill)
Utility Allocation: \$155,747 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 21) Account: 374, page 204, line 6
Description: Land-Daytona (Gate Station Site, Parcel 3)
Utility Allocation: \$4,393 - 100% utility
Staff Findings: Total land area of this property is approximately 74,296 square feet. Heritage Propane Company has operations on this property. Currently, there is an area of 5,200 square feet where propane cylinders and propane vehicle are stored. Another 12,358 square feet is the site of propane bulk tanks and related equipment. It is therefore recommended that \$1,038 be removed from rate base, i.e. \$1,038 nonutility.
(17,558 sq. ft. / 74,926 sq. ft. x \$4,393 = \$1,038)

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 22) Account: 374, page 204, line 7
Description: Land-Daytona (Regulator Station Site-Industrial Park)
Utility Allocation: \$477 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 23) Account: 374, page 204, line 10
Description: Land-Panama City (301 Maple Avenue)
Utility Allocation: \$84,869 - utility & \$6,881- nonutility
Staff Findings: No adjustments, accept as stated.
- 24) Account: 374, page 204, line 11
Description: Land-Panama City (Gulf Asphalt Gate Station)
Utility Allocation: \$23,645 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 25) Account: 374, page 204, line 12
Description: Land-Panama City (Maple Avenue Gate Station)
Utility Allocation: \$3,080 - 100% utility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 26) Account: 374, page 204, line 13
Description: Land-Panama City (3rd Ave. & Maple)
Utility Allocation: \$72,746 - 100% Nonutility
Staff Findings: No adjustment, accept as stated.
- 27) Account: 374, page 204, line 14
Description: Appraisal-Ocala (8th Ave. & 16th Street)
Utility Allocation: \$800 - 100% utility
Staff Findings: This parcel of property was not purchased by the utility. The appraisal cost would therefore be an expense item and booked in Account 186 "Miscellaneous Deferred Debits." It is recommended that the total value of the appraisal be removed from rate base, i.e., \$800 - nonutility
- 28) Account: 374, page 204, line 15
Description: Ocala-Environmental Audit-Land
Utility Allocation: \$2980 - 100 % utility
Staff Findings: The environmental audit to clean up contaminated land is not a rate base item. This cost is a nonrecurring expense and should be booked in Account 186 "Miscellaneous Deferred Debits" and amortized. It is recommended that the entire \$2,980 value of the environmental audit be removed from rate base.
- 29) Account: 374, page 204, line 16
Description: Land-Ocala (316 SW 33rd Avenue)
Utility Allocation: \$66,200 - 100% utility
Staff Findings: No adjustments, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 30) Account: 374, page 204, line 17
Description: Land-Ocala (Levey County Gate Station)
Utility Allocation: \$41,114 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 31) Account: 374, page 204, line 18
Description: Land-Ocala (Levey County Gate Station)
Utility Allocation: \$1,000 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 32) Account: 374, page 204, line 19
Description: Land-Ocala (Silver Springs Gate Station)
Utility Allocation: \$28,038 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 33) Account: 374, page 204, line 20
Description: Land-Ocala (Right of Way, Baseline Road)
Utility Allocation: \$1,200 - 100% utility
Staff Findings: No adjustments, accept as stated.
- 34) Account: 374, page 204, line 21
Description: Ocala-Legal Fees (Richard, Blinn & Halden)
Utility Allocation: \$10,336 - 100% utility
Staff Findings: No adjustment, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 35) Account: 374, page 204, line 22
Description: Ocala-Survey (Gate Station Property)
Utility Allocation: \$250 - 100% utility
Staff Findings: No adjustment, accept as stated.

Projected Test Year

Schedule G-1, Account 375, Pages 204 & 205

Total Adjustments Account 375: \$12,844 Reduction (see Items 3, 13, & 15)

- 1) Account: 375, page 205, line 6
Description: Orlando Office Building (600 Robinson Street)
Utility Allocation: \$1,067,522 - 100% utility
Staff Findings: No adjustment, accept as stated.
Lease Area - 1,245 sq.ft. - TECO Partners
996 sq.ft. - BGA
- 2) Account: 375, page 205, line 7
Description: Orlando Warehouse
Utility Allocation: \$145,287 - 100% utility
Staff Findings: No adjustment, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 3) Account: 375, page 205, line 8
- Description: Triangle Office Building (Eustis)
- Utility Allocation: \$474,167 - 100% utility
- Staff Findings: TECO Partners has one employee that works in the Eustis Division on a part-time basis. An office is dedicated to TECO Partners for use by this employee. According to information presented in staff Audit Request Number 14, attached as Exhibit 2, no lease revenues are received from TECO Partners at this location. The office measures 8.5' x 9' or 76 square feet, which represents 1.35% of the total office area of 5,612 square feet. It is recommended that 1.35% of the office value or \$6,421 be removed from rate base due to the nonutility usage of the office space.
(76 sq. ft / 5,612 sq. ft. x \$474,167 = \$6,421)
- 4) Account: 375, page 205, line 9
- Description: Triangle - Warehouse - Eustis
- Utility Allocation: \$44,753 - 100% utility
- Staff Findings: No adjustment, accept as stated.
- 5) Account: 375, page 205, line 10
- Description: Triangle - Welding Shop - Eustis
- Utility Allocation: \$4,526 - 100% utility
- Staff Findings: No adjustment, accept as stated.

Memorandum

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 6) Account: 375, page 205, line 11
Description: Jacksonville-Office Building-Phillips Highway
Utility Allocation: \$2,054,384 - 100% utility
Staff Findings: No adjustment, accept as stated.

- 7) Account: 375, page 205, line 12
Description: Jacksonville-Distribution Area-1745 Church Street
Utility Allocation: \$39,022 - 100% utility
Staff Findings: No adjustment, accept as stated.

- 8) Account: 375, page 205, line 13
Description: Jacksonville Equipment Building
Utility Allocation: \$24,536 - 100% utility
Staff Findings: No adjustment, accept as stated.

- 9) Account: 375, page 205, line 14
Description: Jacksonville Maintenance Building
Utility Allocation: \$146,865 - 100% utility
Staff Findings: No adjustment, accept as stated.

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 10) Account: 375, page 205, line 15
Description: Jacksonville Warehouse
Utility Allocation: \$201,806 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 11) Account: 375, page 205, line 22
Description: Daytona Office Building-Ridgewood Avenue
Utility Allocation: \$443,286 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 12) Account: 375, page 205, line 23
Description: Daytona Utility Shed
Utility Allocation: \$4,220 - 100% utility
Staff Findings: No adjustment, accept as stated.
- 13) Account: 375, page 205, line 29
Description: Panama City Office Building - Maple Avenue
Utility Allocation: \$78,805 - utility \$6,390 - nonutility

Memorandum

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

Staff Findings:

Staff determined that an additional 900 square feet of the office building is not used and useful. An area 51' x 18' in the vicinity of the training center and meter reading offices was found to be a dead area where a number of empty file cabinets are stored. It is recommended that an additional 4.5% of the office building's value or \$3,834 be removed from rate base. It was further discovered that according to the information presented in response to staff's Audit Request Number 14, (see Exhibit 2), the office space used by TECO Partners employees did not generate any lease revenues during the Base Test Year period of calendar year 2001. This office measures 11' x 11' or an area of 121 square feet. This area represents .6% of the total square footage of the office space. It is therefore recommended that an additional \$515 should be removed from rate base due to the nonutility usage of the area by TECO Partners. The total recommended adjustment to nonutility usage is \$4,349.
(1021 sq.ft. / 20,000 sq.ft. x \$85,195 = \$4,349)

- 14) Account: 375, page 205, line 30
- Description: Panama City - Shed
- Utility Allocation: \$2,193 - 100% utility
- Staff Findings: No adjustment, accept as stated.

- 15) Account: 375, page 205, line 31
- Description: Ocala office Building - 33rd Avenue
- Utility Allocation: \$54,104 - 100% utility

Memorandum

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

Staff Findings: It was determined that according to the information presented in response to staff's Audit Request Number 14 (see Exhibit 2), the office space used by TECO Partners employees did not generate any lease revenues during the Base Test Year period of calendar year 2001. Three offices are occupied by TECO Partners employees. The offices measures 15' x 10', 9' x 18', and 10' x 12' for a total area of 432 square feet. This area represents 3.84% of the total square footage of the office space. It is therefore recommended that \$2,078 should be removed from rate base due to the nonutility usage of the area occupied by TECO Partners.
(432 sq. ft. / 11250 sq. ft. x \$54,104 = \$2,078)

Projected Test Year
Schedule G-1, Account 390, Page 205
Total Adjustments Account 390: \$46,105 Reduction (see Items 1 & 2)

- 1) Account: 390, page 205, line 35
Description: Panama City - Division Office
Utility Allocation: \$677,818 - utility \$54,958 - nonutility
Staff Findings: An additional 5.1% or \$37,408 should be removed from rate base to reflect nonutility usage area of 1,021 sq.ft. See explanation on page 14 of this memorandum, item 13.
(1,021 sq.ft. / 20,000 sq.ft. x \$732,776 = \$37,408)

- 2) Account: 390, page 205, line 36
Description: Ocala Storage Buildings
Utility Allocation: \$5,511 - 100% utility
Staff Findings: No adjustment, accept as stated.

Memorandum

October 11, 2002

RE: TECO-PEOPLES GAS SYSTEM, RATE CASE, DOCKET NUMBER 020384-GU

- 3) Account: 390, page 205, line 37
- Description: Ocala Division Office
- Utility Allocation: \$226,480 - 100% utility
- Staff Findings: It is recommended that 3.84% or \$8,697 be removed from rate base to reflect the nonutility usage for the 432 sq.ft. of office space occupied by TECO Partners.
(432 sq.ft. / 11,250 sq.ft. x \$226,480 = \$8,697)

EXHIBIT 1

Minimum Filing Requirements

Schedules B-5 & G-1

Base Test Year

Schedule B-5

FLORIDA PUBLIC SERVICE COMMISSION

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

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

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384 - GU

LINE NO.	A/C NO.	DESCRIPTION	Dec-00	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01	13 MONTH AVERAGE
1	374	LAND & LAND RIGHTS	\$ 1,516,973	\$ 1,516,973	\$ 1,516,973	\$ 1,516,973	\$ 1,516,973	\$ 1,516,973	\$ 1,516,973	\$ 1,674,589	\$ 1,674,589	\$ 1,674,589	\$ 1,674,589	\$ 1,674,589	\$ 1,663,873	\$ 1,588,894
2	375	STRUCTURES & IMPROVEMENTS	14,778,768	14,753,674	14,753,674	14,723,352	14,512,015	14,512,015	14,512,015	14,651,747	14,934,828	14,934,828	14,942,230	14,902,348	11,256,317	14,474,447
3	390	STRUCTURES & IMPROVEMENTS	966,118	966,118	966,118	964,362	964,362	964,362	964,362	964,362	964,362	964,362	964,362	964,362	964,362	964,767
4	390.02	STRUCTURES & IMPROVEMENTS-Leasehold	84,044	84,044	84,044	72,405	72,405	72,405	72,405	72,405	72,405	72,405	72,405	72,405	72,405	58,095
5	391	OFFICE EQUIPMENT	2,749,907	2,749,907	2,749,907	2,567,278	2,539,425	2,539,425	2,403,088	2,412,721	2,392,547	2,392,547	2,392,547	2,392,547	2,392,547	2,513,415
6	391.01	COMPUTER EQUIPMENT	16,361,639	16,361,639	16,353,549	16,361,274	16,279,230	16,277,312	16,040,634	16,171,921	18,190,808	18,129,224	16,229,757	16,242,744	16,261,438	16,250,859
7	391.02	OFFICE MACHINES	461,062	461,062	461,062	460,058	452,502	452,502	452,502	461,831	461,831	460,652	465,437	465,437	465,437	459,828
8	391.03	OFFICE FURNITURE/EQUIPMENT	615,466	615,466	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	388,916
9	392.01	AUTO & TRUCK LESS THAN 1/2 TON	7,941,850	7,930,883	7,930,883	7,887,563	7,774,311	7,608,458	7,289,353	7,496,038	7,154,772	7,327,892	7,653,238	7,730,955	7,760,119	7,652,793
10	392.02	AUTO & TRUCK 3/4 - 1 TON	1,158,212	1,158,212	1,158,212	1,158,212	1,158,212	1,158,212	1,158,212	1,295,637	1,325,490	1,510,597	1,726,847	1,761,512	1,781,017	1,347,583
11	392.03	AIRPLANES	0	0	0	1,356,103	1,356,103	1,356,103	0	0	0	0	0	0	0	776,771
12	392.04	TRAILERS, OTHER	259,945	259,945	259,945	258,643	258,643	258,643	258,643	267,910	261,489	261,489	261,489	258,961	256,234	260,152
13	392.05	TRUCKS OVER 1 TON	1,068,423	1,068,423	1,068,423	1,068,423	999,050	992,124	972,180	1,075,066	1,015,229	1,015,229	1,139,803	1,139,803	1,139,803	1,058,614
14	393	STORES EQUIPMENT	69,060	69,060	69,060	69,060	63,792	63,792	63,792	63,792	60,283	60,283	60,283	60,283	60,283	64,063
15	394	TOOLS, SHOP, GARAGE EQUIP	3,127,594	3,127,594	3,127,594	3,100,054	3,024,629	3,024,401	3,024,401	3,060,035	3,060,035	3,056,653	3,066,538	3,079,626	3,111,516	3,078,205
16	394.01	TOOLS, SHOP, GARAGE EQUIP	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986
17	395	LABORATORY EQUIPMENT	129,741	129,741	129,741	129,741	129,560	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,634
18	396	POWER OPERATED EQUIPMENT	1,837,334	1,837,334	1,837,334	1,834,685	1,778,227	1,778,227	1,812,886	1,806,207	1,806,207	1,765,678	1,776,603	1,771,972	1,771,972	1,801,620
19	397	COMMUNICATION EQUIPMENT	3,594,292	3,594,292	3,594,292	3,459,990	3,259,942	3,259,919	3,259,919	3,265,867	3,263,951	3,263,951	3,263,951	3,263,951	3,263,951	3,354,482
20	398	MISC EQUIPMENT	308,342	308,342	308,342	308,342	308,142	308,142	308,142	308,142	308,142	308,142	308,142	308,142	312,895	308,577
21		TOTAL	\$ 57,197,755	\$ 57,181,695	\$ 56,885,864	\$ 57,813,228	\$ 56,964,474	\$ 56,789,305	\$ 54,721,139	\$ 55,701,237	\$ 55,549,067	\$ 55,842,328	\$ 56,584,610	\$ 56,696,366	\$ 59,176,082	\$ 56,698,701

13 MONTH AVERAGE NONUTILITY % 13 MONTH AVG NONUTILITY

METHOD OF ALLOCATION

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

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

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

FLORIDA PUBLIC SERVICE COMMISSION

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

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

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO: 020384 - GU

13-MONTH AVERAGE

LINE NO.	A/C NO	DESCRIPTION & ADDRESS	PLANT			ACCUMULATED DEPRECIATION/AMORTIZATION			BASIS FOR ALLOCATION
			UTILITY	NON-UTILITY	TOTAL	UTILITY	NON-UTILITY	TOTAL	
1	374	LAND-COX PLANT, 398 N W 7TH AVE., FT LAUDERDALE PARCEL # 2	\$0	\$9,891	\$9,891				BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
2	374	NMI-LAND-COCONUT CREEK REG STA, 100 W ATLANTIC BLVD,POMP,PAR# 4	12,413	0	12,413				
3	374	NMI-LAND-PLANTATION GATE STA, PETERS ROAD PARCEL # 5	22,954	0	22,954				
4	374	NMI-LAND-FULFORD PLANT, 15779 W DIXIE HWY,N MIAMI BCH,PARCEL # 1	38,351	0	38,351				
5	374	TPA-EASEMENT-NEBRASKA AVE FROM BIRD ST SOUTH 432 FT	5,334	0	5,334				
6	374	TPA-LAND - GATE STATION @ LITHIA PINECREST RD	8,000	0	8,000				
7	374	TPA-LAND RIGHTS.PURCHASE FOR MW GATE STATION	8,909	0	8,909				
8	374	TPA-LAND-CSX RR PROPERTY W OF 13 ST @ FRANK ADAMO DR (SR 60)	7,960	0	7,960				
9	374	TPA-LAND-ESTUARY PLANT, 1300 N. 13TH STREET, TAMPA- PARCEL #1	41,797	0	41,797				
10	374	TPA-LAND-ESTUARY PLANT, SOUTH OF RAILROAD, TAMPA- PARCEL #2	2,768	0	2,768				
11	374	TPA-LAND-PORT SUTTON GATE STATION,78TH & MADISON- PARCEL #3	4,939	0	4,939				
12	374	STP-LAND-LOT N SIDE, 1800 9TH AVE N., ST PETE, PARCEL #2	0	41,445	41,445				
13	374	STP-LAND-MAIN GATE STATION, 77TH AVE & 18TH WAY, ST PETE, PAR #4	2,928	0	2,928				
14	374	STP-LAND-NORTH GATE STATION,13800 62 ST N , ST PETE, PARCEL #3	18,535	0	18,535				
15	374	STP-LAND-PLANT SITE, 1800 9TH AVE N , ST PETE (SWAP W/CITY 0405)	8,930	1,573	10,503				
16	374	STP-LAND-REG STATION, 3 AVE S & 16 STREET S, PARCEL #7	500	0	500				
17	374	STP-LAND-REG STATION, S SIDE 30 AVE N,WEST OF 16 ST N., PAR #8	3,000	0	3,000				
18	374	STP-LAND-REG STATION, S SIDE 30 AVE S,WEST OF 30 ST S., PAR #5	3,800	0	3,800				
19	374	STP-MDBH1020, MADIERA BEACH-EASEMENT @ 127 AVE TREASURE ISLAND	2,900	0	2,900				
20	374	ORL-LAND-DIST YARD, 601 W. ROBINSON STREET, PARCEL # 2	41,315	0	41,315				
21	374	ORL-LAND-FAIRVILLA SITE, US HWY 441,N OF SILVER STAR, PARCEL #3	1,997	0	1,997				
22	374	ORL-LAND-OAKLAND HILLS, FIESTA LANE & DURANGO WAY, PARCEL # 4	1,008	0	1,008				
23	374	ORL-LAND-PLANT SITE, 600 W ROBINSON STREET, PARCEL # 1	49,693	0	49,693				
24	374	TRI-LAND-DIVISION OFFICE SITE,1724 KURT ST,EUSTIS, PARCEL # 2	9,000	0	9,000				
25	374	TRI-LAND-EUSTIS INDUSTRIAL PARK,MTR STA SITE, PARCEL # 1	500	0	500				
26	374	TRI-LAND-MT. DORA GATE STATION,WOLF BRANCH RD ,PARCEL # 3	8,518	0	8,518				
27	374	JAX-LAND - CAPPER ROAD GATE STATION, PARCEL # 16	22,989	0	22,989				
28	374	JAX-LAND - JERICO ROAD GATE STATION, PARCEL # 15	13,282	0	13,282				
29	374	JAX-LAND-CEDER HILLS GATE STATION SITE, PARCEL # 3	1,582	0	1,582				
30	374	JAX-LAND-CHURCH STREET PLANT SITE, PARCEL # 1	39,371	0	39,371				
31	374	JAX-LAND-KING STREET BET FORBES & POST ST,REG STA, PARCEL #8	200	0	200				
32	374	JAX-LAND-MAGNOLIA & MCCOY STREETS,REG STA, PARCEL #11	986	0	986				
33	374	JAX-LAND-OAK STREET & EDISON AVE REG STA, PARCEL # 4	300	0	300				
34	374	JAX-LAND-PART OF LOT 3 BL 138,NEWMAN BET STATE&ORANGE HAT,PAR#8	400	0	400				
35	374	JAX-LAND-PART OF LOT 5 BL 12 ,11 ST WARRENS REPLAT,PARCEL #7	539	0	539				
36	374	JAX-LAND-PEARL PLAZA SILVER & 24TH STREET,REG STA, PARCEL #9	1,000	0	1,000				
37	374	JAX-LAND-PHILLIPS HWY PLANT PROPERTY, PARCEL #14	314,818	0	314,818				
38	374	JAX-LAND-SOUTHSIDE REG STA,PIONESSA PROPERTY, PARCEL #13	12,947	0	12,947				
39	374	JAX-LAND-W 12 FT OF N 12 FT LOT 1 BL 32 DOTEN SID,REG STA,PAR#5	538	0	538				
40	374	SMI-PLANT SITE - NW 1ST AVE & NW 17TH ST, PARCEL # 1	39,181	0	39,181				
41	374	LAK-LAND - PEACHTREE PLANT SITE (PARCEL # 1)	1,245	88	1,333				
42	374	DAY-LAND-1722 RIDGEWOOD AVE, HOLY HILL FL 32117	155,747	0	155,747				
43	374	DAY-LAND-GATE STATION SITE, PARCEL # 3	4,393	0	4,393				
44	374	DAY-LAND-REGULATOR STA SITE, PARCEL # 1 (INDUSTRIAL PARK)	477	0	477				
45	374	SAR-LAND - GATE STATION, 12th & CENTRAL, SARASOTA	50,000	0	50,000				
46	374	PBG-LAND - PBG OPERATIONS FACILITY 1383 JUPITER PARK DR	230,941	0	230,941				
47	374	PC -LAND-301 MAPLE AVE	84,869	6,881	91,750				
48	374	PC -LAND-GULF ASPHALT GATE STATION	23,645	0	23,645				
49	374	PC -LAND-MAPLE AVE GATE STATION	3,080	0	3,080				
50	374	SUB TOTALS CONTINUED ON B-5 p. 3	\$1,304,372	\$59,859	\$1,364,231	\$0	\$0	\$0	

SUPPORTING SCHEDULES:

RECAP SCHEDULES: B-5 p 1

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

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

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

13-MONTH AVERAGE

LINE NO.	A/C NO	DESCRIPTION & ADDRESS	PLANT			ACCUMULATED DEPRECIATION/AMORTIZATION			BASIS FOR ALLOCATION
			UTILITY	NON-UTILITY	TOTAL	UTILITY	NON-UTILITY	TOTAL	
1	374	SUB TOTALS FROM B-5 p. 2	\$1,304,372	\$59,859	\$1,364,231				
2	374	PC - Land @ corner of 3rd Ave & Maple (next to Panama City Office)	0	72,746	72,746				
3	374	OCA-APPRAISAL - 8TH AVE & 16TH STREET	800	0	800				BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
4	374	OCA-ENVIRONMENTAL AUDIT - LAND	2,980	0	2,980				
5	374	OCA-LAND - 316 SW 33RD AVE	66,200	0	66,200				
6	374	OCA-LAND - LEVEY COUNTY GATE STATION	41,114	0	41,114				
7	374	OCA-LAND - LEVEY COUNTY GATE STATION	1,000	0	1,000				
8	374	OCA-LAND - SILVER SPRINGS GATE STATION	28,038	0	28,038				
9	374	OCA-LAND RIGHTS - RIGHT OF WAY / BASELINE RD	1,200	0	1,200				
10	374	OCA-LEGAL FEES - RICHARD, BLINN & HALDEN	10,336	0	10,336				
11	374	OCA-SURVEY - GATE STATION PROPERTY	250	0	250				
12	374	TOTAL	\$1,456,290	\$132,605	\$1,588,894	\$0	\$0	\$0	
13	375	NMI-FULFORD WEST & PREVIOUS OFFICE	3,370,120	0	3,370,120	527,414	0	527,414	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
14	375	NMI-OFFICE BLDG - FULFORD	258,312	0	258,312	51,192	0	51,192	
15	375	NMI-ENGINE BLDG	63,740	0	63,740	27,800	0	27,800	
16	375	NMI-METER SHOP	51,293	0	51,293	12,356	0	12,356	
17	375	NMI-WAREHOUSE - FULFORD	249,677	0	249,677	102,572	0	102,572	
18	375	TPA-OFFICE BLDG - CHANNELSIDE/13 ST	1,997,062	0	1,997,062	384,209	0	384,209	
19	375	TPA-FIRE TRAINING FACILITY	14,261	0	14,261	5,608	0	5,608	
20	375	TPA-GAS CONTROL BLDG	16,875	0	16,875	9,371	0	9,371	
21	375	TPA-MAINTENANCE BLDG	13,068	0	13,068	4,889	0	4,889	
22	375	TPA-STORAGE BLDG	5,370	0	5,370	4,965	0	4,965	
23	375	TPA-TRANSPORTATION BLDG	56,180	0	56,180	19,845	0	19,845	
24	375	TPA-WAREHOUSE BLDG	140,679	0	140,679	33,454	0	33,454	
25	375	TPA-WELDING SHOP	20,312	0	20,312	6,167	0	6,167	
26	375	STP-OFFICE BLDG - 9TH AVE	1,649,937	374,526	2,024,463	364,072	82,642	446,714	
27	375	STP-ANNEX BLDG	28,672	0	28,672	4,582	0	4,582	
28	375	STP-STORAGE BLDG	36,716	0	36,716	9,896	0	9,896	
29	375	STP-WAREHOUSE BLDG	126,273	0	126,273	32,816	0	32,816	
30	375	ORL-OFFICE BLDG - 600 ROBINSON	1,067,522	0	1,067,522	233,334	0	233,334	
31	375	ORL-WAREHOUSE	145,287	0	145,287	47,110	0	47,110	
32	375	TRI-OFFICE BLDG- KURT	474,167	0	474,167	103,409	0	103,409	
33	375	TRI-WAREHOUSE	44,753	0	44,753	3,069	0	3,069	
34	375	TRI-WELDING SHOP	4,526	0	4,526	683	0	683	
35	375	JAX-OFFICE BLDG - PHILIPS HWY	2,054,384	0	2,054,384	477,479	0	477,479	
36	375	JAX-DISTRIBUTION AREA - 1745 CHURCH ST	39,022	0	39,022	22,249	0	22,249	
37	375	JAX-EQUIP BLDG	24,536	0	24,536	6,207	0	6,207	
38	375	JAX-MAINTENANCE BLDG	146,866	0	146,866	377	0	377	
39	375	JAX-WAREHOUSE	201,806	0	201,806	51,857	0	51,857	
40	375	SMI-OFFICE BLDG - 17TH ST	487,460	0	487,460	157,596	0	157,596	
41	375	SMI-TOOL SHED	1,377	0	1,377	96	0	96	
42	375	SMI-TRAINING FACILITY	4,301	0	4,301	566	0	566	
43	375	SMI-WAREHOUSE	32,758	0	32,758	18,855	0	18,855	
44	375	LAK-OFFICE BLDG - KATHLEEN RD	523,620	28,722	552,342	111,023	6,090	117,113	
45	375	LAK-WAREHOUSE	86,208	0	86,208	16,448	0	16,448	
46	375	DAY-OFFICE BLDG - RIDGEWOOD AVE	443,286	0	443,286	29,679	0	29,679	
47	375	DAY-UTILITY SHED	4,220	0	4,220	348	0	348	
48	375	SUB TOTALS CONTINUED ON B-5 p. 4	\$13,884,646	\$403,248	\$14,287,894	\$2,881,593	\$88,732	\$2,970,325	

FLORIDA PUBLIC SERVICE COMMISSION

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

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

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384 - GU

13-MONTH AVERAGE

LINE NO.	A/C NO.	DESCRIPTION & ADDRESS	PLANT			ACCUMULATED DEPRECIATION/AMORTIZATION			BASIS FOR ALLOCATION
			UTILITY	NON-UTILITY	TOTAL	UTILITY	NON-UTILITY	TOTAL	
1	375	SUB TOTALS FROM B-5 p. 3	\$13,884,848	\$403,248	\$14,287,804	\$2,881,593	\$88,732	\$2,970,325	
2	375	HIG-FENCE FOR REGULATOR STATION	1,174	0	\$1,174	555	0	555	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
3	375	SAR-OFFICE BLDG	11,352	0	\$11,352	1,342	0	1,342	
4	375	SAR-STORAGE SHED	10,877	0	\$10,877	1,897	0	1,897	
5	375	SAR-WAREHOUSE	4,938	0	\$4,938	485	0	485	
6	375	PC-OFFICE BLDGE - MAPLE AVE	78,805	6,390	\$85,195	6,603	535	7,138	
7	375	PC-SHED	2,193	0	\$2,193	340	0	340	
8	375	OCA-OFFICE BLDG - 33RD AVE	54,104	0	\$54,104	7,859	0	7,859	
9	375	COR-MISC	16,724	0	\$16,724	1,428	0	1,428	
10	375	TOTAL	\$14,084,810	\$409,637	\$14,474,447	\$2,902,079	\$89,267	\$2,991,346	
11	390	PC-DIVISION OFFICE	877,818	54,958	732,778	109,388	8,868	118,238	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
12	390	OCA-STORAGE BUILDINGS	5,511	0	5,511	760	0	760	
13	390	OCA-DIVISION OFFICE	228,480	0	228,480	40,258	0	40,258	
14	390	TOTAL	\$909,809	\$54,958	\$884,767	\$150,385	\$8,868	\$159,253	
15	390.02	HIG-DIVISION OFFICE	30,901	0	30,901	30,901	0	30,901	
18	390 02	PBG-DIVISION OFFICE	27,193	0	27,193	27,193	0	27,193	
17	390 02	TOTAL	\$58,095	\$0	\$58,095	\$58,095	\$0	\$58,095	

Test Year + 1

Schedule G-1

FLORIDA PUBLIC SERVICE COMMISSION

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

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

COMPANY PEOPLES GAS SYSTEM

DOCKET NO: 020384-GU

LINE NO	A/C NO	DESCRIPTION	Dec-01	Jan-02	Feb-02	Mar-02	Apr-02	May-02	Jun-02	Jul-02	Aug-02	Sep-02	Oct-02	Nov-02	Dec-02	13 MONTH AVERAGE
1	374	LAND AND LAND RIGHTS	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873
2	375	STRUCTURES AND IMPROVEMENTS	14,808,758	15,040,283	15,171,808	15,303,333	15,434,858	15,566,383	15,697,908	15,829,433	15,960,958	16,092,483	16,224,008	16,355,533	16,487,058	15,897,808
3	390	STRUCTURES AND IMPROVEMENTS	964,362	960,849	957,335	953,823	950,309	946,796	943,283	939,770	936,257	932,743	929,230	925,717	922,204	943,283
4	390.02	STRUCTURES & IMPROVEMENTS - Leasehold	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216
5	391	OFFICE FURNITURE	2,500,930	2,551,411	2,592,891	2,634,372	2,675,853	2,717,334	2,758,815	2,800,296	2,841,777	2,883,258	2,924,739	2,966,220	3,007,701	2,758,573
6	391.01	COMPUTER EQUIPMENT	18,475,986	18,595,849	18,715,712	18,835,575	18,955,438	19,075,301	19,195,164	19,315,027	19,434,890	19,554,753	19,674,616	19,794,479	19,914,342	19,209,194
7	391.02	OFFICE EQUIPMENT/MACHINES	471,688	471,075	470,462	469,849	469,236	468,623	468,010	467,397	466,784	466,171	465,558	464,945	464,332	468,024
8	391.03	OFFICE FURNITURE/EQUIP	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725
9	392 01	AUTO & TRUCK LESS THAN 1/2 TON	7,831,215	8,564,703	9,273,190	9,981,678	10,690,166	11,398,654	12,107,142	12,815,630	13,524,118	14,232,606	14,941,094	15,649,582	16,358,070	9,378,869
10	392 02	AUTO & TRUCK 3/4 TO 1 TON	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721
11	392 03	AIRPLANES	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716
12	392.04	TRAILERS, OTHER	262,891	261,899	261,108	260,317	259,526	258,735	257,944	257,153	256,362	255,571	254,780	253,989	253,198	257,940
13	392.05	TRUCKS OVER 1 TON	1,139,803	1,131,497	1,123,191	1,114,886	1,106,580	1,098,274	1,089,969	1,081,663	1,073,357	1,065,052	1,056,746	1,048,440	1,040,135	1,089,969
14	393	STORES EQUIPMENT	83,229	82,693	82,158	81,622	81,087	80,552	80,016	79,481	78,945	78,410	77,874	77,339	76,803	80,016
15	394	TOOLS SHOP & GARAGE EQUIPMENT	3,200,789	3,245,611	3,290,433	3,335,255	3,380,077	3,424,899	3,469,721	3,514,543	3,559,365	3,604,187	3,649,009	3,693,831	3,738,653	3,418,452
16	394.01	TOOLS SHOP & GARAGE EQUIPMENT - CNG	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986	168,986
17	395	LABORATORY EQUIPMENT	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578
18	396	POWER OPERATED EQUIPMENT	1,998,409	1,888,780	1,909,111	1,931,402	1,953,693	1,975,984	1,998,275	2,020,566	2,042,857	2,065,148	2,087,439	2,109,730	2,132,021	1,998,514
19	397	COMMUNICATION EQUIPMENT	3,478,713	3,478,447	3,478,180	3,499,911	3,521,642	3,522,084	3,521,815	3,521,546	3,521,277	3,521,008	3,520,739	3,520,470	3,520,201	3,509,701
20	398	MISC EQUIPMENT	312,965	312,973	312,981	312,989	312,997	312,924	312,912	312,900	312,888	312,876	312,864	312,852	312,840	312,912
21		TOTAL	\$68,354,372	\$67,436,868	\$68,485,548	\$69,580,928	\$70,676,308	\$71,771,688	\$72,867,068	\$73,962,448	\$75,057,828	\$76,153,208	\$77,248,588	\$78,343,968	\$79,439,348	\$68,973,948

LINE NO	A/C NO	DESCRIPTION	13 MONTH AVERAGE	NONUTILITY %	13 MONTH AVG NONUTILITY	METHOD OF ALLOCATION
22	374	LAND AND LAND RIGHTS	\$2,252,873	0.2%	\$207,583	BASFD ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
23	375	STRUCTURES AND IMPROVEMENTS	15,897,808	2.7%	417,062	BASFD ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
24	390	STRUCTURES AND IMPROVEMENTS	943,283	5.7%	54,097	BASFD ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
25	390.02	STRUCTURES & IMPROVEMENTS - Leasehold	28,216	0.0%	0	
26	391	OFFICE FURNITURE	2,758,573	0.0%	0	
27	391.01	COMPUTER EQUIPMENT	19,209,194	2.8%	502,046	DEPENDENT UPON THE APPLICATION, BASED ON A COMBINATION OF CUSTOMER COUNT, CHECKS PROCESSED, # OF BILLS & # OF USER IDS
28	391.02	OFFICE EQUIPMENT/MACHINES	468,024	0.0%	0	
29	391.03	OFFICE FURNITURE/EQUIP	347,725	0.0%	0	
30	392 01	AUTO & TRUCK LESS THAN 1/2 TON	9,378,869	0.0%	0	
31	392 02	AUTO & TRUCK 3/4 TO 1 TON	1,915,721	0.0%	0	
32	392.03	AIRPLANES	6,029,716	0.0%	0	
33	392.04	TRAILERS, OTHER	257,940	0.0%	0	
34	392.05	TRUCKS OVER 1 TON	1,089,969	0.0%	0	
35	393	STORES EQUIPMENT	80,016	0.0%	0	
36	394	TOOLS SHOP & GARAGE EQUIPMENT	3,418,452	0.0%	0	
37	394.01	TOOLS SHOP & GARAGE EQUIPMENT - CNG	168,986	0.0%	0	
38	395	LABORATORY EQUIPMENT	129,578	0.0%	0	
39	396	POWER OPERATED EQUIPMENT	1,998,514	0.0%	0	
40	397	COMMUNICATION EQUIPMENT	3,509,701	0.0%	0	
41	398	MISC EQUIPMENT	312,912	0.0%	0	
42		TOTAL	\$68,973,970		\$1,180,788	

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY. PEOPLES GAS SYSTEM
 DOCKET NO.. 020384-GU

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

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

LINE NO	AC NO	DESCRIPTION & ADDRESS	13 MONTH AVERAGE			ACCUMULATED DEPRECIATION/AMORTIZATION			METHOD OF ALLOCATION
			PLANT						
			UTILITY	NON-UTILITY	TOTAL	UTILITY	NON-UTILITY	TOTAL	
1	374	SOUTH FLORIDA REGIONAL OFFICE	\$589,000	\$0	\$589,000	\$0	\$0	\$0	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
2	374	NMI-LAND-COCONUT CREEK REG STA, 100 W ATLANTIC BLVD,POMP,PAR#	12,413	0	12,413				
3	374	NMI-LAND-PLANTATION GATE STA, PETERS ROAD PARCEL # 5	22,954	0	22,954				
4	374	NMI-LAND-FULFORD PLANT, 15779 W DIXIE HWY,N MIAMI BCH,PARCEL # 1	38,351	0	38,351				
5	374	TPA-EASEMENT-NEBRASKA AVE FROM BIRD ST SOUTH 432 FT	5,334	0	5,334				
6	374	TPA-LAND - GATE STATION @ LITHIA PINECREST RD	8,000	0	8,000				
7	374	TPA-LAND RIGHTS-PURCHASE FOR NW GATE STATION	8,909	0	8,909				
8	374	TPA-LAND-CSX RR PROPERTY W OF 13 ST @ FRANK ADAMO DR (SR 60)	7,960	0	7,960				
9	374	TPA-LAND-ESTUARY PLANT, 1300 N 13TH STREET, TAMPA- PARCEL #1	41,797	0	41,797				
10	374	TPA-LAND-ESTUARY PLANT, SOUTH OF RAILROAD, TAMPA- PARCEL #2	2,768	0	2,768				
11	374	TPA-LAND-PORT SUTTON GATE STATION,78TH & MADISON- PARCEL #3	4,939	0	4,939				
12	374	STP-LAND-LOT N SIDE, 1800 9TH AVE N., ST PETE, PARCEL #2	0	41,445	41,445				
13	374	STP-LAND-MAIN GATE STATION, 77TH AVE & 18TH WAY, ST PETE, PAR #4	2,928	0	2,928				
14	374	STP-LAND-NORTH GATE STATION,13800 82 ST N., ST PETE, PARCEL #3	18,535	0	18,535				
15	374	STP-LAND-PLANT SITE, 1800 9TH AVE N., ST PETE (SWAP W/CITY 0405)	6,931	1,573	8,504				
16	374	STP-LAND-REG STATION, 3 AVE S & 16 STREET S, PARCEL #7	500	0	500				
17	374	STP-LAND-REG STATION, S SIDE 30 AVE N,WEST OF 16 ST N., PAR #6	3,000	0	3,000				
18	374	STP-LAND-REG STATION, S SIDE 30 AVE S,WEST OF 30 ST S., PAR #5	3,800	0	3,800				
19	374	STP-MDBH1020, MADIERA BEACH-EASEMENT @ 127 AVE TREASURE ISLAN	2,900	0	2,900				
20	374	ORL-LAND-DIST YARD, 601 W. ROBINSON STREET, PARCEL # 2	41,315	0	41,315				
21	374	ORL-LAND-FAIRVILLA SITE, US HWY 441,N OF SILVER STAR, PARCEL #3	1,997	0	1,997				
22	374	ORL-LAND-OAKLAND HILLS, FIESTA LANE & DURANGO WAY, PARCEL # 4	1,008	0	1,008				
23	374	ORL-LAND-PLANT SITE, 600 W ROBINSON STREET, PARCEL # 1	49,693	0	49,693				
24	374	TRI-LAND-DIVISION OFFICE SITE,1724 KURT ST.EUSTIS, PARCEL # 2	9,000	0	9,000				
25	374	TRI-LAND-EUSTIS INDUSTRIAL PARK,MTR STA SITE, PARCEL # 1	500	0	500				
26	374	TRI-LAND-MT. DORA GATE STATION,WOLF BRANCH RD.,PARCEL # 3	8,516	0	8,516				
27	374	JAX-LAND - CAPPER ROAD GATE STATION, PARCEL # 16	22,989	0	22,989				
28	374	JAX-LAND - JERICHO ROAD GATE STATION, PARCEL # 15	13,282	0	13,282				
29	374	JAX-LAND-CEDER HILLS GATE STATION SITE, PARCEL # 3	1,582	0	1,582				
30	374	JAX-LAND-CHURCH STREET PLANT SITE, PARCEL # 1	39,371	0	39,371				
31	374	JAX-LAND-KING STREET BET FORBES & POST ST,REG STA, PARCEL #8	200	0	200				
32	374	JAX-LAND-MAGNOLIA & MCCOY STREETS,REG STA, PARCEL #11	986	0	986				
33	374	JAX-LAND-OAK STREET & EDISON AVE REG STA, PARCEL # 4	300	0	300				
34	374	JAX-LAND-PART OF LOT 3 BL 138,NEWMAN BET STATE&ORANGE HAT,PAR#	400	0	400				
35	374	JAX-LAND-PART OF LOT 5 BL 12 ,11 ST WARRENS REPLAT,PARCEL #7	539	0	539				
36	374	JAX-LAND-PEARL PLAZA SILVER & 24TH STREET,REG STA, PARCEL #9	1,000	0	1,000				
37	374	JAX-LAND-PHILLIPS HWY PLANT PROPERTY, PARCEL #14	314,616	0	314,616				
38	374	JAX-LAND-SOUTHSIDE REG STA,PIONESSA PROPERTY, PARCEL #13	12,947	0	12,947				
374		SUB TOTALS CONTINUED ON G-1 p. 18b	\$1,299,257	\$43,016	\$1,342,275	\$0	\$0	\$0	

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO 020384-GU

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

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

LINE NO	A/C NO	DESCRIPTION & ADDRESS	13-MONTH AVERAGE			METHOD OF ALLOCATION			
			PLANT			ACCUMULATED DEPRECIATION/AMORTIZATION			
			UTILITY	NON-UTILITY	TOTAL	UTILITY	NON-UTILITY	TOTAL	
1	374	SUB TOTALS FROM G1 p. 18a	\$1,299,257	\$43,018	\$1,342,275	\$0	\$0	\$0	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
2	374	JAX-LAND-W 12 FT OF N 12 FT LOT 1 BL 32 DOTEN S/D,REG STA,PAR#5	538	0	538				
3	374	SMI-PLANT SITE - NW 1ST AVE & NW 17TH ST, PARCEL # 1	39,181	0	39,181				
4	374	LAK-LAND - PEACHTREE PLANT SITE (PARCEL # 1)	1,245	00	1,313				
5	374	DAY-LAND-1722 RIDGEWOOD AVE, HOLY HILL FL 32117	155,747	0	155,747				
6	374	DAY-LAND-GATE STATION SITE, PARCEL # 3	4,393	0	4,393				
7	374	DAY-LAND-REGULATOR STA SITE, PARCEL # 1 (INDUSTRIAL PARK)	477	0	477				
8	374	SAR-LAND - GATE STATION, 12th & CENTRAL, SARASOTA	50,000	0	50,000				
9	374	PBG-LAND - PBG OPERATIONS FACILITY 1363 JUPITER PARK DR	230,941	0	230,941				
10	374	PC -LAND-301 MAPLE AVE	84,889	6,881	91,750				
11	374	PC -LAND-GULF ASPHALT GATE STATION	23,645	0	23,645				
12	374	PC -LAND-MAPLE AVE GATE STATION	3,080	0	3,080				
13	374	PC -Land @ corner of 3rd Ave & Maple (next to Panama City Office)	0	157,818	157,818				
14	374	OCA-APRAISAL - 8TH AVE @ 16TH STREET	800	0	800				
15	374	OCA-ENVIRONMENTAL AUDIT - LAND	2,980	0	2,980				
16	374	OCA-LAND - 318 SW 33RD AVE	66,200	0	66,200				
17	374	OCA-LAND - LEVEY COUNTY GATE STATION	41,114	0	41,114				
18	374	OCA-LAND - LEVEY COUNTY GATE STATION	1,000	0	1,000				
19	374	OCA-LAND - SILVER SPRINGS GATE STATION	28,038	0	28,038				
20	374	OCA-LAND RIGHTS - RIGHT OF WAY / BASELINE RD	1,200	0	1,200				
21	374	OCA-LEGAL FEES - RICHARD, BLINN & HALDEN	10,338	0	10,338				
22	374	OCA-SURVEY - GATE STATION PROPERTY	250	0	250				
23	374	TOTAL	\$2,045,291	\$207,583	\$2,252,873	\$0	\$0	\$0	
24	375	SOUTH FLORIDA REGIONAL OFFICE	\$1,089,145	\$0	\$1,089,145	\$28,878	\$0	\$28,878	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
25	375	NMI-OFFICE BLDG - FULFORD	258,312	0	258,312	54,159	0	54,159	
26	375	NMI-ENGINE BLDG	63,740	0	63,740	27,487	0	27,487	
27	375	NMI-METER SHOP	51,293	0	51,293	12,784	0	12,784	
28	375	NMI-WAREHOUSE - FULFORD	248,877	0	248,877	101,782	0	101,782	
29	375	TPA-OFFICE BLDG - CHANNELSIDE/13 ST	2,333,394	0	2,333,394	416,401	0	416,401	
30	375	TPA-FIRE TRAINING FACILITY	14,281	0	14,281	5,580	0	5,580	
31	375	TPA-GAS CONTROL BLDG	16,875	0	16,875	9,150	0	9,150	
32	375	TPA-MAINTENANCE BLDG	13,068	0	13,068	4,881	0	4,881	
33	375	TPA-STORAGE BLDG	5,370	0	5,370	4,758	0	4,758	
34	375	TPA-TRANSPORTATION BLDG	56,180	0	56,180	19,890	0	19,890	
35	375	TPA-WAREHOUSE BLDG	140,679	0	140,679	34,686	0	34,686	
36	375	TPA-WELDING SHOP	20,312	0	20,312	6,253	0	6,253	
37	375	SUB TOTALS CONTINUED ON B-5 p 18c	\$4,292,307	\$0	\$4,292,307	\$724,700	\$0	\$724,700	

SUPPORTING SCHEDULES G-6 p 1

RECAP SCHEDULES G-1 p 15

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO: 020384-GU

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

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

LINE NO	AC NO	DESCRIPTION & ADDRESS	13-MONTH AVERAGE			13-MONTH AVERAGE			METHOD OF ALLOCATION
			PLANT			ACCUMULATED DEPRECIATION/AMORTIZATION			
			UTILITY	NON-UTILITY	TOTAL	UTILITY	NON-UTILITY	TOTAL	
1	375	SUB TOTALS FROM G1 p. 16b	\$4,292,307	\$0	\$4,292,307	\$724,700	\$0	\$724,700	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
2	375	STP-OFFICE BLDG - 9TH AVE	1,682,648	381,951	2,064,599	381,282	88,551	469,833	
3	375	STP-ANNEX BLDG	28,872	0	28,872	4,987	0	4,987	
4	375	STP-STORAGE BLDG	36,716	0	36,716	10,138	0	10,138	
5	375	STP-WAREHOUSE BLDG	126,273	0	126,273	33,730	0	33,730	
6	375	ORL-OFFICE BLDG - 600 ROBINSON	1,087,522	0	1,087,522	244,098	0	244,098	
7	375	ORL-WAREHOUSE	145,287	0	145,287	47,517	0	47,517	
8	375	TRI-OFFICE BLDG- KURT	474,167	0	474,167	108,205	0	108,205	
9	375	TRI-WAREHOUSE	44,753	0	44,753	3,883	0	3,883	
10	375	TRI-WELDING SHOP	4,528	0	4,528	750	0	750	
11	375	JAX-OFFICE BLDG - PHILIPS HWY	2,777,839	0	2,777,839	514,419	0	514,419	
12	375	JAX-DISTRIBUTION AREA - 1745 CHURCH ST	39,022	0	39,022	21,897	0	21,897	
13	375	JAX-EQUIP BLDG	24,538	0	24,538	6,306	0	6,306	
14	375	JAX-MAINTENANCE BLDG	148,868	0	148,868	4,043	0	4,043	
15	375	JAX-WAREHOUSE	201,808	0	201,808	53,358	0	53,358	
16	375	SMI-OFFICE BLDG - 17TH ST	487,480	0	487,480	158,903	0	158,903	
17	375	SMI-TOOL SHED	1,377	0	1,377	124	0	124	
18	375	SMI-TRAINING FACILITY	4,301	0	4,301	835	0	835	
19	375	SMI-WAREHOUSE	32,758	0	32,758	18,380	0	18,380	
20	375	LAK-OFFICE BLDG - KATHLEEN RD	523,820	28,722	552,542	118,538	8,392	126,930	
21	375	LAK-WAREHOUSE	86,208	0	86,208	17,482	0	17,482	
22	375	DAY-OFFICE BLDG - RIDGEWOOD AVE	443,288	0	443,288	38,778	0	38,778	
23	375	DAY-UTILITY SHED	4,220	0	4,220	429	0	429	
24	375	HIG-FENCE FOR REGULATOR STATION	1,174	0	1,174	548	0	548	
25	375	SAR-OFFICE BLDG-8281 VICO CT	780,322	0	780,322	20,384	0	20,384	
26	375	SAR-STORAGE SHED	10,877	0	10,877	2,040	0	2,040	
27	375	SAR-WAREHOUSE	4,938	0	4,938	557	0	557	
28	375	PBG-OFFICE BLDG-1383 JUPITER PARK DR	683,331	0	683,331	18,878	0	18,878	
29	375	PC -OFFICE BLDG - MAPLE AVE	78,805	6,390	85,195	8,129	659	8,788	
30	375	PC -SHED	2,193	0	2,193	372	0	372	
31	375	OCA-OFFICE BLDG - 33RD AVE	54,104	0	54,104	8,878	0	8,878	
32	375	SWF-OFFICE BLDG-5109 ENTERPRISE	1,012,210	0	1,012,210	25,447	0	25,447	
33	375	COR-MISC	18,724	0	18,724	1,748	0	1,748	
34	375	TOTALS	\$15,280,848	\$417,062	\$15,697,910	\$2,595,226	\$93,602	\$2,688,828	
35	390	PC -DIVISION OFFICE	887,195	54,097	941,292	112,380	8,110	120,490	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
36	390	OCA-STORAGE BUILDINGS	5,511	0	5,511	781	0	781	
37	390	OCA-DIVISION OFFICE	218,480	0	218,480	41,359	0	41,359	
37	390	TOTAL	\$889,186	\$54,097	\$943,283	\$154,500	\$8,110	\$162,610	

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO: 020384-GU

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

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

LINE NO	A/C NO.	DESCRIPTION & ADDRESS	13-MONTH AVERAGE						METHOD OF ALLOCATION
			PLANT			ACCUMULATED DEPRECIATION/AMORTIZATION			
			UTILITY	NON-UTILITY	TOTAL	UTILITY	NON-UTILITY	TOTAL	
1	390.02	HIG-DIVISION OFFICE	\$28,216	\$0	\$28,216	\$28,216	\$0	\$28,216	
2	390.02	TOTAL	\$28,216	\$0	\$28,216	\$28,216	\$0	\$28,216	

Projected Test Year

Schedule G-1

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 020384-GU

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

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

LINE NO.	A/C NO	DESCRIPTION	Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03	13 MONTH AVERAGE
1	374	LAND AND LAND RIGHTS	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873	\$2,252,873
2	375	STRUCTURES AND IMPROVEMENTS	16,487,058	16,546,975	16,606,891	16,666,808	16,726,725	16,786,641	16,846,558	16,906,475	16,966,391	17,026,308	17,086,225	17,146,141	17,206,058	16,846,558
3	390	STRUCTURES AND IMPROVEMENTS	922,204	918,691	915,178	911,664	908,151	904,638	901,125	897,612	894,098	890,585	887,072	883,559	880,046	901,125
4	390 02	STRUCTURES & IMPROVEMENTS - Leasehold	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216	28,216
5	391	OFFICE FURNITURE	3,008,675	3,075,581	3,142,488	3,209,394	3,276,301	3,343,208	3,410,114	3,477,021	3,543,927	3,610,834	3,677,741	3,744,647	3,811,554	3,410,114
6	391 01	COMPUTER EQUIPMENT	19,917,445	20,102,798	20,288,147	20,473,498	20,658,849	20,844,200	21,029,551	21,214,902	21,400,253	21,585,604	21,770,955	21,956,306	22,141,657	21,029,551
7	391 02	OFFICE EQUIPMENT/MACHINES	464,362	463,751	463,141	462,531	461,920	461,310	460,700	460,089	459,479	458,869	458,258	457,648	457,038	460,700
8	391 03	OFFICE FURNITURE/EQUIP	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725	347,725
9	392 01	AUTO & TRUCK LESS THAN 1/2 TON	9,289,040	9,863,858	10,438,676	11,013,494	10,974,312	10,895,130	10,815,948	10,736,766	10,657,584	10,578,402	10,499,220	10,420,038	10,340,856	10,504,871
10	392 02	AUTO & TRUCK 3/4 TO 1 TON	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721	1,915,721
11	392 03	AIRPLANES	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716	6,029,716
12	392 04	TRAILERS, OTHER	253,190	252,398	251,606	250,814	250,022	249,231	248,439	247,647	246,855	246,063	245,272	244,480	243,688	248,439
13	392 05	TRUCKS OVER 1 TON	1,040,135	1,031,829	1,023,523	1,015,218	1,006,912	998,606	990,301	981,995	973,689	965,384	957,078	948,772	940,467	990,301
14	393	STORES EQUIPMENT	56,803	56,268	55,732	55,197	54,661	54,126	53,590	53,055	52,519	51,984	51,448	50,913	50,377	53,590
15	394	TOOLS SHOP & GARAGE EQUIPMENT	3,617,653	3,634,634	3,651,614	3,668,594	3,685,575	3,702,555	3,719,535	3,736,516	3,753,496	3,770,476	3,787,457	3,804,437	3,821,417	3,719,535
16	394 01	TOOLS SHOP & GARAGE EQUIPMENT - CNG	168,988	168,988	168,988	168,988	168,988	168,988	168,988	168,988	168,988	168,988	168,988	168,988	168,988	168,988
17	395	LABORATORY EQUIPMENT	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578	129,578
18	396	POWER OPERATED EQUIPMENT	2,132,819	2,140,837	2,149,054	2,157,272	2,165,489	2,173,707	2,181,924	2,190,142	2,198,359	2,206,577	2,214,794	2,223,012	2,231,229	2,181,924
19	397	COMMUNICATION EQUIPMENT	3,520,219	3,566,470	3,612,721	3,658,971	3,713,222	3,767,472	3,809,723	3,857,973	3,906,224	3,954,474	4,002,725	4,050,975	4,099,226	3,809,723
20	398	MISC EQUIPMENT	312,839	312,827	312,815	312,802	312,790	312,778	312,766	312,754	312,741	312,729	312,717	312,705	312,693	312,768
21		TOTAL	\$71,875,056	\$72,841,728	\$73,808,400	\$74,775,072	\$75,087,744	\$75,360,416	\$75,653,088	\$75,945,759	\$76,238,431	\$76,531,103	\$76,823,775	\$77,116,447	\$77,409,119	\$75,842,011

LINE NO.	A/C NO	DESCRIPTION	13 MONTH AVERAGE	NONUTILITY %	3 MONTH AVG NONUTILITY	METHOD OF ALLOCATION
22	374	LAND AND LAND RIGHTS	\$2,252,873	0.2%	\$207,583	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
23	375	STRUCTURES AND IMPROVEMENTS	16,846,558	2.5%	417,062	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
24	390	STRUCTURES AND IMPROVEMENTS	901,125	5.8%	52,435	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
25	390 02	STRUCTURES & IMPROVEMENTS - Leasehold	28,216	0.0%	0	
26	391	OFFICE FURNITURE	3,410,114	0.0%	0	
27	391 01	COMPUTER EQUIPMENT	21,029,551	2.4%	502,046	DEPENDENT UPON THE APPLICATION, BASED ON A COMBINATION OF CUSTOMER COUNT, CHECKS PROCESSED, # OF BILLS & # OF USER ID'S
28	391 02	OFFICE EQUIPMENT/MACHINES	460,700	0.0%	0	
29	391 03	OFFICE FURNITURE/EQUIP	347,725	0.0%	0	
30	392 01	AUTO & TRUCK LESS THAN 1/2 TON	10,504,871	0.0%	0	
31	392 02	AUTO & TRUCK 3/4 TO 1 TON	1,915,721	0.0%	0	
32	392 03	AIRPLANES	6,029,716	0.0%	0	
33	392 04	TRAILERS, OTHER	248,439	0.0%	0	
34	392 05	TRUCKS OVER 1 TON	990,301	0.0%	0	
35	393	STORES EQUIPMENT	53,590	0.0%	0	
36	394	TOOLS SHOP & GARAGE EQUIPMENT	3,719,535	0.0%	0	
37	394 01	TOOLS SHOP & GARAGE EQUIPMENT - CNG	168,988	0.0%	0	
38	395	LABORATORY EQUIPMENT	129,578	0.0%	0	
39	396	POWER OPERATED EQUIPMENT	2,181,924	0.0%	0	
40	397	COMMUNICATION EQUIPMENT	3,809,723	0.0%	0	
41	398	MISC EQUIPMENT	312,768	0.0%	0	
42		TOTAL	\$75,342,011		\$1,179,126	

FLORIDA PUBLIC SERVICE COMMISSION

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

TYPE OF DATA SHOWN:

PROJECTED TEST YEAR: 12/31/03

WITNESS: J. P. HIGGINS

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

13-MONTH AVERAGE

LINE NO.	A/C NO.	DESCRIPTION & ADDRESS	PLANT			ACCUMULATED DEPRECIATION/AMORTIZATION			METHOD OF ALLOCATION
			UTILITY	NON-UTILITY	TOTAL	UTILITY	NON-UTILITY	TOTAL	
1	374	SOUTH FLORIDA REGIONAL OFFICE	\$589,000	\$0	\$589,000	\$0	\$0	\$0	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
2	374	NMI-LAND-COCONUT CREEK REG STA, 100 W ATLANTIC BLVD,POMP,	12,413	0	12,413				
3	374	NMI-LAND-PLANTATION GATE STA, PETERS ROAD PARCEL # 5	22,954	0	22,954				
4	374	NMI-LAND-FULFORD PLANT, 15779 W DIXIE HWY,N MIAMI BCH,PARC	38,351	0	38,351				
5	374	TPA-EASEMENT-NEBRASKA AVE FROM BIRD ST SOUTH 432 FT	5,334	0	5,334				
6	374	TPA-LAND - GATE STATION @ LITHIA PINECREST RD	8,000	0	8,000				
7	374	TPA-LAND RIGHTS-PURCHASE FOR NW GATE STATION	8,909	0	8,909				
8	374	TPA-LAND-CSX RR PROPERTY W OF 13 ST @ FRANK ADAMO DR (SR	7,960	0	7,960				
9	374	TPA-LAND-ESTUARY PLANT, 1300 N. 13TH STREET, TAMPA- PARCEL	41,797	0	41,797				
10	374	TPA-LAND-ESTUARY PLANT, SOUTH OF RAILROAD, TAMPA- PARCEL	2,766	0	2,766				
11	374	TPA-LAND-PORT SUTTON GATE STATION,78TH & MADISON- PARCEL	4,939	0	4,939				
12	374	STP-LAND-LOT N SIDE, 1800 9TH AVE N., ST PETE, PARCEL #2	0	41,445	41,445				
13	374	STP-LAND-MAIN GATE STATION, 77TH AVE & 18TH WAY, ST PETE, PA	2,928	0	2,928				
14	374	STP-LAND-NORTH GATE STATION,13800 62 ST N., ST PETE, PARCEL	16,535	0	16,535				
15	374	STP-LAND-PLANT SITE, 1800 9TH AVE N , ST PETE (SWAP WCITY B40	6,931	1,573	8,504				
16	374	STP-LAND-REG STATION, 3 AVE S & 18 STREET S, PARCEL #7	500	0	500				
17	374	STP-LAND-REG STATION, S SIDE 30 AVE N,WEST OF 18 ST N., PAR #	3,000	0	3,000				
18	374	STP-LAND-REG STATION, S SIDE 30 AVE S,WEST OF 30 ST S., PAR #5	3,800	0	3,800				
19	374	STP-MDBH1020, MADIERA BEACH-EASEMENT @ 127 AVE TREASURE	2,900	0	2,900				
20	374	ORL-LAND-DIST YARD, 601 W. ROBINSON STREET, PARCEL # 2	41,315	0	41,315				
21	374	ORL-LAND-FAIRVILLA SITE, US HWY 441,N OF SILVER STAR, PARCEL	1,997	0	1,997				
22	374	ORL-LAND-OAKLAND HILLS, FIESTA LANE & DURANGO WAY, PARCE	1,008	0	1,008				
23	374	ORL-LAND-PLANT SITE, 600 W. ROBINSON STREET, PARCEL # 1	49,693	0	49,693				
24	374	TRI-LAND-DIVISION OFFICE SITE,1724 KURT ST,EUSTIS, PARCEL # 2	9,000	0	9,000				
25	374	TRI-LAND-EUSTIS INDUSTRIAL PARK,MTR STA SITE, PARCEL # 1	500	0	500				
26	374	TRI-LAND-MT. DORA GATE STATION,WOLF BRANCH RD.,PARCEL # 3	8,516	0	8,516				
27	374	JAX-LAND - CAPPER ROAD GATE STATION, PARCEL # 16	22,989	0	22,989				
28	374	JAX-LAND - JERICHO ROAD GATE STATION, PARCEL # 15	13,282	0	13,282				
29	374	JAX-LAND-CEDER HILLS GATE STATION SITE, PARCEL # 3	1,582	0	1,582				
30	374	JAX-LAND-CHURCH STREET PLANT SITE, PARCEL # 1	39,371	0	39,371				
31	374	JAX-LAND-KING STREET BET FORBES & POST ST,REG STA, PARCEL	200	0	200				
32	374	JAX-LAND-MAGNOLIA & MCCOY STREETS,REG STA, PARCEL #11	986	0	986				
33	374	JAX-LAND-OAK STREET & EDISON AVE REG STA, PARCEL # 4	300	0	300				
34	374	JAX-LAND-PART OF LOT 3 BL 138,NEWMAN BET STATE&ORANGE HA	400	0	400				
35	374	JAX-LAND-PART OF LOT 5 BL 12 ,11 ST WARRENS REPLAT,PARCEL #	539	0	539				
36	374	JAX-LAND-PEARL PLAZA SILVER & 24TH STREET,REG STA, PARCEL	1,000	0	1,000				
37	374	JAX-LAND-PHILLIPS HWY PLANT PROPERTY, PARCEL #14	314,616	0	314,616				
38	374	JAX-LAND-SOUTHSIDE REG STA,PIONESSA PROPERTY, PARCEL #13	12,947	0	12,947				
374		SUB TOTALS CONTINUED ON G-1 p 19b	\$1,299,257	\$43,018	\$1,342,275	\$0	\$0	\$0	

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 020384-GU

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

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

LINE NO.	A/C NO.	DESCRIPTION & ADDRESS	13-MONTH AVERAGE			METHOD OF ALLOCATION			
			PLANT			ACCUMULATED DEPRECIATION/AMORTIZATION			
			UTILITY	NON-UTILITY	TOTAL	UTILITY	NON-UTILITY	TOTAL	
1	374	SUB TOTALS FROM G1 p. 19a	\$1,299,257	\$43,018	\$1,342,275	\$0	\$0	\$0	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
2	374	JAX-LAND-W 12 FT OF N 12 FT LOT 1 BL 32 DOTEN S/D,REG STA,PAR	538	0	538				
3	374	SMI-PLANT SITE - NW 1ST AVE & NW 17TH ST, PARCEL # 1	39,181	0	39,181				
4	374	LAK-LAND - PEACHTREE PLANT SITE (PARCEL # 1)	1,245	0	1,245				
5	374	DAY-LAND-1722 RIDGEWOOD AVE, HOLY HILL FL 32117	155,747	0	155,747				
6	374	DAY-LAND-GATE STATION SITE, PARCEL # 3	4,393	0	4,393				
7	374	DAY-LAND-REGULATOR STA SITE, PARCEL # 1 (INDUSTRIAL PARK)	477	0	477				
8	374	SAR-LAND - GATE STATION, 12th & CENTRAL, SARASOTA	50,000	0	50,000				
9	374	PBG-LAND - PBG OPERATIONS FACILITY 1363 JUPITER PARK DR	230,941	0	230,941				
10	374	PC -LAND-301 MAPLE AVE	84,859	8,881	91,750				
11	374	PC -LAND-GULF ASPHALT GATE STATION	23,645	0	23,645				
12	374	PC -LAND-MAPLE AVE GATE STATION	3,080	0	3,080				
13	374	PC -Land @ corner of 3rd Ave & Maple (next to Panama City Office)	0	157,818	157,818				
14	374	OCA-APRAISAL - 8TH AVE & 18TH STREET	800	0	800				
15	374	OCA-ENVIRONMENTAL AUDIT - LAND	2,980	0	2,980				
16	374	OCA-LAND - 316 SW 33RD AVE	68,200	0	68,200				
17	374	OCA-LAND - LEVEY COUNTY GATE STATION	41,114	0	41,114				
18	374	OCA-LAND - LEVEY COUNTY GATE STATION	1,000	0	1,000				
19	374	OCA-LAND - SILVER SPRINGS GATE STATION	28,038	0	28,038				
20	374	OCA-LAND RIGHTS - RIGHT OF WAY / BASELINE RD	1,200	0	1,200				
21	374	OCA-LEGAL FEES - RICHARD, BLINN & HALDEN	10,338	0	10,338				
22	374	OCA-SURVEY - GATE STATION PROPERTY	250	0	250				
23	374	TOTAL	\$2,045,291	\$207,583	\$2,252,873	\$0	\$0	\$0	
24	375	SOUTH FLORIDA REGIONAL OFFICE	\$1,569,145	\$0	\$1,569,145	\$54,998	\$0	\$54,998	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
25	375	NMI-OFFICE BLDG - FULFORD	406,962	0	406,962	62,054	0	62,054	
26	375	NMI-ENGINE BLDG	63,740	0	63,740	29,762	0	29,762	
27	375	NMI-METER SHOP	51,293	0	51,293	14,409	0	14,409	
28	375	NMI-WAREHOUSE - FULFORD	249,877	0	249,877	110,554	0	110,554	
29	375	TPA-OFFICE BLDG - CHANNELSIDE/13 ST	2,333,394	0	2,333,394	488,032	0	488,032	
30	375	TPA-FIRE TRAINING FACILITY	14,281	0	14,281	8,078	0	8,078	
31	375	TPA-GAS CONTROL BLDG	18,875	0	18,875	9,795	0	9,795	
32	375	TPA-MAINTENANCE BLDG	13,068	0	13,068	5,330	0	5,330	
33	375	TPA-STORAGE BLDG	5,370	0	5,370	5,008	0	5,008	
34	375	TPA-TRANSPORTATION BLDG	58,180	0	58,180	21,794	0	21,794	
35	375	TPA-WAREHOUSE BLDG	140,879	0	140,879	39,105	0	39,105	
36	375	TPA-WELDING SHOP	20,312	0	20,312	8,920	0	8,920	
37	375	SUB TOTALS CONTINUED ON B-5 p. 19c	\$4,940,957	\$0	\$4,940,957	\$851,834	\$0	\$851,834	

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 020384-GU

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

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

13-MONTH AVERAGE

LINE NO.	A/C NO	DESCRIPTION & ADDRESS	PLANT			ACCUMULATED DEPRECIATION/AMORTIZATION			METHOD OF ALLOCATION
			UTILITY	NON-UTILITY	TOTAL	UTILITY	NON-UTILITY	TOTAL	
1	375	SUB TOTALS FROM G1 p 19b	\$4,940,957	\$0	\$4,940,957	\$851,834	\$0	\$851,834	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
2	375	STP-OFFICE BLDG - 9TH AVE	1,682,848	381,951	2,064,599	433,375	98,373	531,748	
3	375	STP-ANNEX BLDG	28,672	0	28,672	5,840	0	5,840	
4	375	STP-STORAGE BLDG	36,718	0	36,718	11,318	0	11,318	
5	375	STP-WAREHOUSE BLDG	128,273	0	128,273	37,758	0	37,758	
6	375	ORL-OFFICE BLDG - 600 ROBINSON	1,587,522	0	1,587,522	277,190	0	277,190	
7	375	ORL-WAREHOUSE	145,287	0	145,287	52,351	0	52,351	
8	375	TRI-OFFICE BLDG- KURT	474,167	0	474,167	122,900	0	122,900	
9	375	TRI-WAREHOUSE	44,753	0	44,753	5,228	0	5,228	
10	375	TRI-WELDING SHOP	4,528	0	4,528	883	0	883	
11	375	JAX-OFFICE BLDG - PHILIPS HWY	2,777,839	0	2,777,839	597,745	0	597,745	
12	375	JAX-DISTRIBUTION AREA - 1745 CHURCH ST	39,022	0	39,022	23,202	0	23,202	
13	375	JAX-EQUIP BLDG	24,538	0	24,538	7,175	0	7,175	
14	375	JAX-MAINTENANCE BLDG	148,868	0	148,868	7,914	0	7,914	
15	375	JAX-WAREHOUSE	201,808	0	201,808	59,780	0	59,780	
16	375	SMI-OFFICE BLDG - 17TH ST	487,460	0	487,460	175,202	0	175,202	
17	375	SMI-TOOL SHED	1,377	0	1,377	182	0	182	
18	375	SMI-TRAINING FACILITY	4,301	0	4,301	760	0	760	
19	375	SMI-WAREHOUSE	32,758	0	32,758	19,847	0	19,847	
20	375	LAK-OFFICE BLDG - KATHLEEN RD	523,820	28,722	552,341	132,898	7,279	139,976	
21	375	LAK-WAREHOUSE	88,208	0	88,208	20,103	0	20,103	
22	375	DAY-OFFICE BLDG - RIDGEWOOD AVE	443,288	0	443,288	51,078	0	51,078	
23	375	DAY-UTILITY SHED	4,220	0	4,220	547	0	547	
24	375	HIG-FENCE FOR REGULATOR STATION	1,174	0	1,174	589	0	589	
25	375	SAR-OFFICE BLDG-8281 VICO CT	760,322	0	760,322	40,390	0	40,390	
26	375	SAR-STORAGE SHED	10,877	0	10,877	2,368	0	2,368	
27	375	SAR-WAREHOUSE	4,938	0	4,938	898	0	898	
28	375	PBG-OFFICE BLDG-1363 JUPITER PARK DR	683,331	0	683,331	34,122	0	34,122	
29	375	PC -OFFICE BLDG - MAPLE AVE	78,805	6,390	85,195	10,343	839	11,182	
30	375	PC -SHED	2,193	0	2,193	437	0	437	
31	375	OCA-OFFICE BLDG - 33RD AVE	54,104	0	54,104	10,270	0	10,270	
32	375	SWF-OFFICE BLDG-5109 ENTERPRISE	1,012,210	0	1,012,210	52,069	0	52,069	
33	375	COR-MISC	18,724	0	18,724	2,218	0	2,218	
34	375	TOTALS	\$18,429,495	\$417,062	\$18,846,558	\$3,048,182	\$108,491	\$3,156,673	BASED ON PERCENTAGE OF SQUARE FOOTAGE OF NON-UTILIZED PROPERTY
35	390	PC -DIVISION OFFICE	646,698	52,435	699,133	99,884	8,099	107,982	
36	390	OCA-STORAGE BUILDINGS	5,511	0	5,511	694	0	694	
37	390	OCA-DIVISION OFFICE	198,480	0	198,480	38,787	0	38,787	
37	390	TOTAL	\$848,690	\$52,435	\$901,125	\$137,344	\$8,099	\$145,443	

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PEOPLES GAS SYSTEM

DOCKET NO.: 020384-GU

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

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

LINE NO	A/C NO.	DESCRIPTION & ADDRESS	13-MONTH AVERAGE			METHOD OF ALLOCATION		
			PLANT			ACCUMULATED DEPRECIATION/AMORTIZATION		
			UTILITY	NON-UTILITY	TOTAL	UTILITY	NON-UTILITY	TOTAL
1	390.02	HIG-DIVISION OFFICE	\$28,216	\$0	\$28,216	\$28,216	\$0	\$28,216
2	390.02	TOTAL	\$28,216	\$0	\$28,216	\$28,216	\$0	\$28,216

EXHIBIT 2

Company Response to Staff Audit Request # 14

Summary of Leased Properties

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

TO: Bruce Narzissenfeld UTILITY: Peoples Gas System

AUDIT MANAGER: Joseph Rohrbacher PREPARED BY: Roger Fletcher

REQUEST NUMBER: 14 DATE OF REQUEST: 08/13/02

AUDIT PURPOSE: Dkt.020384-GU: Rate Case

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 08/19/02

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

ITEM DESCRIPTION: Property Leased to Others and Revenue therefrom:

Response should include, but not be limited to, the following:

1. Please provide a schedule of property and office space leased to others.

2. For each leased item, include dollar value of the leased property and square footage of land or office space as applicable. Please state the location of each leased item by PGS division. Show the date the lease originated and terminated, if applicable. State the annual revenue charged by PGS for each item of leased property and/ or office space. Tie the schedule totals of property to the schedule of Common Plant. Tie the revenue amount(s) to MFR revenue.

TO: AUDIT MANAGER (Joseph W. Rohrbacher)

DATE: 8/22/02

THE REQUESTED RECORD OR DOCUMENTATION:

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

[Signature]
(SIGNATURE AND TITLE OF RESPONDENT)

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

2001 Leases

Division	Location	Dollar Value of Land	Dollar Value of Building	Square footage	Originated	Terminated	Months Occupied	Amount/Month	Annual Revenue	Leased To	For
01	15779 West Dixie Hwy. North Miami, FL 33160	38,351	N/A	N/A	August 1, 2000	--	12.0	1,000.00	12,000.00	Heritage	Storage & Rail Siding
01	15779 West Dixie Hwy. North Miami, FL 33160	38,351	3,370,120	3,546	January 1, 2001	--	12.0	4,167.00	50,004.00	Teco Partners	Office Space
02	1400 Channelside Dr. Tampa, FL 33605 (01-02-400-931-01-800)	41,797	1,997,062	2,427	November 1, 1998	January 18, 2002	12.0	4,045.00	48,540.00	TEC	Office Space
02	1400 Channelside Dr. Tampa, FL 33605	41,797	N/A	N/A	August 1, 2000	--	12.0	1,000.00	12,000.00	Heritage	Storage & Rail Siding
02	1400 Channelside Dr. Tampa, FL 33605	41,797	1,997,062	2,067	August 1, 2000	December 25, 2000	2.0	2,428.34	4,856.68	Heritage	Office Space
02	1400 Channelside Dr. Tampa, FL 33605	41,797	1,997,062	3,546	January 1, 2001	--	12.0	4,167.00	50,004.00	Teco Partners	Office Space
03	1800 9th Ave. N. St. Petersburg, FL	8,504	2,024,463	1,550	August 1, 2000	October 1, 2001	9.0	1,821.25	16,391.25	Heritage	Office Space
03	1800 9th Ave. N. St. Petersburg, FL	8,504	N/A	N/A	August 1, 2000	April 15, 2002	12.0	504.00	6,048.00	Heritage	Storage & Fill Station
04	600 W. Robinson St. Orlando, FL 32802	49,693	1,067,522	2,800	August 1, 2000	May 7, 2001	6.0	3,290.00	19,740.00	Heritage	Office Space
04	600 W. Robinson St. Orlando, FL 32802	49,693	1,067,522	3,546	January 1, 2001	--	12.0	4,167.00	50,004.00	Teco Partners	Office Space
04	600 W. Robinson St. Orlando, FL 32802	49,693	1,067,522	300	January 1, 2001	June 30, 2001	6.0	250.00	1,500.00	BGA	Office Space
04	600 W. Robinson St. Orlando, FL 32802	49,693	1,067,522	900	July 1, 2001	--	6.0	750.00	4,500.00	BGA	Office Space
04	1724 Kurt St. Eustace, FL	9,000	474,167	1,500	August 1, 2000	November 6, 2000	2.0	1,762.50	3,525.00	Heritage	Office Space
05	1724 Kurt St. Eustace, FL	9,000	N/A	N/A	November 1, 2000	--	14.0	400.00	5,600.00	Heritage	Storage
06	4040 Phillips Hwy. Jacksonville, FL 32207	314,616	2,054,384	3,600	April 1, 2001	--	9.0	3,525.00	31,725.00	BGA	Office Space
06	4040 Phillips Hwy. Jacksonville, FL 32207	314,616	N/A	N/A	August 1, 2000	--	12.0	234.38	2,812.56	Heritage	Storage & Ra
06	4040 Phillips Hwy. Jacksonville, FL 32207	314,616	N/A	N/A	August 1, 2000	August 1, 2000	2.0	1,083.00	2,166.00	Heritage	Office Space
06	4040 Phillips Hwy. Jacksonville, FL 32207	314,616	2,054,384	3,546	January 1, 2001	--	12.0	4,167.00	50,004.00	Teco Partners	Office Space
07	1616 N. Miami Ave. Miami, FL (14th Ave. & 15th St.)	39,181	N/A	N/A	--	--	12.0	1,250.00	15,000.00	CSR Banker	Plant
08	445 Kathleen Rd. Lakeland, FL	1,245	N/A	N/A	August 1, 2000	--	12.0	250.00	3,000.00	Heritage	Storage & FI
08	445 Kathleen Rd. Lakeland, FL	1,245	N/A	1,500	August 1, 2000	August 15, 2000	2.0	1,762.50	3,525.00	Heritage	Storage & FI
09	1626 Mason Ave. Daytona, FL	4,393	N/A	N/A	August 1, 2000	--	12.0	182.50	2,190.00	Heritage	Storage
09	Secretary, Flagler County Storage	19,984	N/A	N/A	August 1, 2000	August 1, 2000	2.0	600.00	1,200.00	Heritage	Storage
09	1722 Ridgewood Ave. Holly Hill	155,747	443,286	1,500	August 1, 2000	November 15, 2000	2.0	1,762.50	3,525.00	Heritage	Office Space
10	1085 W. Main St. Aven Park, FL	LEASED	LEASED	1,550	August 1, 2000	June 30, 2001	6.0	1,821.25	10,927.50	Heritage	Office Space
11	1085 W. Main St. Aven Park, FL	LEASED	LEASED	1,550	July 1, 2001	--	6.0	1,200.00	7,200.00	Heritage	Office Space
14	301 Maple Ave. Panama City, FL	91,750	56,195	1,000	August 1, 2000	March 15, 2001	2.5	1,175.00	2,937.50	Heritage	Office Space
90	702 N. Franklin St. Tampa, FL 33602	LEASED	LEASED	20,093	January 1, 2001	--	12.0	23,612.00	283,344.00	Teco Partners	Office Space

704,174.25

01-XX-XXX-93-01-XX-X
01-02-400-931-01-800

655,734.29
48,540.00
704,274.29

State of Florida



Public Service Commission

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

DATE : OCTOBER 14, 2002

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

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

RE : CAPITAL EXPENDITURES ASSUMPTIONS/TECO-PEOPLES GAS SYSTEM
RATE PROCEEDINGS - DOCKET # 020384 - GU
NORTH AND CENTRAL REGIONS

BRIEF

The engineering staff, Robert Trotter and Roger Fletcher, of the Bureau of Gas Safety conducted a review of the capital expenditure assumptions for the Peoples Gas System's North and Central Regions to determine reasonableness of the proposed expenditures and if any of the identifiable projects have been delayed or canceled which would impact the Projected Test Year plant-in-service accumulated depreciation and depreciation expense of its rate proceedings, Docket Number 020384-GU. This evaluation consisted of a review of the capital construction assumptions presented in the proposed budget for the Base Test Year +1, ending December 31, 2002. The utility's response to Audit Request Number 11 provides a list of the proposed projects included in the projected construction budget on which the assumptions in Schedule G-1, page 211, Accounts 376, 376.02, 380 and 380.02 of the MFRs were based. This review identified three situations where the listed construction projects would not occur during calendar year 2002 and adjustments may be necessary to remove project costs from Test Year +1 plant-in-service calculations. These adjustments are as follows:

- Construction projects completed prior to calendar year 2002 and related costs were included in previous years' plant-in-service calculations.
- Projects that have been canceled and no expenditures anticipated in calendar year 2002.
- Projects that have been postponed and will not occur during calendar year 2002, but have been rescheduled for calendar year 2003.

Memorandum

October 14, 2002

RE: CAPITAL EXPENDITURES ASSUMPTIONS / TECO-PEOPLES GAS SYSTEM RATE PROCEEDINGS - DOCKET # 020384 - GU / NORTH AND CENTRAL REGIONS

RECOMMENDATION

It is recommended that the \$11,545,971 proposed Capital Main Assumptions for the North and Central Regions of the Peoples Gas System, shown in Account 376 and 376.02, Schedule G-1, page 211 be reduced by \$1,571,133 as follows:

	<u>Account 376.02 (Plastic)</u>	<u>Account 376 (Steel)</u>
Capital main project that was completed prior to CY 2002:	\$118,750	\$ 0
Capital main project that was cancelled:	\$110,000	\$ 0
Capital main projects that have been postponed until CY 2003:	<u>\$787,219</u>	<u>\$555,164</u>
Totals	\$1,015,969	\$555,164

DISCUSSION

The evaluation of capital main assumptions presented by TECO-Peoples Gas System, as contained in its Minimum Filing Requirements (MFRs), Schedule G-1, page 211, Accounts 376, 376.02, 380, and 380.02 consisted of a review of individual construction projects identified in the utility's response to staff Audit Request Number 11 attached as Exhibit 1. The response provided a detail of the construction projects proposed for the North and Central Regions for calendar year 2002. The response included the budget categories of Revenue Mains, Main Replacements, Municipal Improvements, and Cathodic Protection. Also included were the service line Accounts of Revenue Services and Service Replacement. The 2002 Capital Budget was the basis for the plant addition assumptions totaling \$11,545,971 shown in Exhibit 2. This budget included both identifiable projects totaling \$9,220,971 and estimates derived from either historic trending or allocation of total program dollars in the amount of \$2,325,000. The staff's evaluation focused primarily on the individual construction projects identified by the utility in its response to the audit request. The objective of the evaluation was to determine if the capital main assumptions were reasonable and if any of the identified projects have been delayed or cancelled and would impact the Projected Test Year plant-in-service accumulated depreciation and depreciation expense of its rate proceedings, Docket Number 020384-GU.

Staff evaluation determined that there were three situations where the proposed construction projects would not occur during calendar year 2002. It was determined that one project was completed prior to 2002 and the related costs were booked in previous years. The second situation resulted from a project that had been canceled and there would be no charges realized for the project. The third situation occurs when construction projects have been delayed and will not occur during calendar year 2002. Each of the three situations would result in an impact on the Projected Test Year plant-in-service accumulated depreciation and depreciation expense. Listed below are individual construction projects that will not take place during 2002 and adjustments may be necessary to remove the related costs from rate base calculations.

Memorandum

October 14, 2002

RE: CAPITAL EXPENDITURES ASSUMPTIONS / TECO-PEOPLES GAS SYSTEM RATE PROCEEDINGS - DOCKET # 020384 - GU / NORTH AND CENTRAL REGIONS

Project Completed Prior to Cy 2002

<u>Region</u>	<u>Description</u>	<u>Total Adjustment</u>	<u>Plastic</u>	<u>Steel</u>
North	92-B-14 Spruce Creek	\$118,750	\$118,750	\$0

Project Has Been Cancelled. No Expenditures Will Occur During Cy 2002

<u>Region</u>	<u>Description</u>	<u>Total Adjustment</u>	<u>Plastic</u>	<u>Steel</u>
Central	Bridgewater / Horizon West	\$110,000	\$110,000	\$0

Projects That Have Been Delayed and Will Not Occur Until CY 2003.

<u>Region</u>	<u>Description</u>	<u>Total Adjustment</u>	<u>Plastic</u>	<u>Steel</u>
North	King & Mc Coy Creek	\$ 13,800	\$ 13,800	\$ 0
North	Cinderella Lane	\$ 15,000	\$ 9,900	\$ 5,100
North	5 th Street / Mc Duff Avenue	\$ 60,000	\$ 39,600	\$ 20,400
North	Murry Hill	\$ 25,000	\$ 16,500	\$ 8,500
North	Hathaway Bridge Project	\$ 20,000	\$ 13,200	\$ 6,800
North	54001010 Summerton South Res.	\$ 5,815	\$ 5,815	\$ 0
North	54990282 Golfview	\$ 10,000	\$ 10,000	\$ 0
North	136A1-15 Ocala Western	\$ 7,747	\$ 77,476	\$ 0
North	54990284 Heather Island Preserve	\$ 50,000	\$ 50,000	\$ 0
North	54990293 Dearpath	\$ 13,541	\$ 13,541	\$ 0
North	Fountain Subdivision	\$ 24,283	\$ 24,283	\$ 0
North	15 Heatherbrook	\$150,000	\$150,000	\$ 0
North	NE 9 th Street & NE 14 th Street	\$ 5,796	\$ 3,825	\$ 1,971
North	15 NE 12 th Avenue	\$ 30,000	\$ 19,800	\$ 10,200
North	Shores	\$ 30,000	\$ 19,800	\$ 10,200
North	NW 14 th Street & Magnolia Avenue	\$ 13,854	\$ 9,144	\$ 4,710
North	SE 31 st Street	\$ 7,818	\$ 5,160	\$ 2,658
North	SHORES	\$ 50,000	\$ 39,417	\$ 10,583
North	NE 12 th Street	\$ 30,000	\$ 23,650	\$ 6,350
North	SE 24 th Terrace	\$ 25,000	\$ 19,708	\$ 5,292
Central	Oviedo Extension / Orlando	\$400,000	\$ 0	\$400,000
Central	Dodd Road / Orlando	\$ 75,000	\$ 49,500	\$ 25,500
Central	US 27 Main Relocation	\$ 35,000	\$ 23,100	\$ 11,900
		\$1,342,383	\$787,219	\$555,164

Memorandum

October 14, 2002

RE: **CAPITAL EXPENDITURES ASSUMPTIONS / TECO-PEOPLES GAS SYSTEM RATE PROCEEDINGS - DOCKET # 020384 - GU / NORTH AND CENTRAL REGIONS**

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

CONCLUSION

The 2002 Capital Budget was the basis for the capital main assumptions presented the Test Year +1 figures of Schedule G-1, page 211, Account 376 and 376.02. This budget included both identifiable projects and expenditures based on estimates derived from either historic trending or allocation of total program dollars. The staff evaluations determined that adjustments may be necessary to remove main assumption costs that will not occur as anticipated in calendar year 2002. It is recommended that total dollars shown in Account 376 - Mains Other Than Plastic be reduced by \$555,164 due to projects that have been delayed and will not occur in CY 2002, but will probably take place in the Projected Test Year of 2003. It is further recommended that Account 376.02 - Mains Plastic, be reduced by a total of \$1,015,969 due to proposed projects that will not occur in CY 2002. Only \$787,219 of this total will be carried forward into the Projected Test Year of 2003.

RWF
Attachments

EXHIBIT 1

**Capital Main Assumptions
Schedule G-1, page 211
Accounts 376, 376.02, 380, and 380.02**

Peoples Gas System
Florida Public Service Commission
Docket: 020384-GU-Rate Case
Request Number: 11

Please provide a detail of the individual construction projects included in the Monthly Plant Addition Summary...Accounts 376, 376.02, 380 and 380.02, page 211 of the MFRs. This detail should show a description or name of each construction project, total dollars associated with the project, and the month plant addition was included in the Monthly Plant Addition Summary. *[Note: Subsequent discussion with auditor determined that he desired both 2002 and 2003 information.]*

Please see attached detailed listing of Mains (376 and 376.02) and Services (380 and 380.02) for 2002 additions. Also, please see attached trend analysis of capital expenditures used in projection of 2003 expenditures. Finally, please refer to further explanations below.

Please note that the requested accounts comprise several budget line items. Specifically, the budget categories included in "Mains" are Revenue Mains, Main Replacements, Municipal Improvements, System Improvements, and Cathodic Protection. The line items included in "Services" are Revenue Services and Service Replacements. The detailed attachments provide information for all these budget categories.

For the year 2002, the Company used its capital budget as the basis for plant additions. Generally, detailed information by construction project is available for this year, at least to the extent that the project was known at the time the 2002 budget was prepared. In some cases, the annual budget for categories is based on either historical trending or an allocation of total program dollars (as in System Improvements), and therefore information may not be available on a project basis.

For the year 2003, a detailed trend analysis was performed for both revenue-producing and maintenance capital expenditures. This analysis was used as the basis for 2003 estimated capital expenditures. Only one specific project (\$3 million for Gulfstream-related mains) was added to the amounts determined in the trend analysis.

Finally, the audit request asked for specific months when project expenditures are estimated to occur. For the 2002 budget, the operating regions were asked to estimate their capital expenditures on a monthly basis. These estimates were used to form the capital budget and, accordingly, the monthly additions included in the MFRs for 2002. In the case of 2003, all expenditures were straight-lined throughout the year with the exception of vehicles, which are typically all purchased in the first quarter of an operating year.

Budget 2002 Main Costs

<u>Project with Description</u>	<u>Capital Mains '02</u>	<u>Plastic</u>	<u>Steel</u>
51000007 Andrx Pharmaceuticals	\$ 389,000	\$ -	\$ 389,000
51000010 Northwest Broward Expansion	1,000,000	1,000,000	-
51990061 Big Sky North (a2)	20,000	20,000	-
51000026 US1 & Jupiter	462,000	462,000	-
51010018 Mirasol at Golf Digest	621,000	621,000	-
51010023 The Cove	11,600	11,600	-
51010024 Jupiter Creek	11,800	11,800	-
51990068 Jupiter Creek	9,600	9,600	-
51990119 Prosperity Pines	6,000	6,000	-
51000004 Fiddler's Creek	1,200,000	1,200,000	-
51000017 The Brooks (shadow woods)	250,000	250,000	-
51000019 Mediterra	286,000	286,000	-
51000030 Tiburon, Collier County	280,000	280,000	-
51000032 Gateway Development	157,000	157,000	-
51010001 The Estuary at Grey Oakes	160,000	160,000	-
51010002 Quail Woods Courtyards	22,000	22,000	-
51010007 Miromar Lakes Development	519,000	519,000	-
51010020 Rookery Pointe Development	169,000	169,000	-
51010025 Sun City Development	197,000	197,000	-
51980010 Naples / Ft Myers Expansion	1,851,500	1,851,500	-
51980010 Naples / Ft Myers Expansion	195,000	195,000	-
Asphalt Plant - US31, Fort Myers	200,000	-	200,000
For Misc Revenue Mains	500,000	500,000	-
52010044 Beef O'Brady's	7,300	5,840	1,460
52010058 Community Srvcs 3107 N 50th St	31,000	24,800	6,200
52010003 Berkford Place	24,100	19,280	4,820
52001011 Cory Lake Isles	52,900	42,320	10,580
52990032 Van Dyke /Lakeshore Estates	28,800	23,040	5,760
52010027 5119 W. LONGFELLOW AVE.	800	640	160
52010028 ESPERANZA - BAY VISTA	1,600	1,280	320
52010026 Bella Vista Subdivision	19,200	15,360	3,840
52010034 West Park Village	7,300	5,840	1,460
52980010 West Meadows (total)	152,000	121,600	30,400
52010035 West Hamptom, Racetrack Rd	45,600	36,480	9,120
52010052 Waterchase, Racetrack Rd	90,600	72,480	18,120
52010050 Mc Mullen Loop Rd.-Riverview	24,000	19,200	4,800
52010067 BAYPOINTE SUBDIVISION	800	640	160
52010069 Cross Creek Section O, Phase 2	15,200	12,160	3,040
52010059 Hurley Rd.@ Bloomingdale Ave.	19,200	15,360	3,840
52010076 The Oasis	23,300	18,640	4,660
52010081 Seven Oaks	40,000	32,000	8,000
52010006 Camelot Woods Ph2	28,900	23,120	5,780
52010008 Mango Road and Lake Weeks	179,600	143,680	35,920
52980017 Westchase (all)	57,600	46,080	11,520
52001027 Aston Gardens ACLF	7,300	5,840	1,460
52970003 CR581/SR54 (total buildout)	7,300	5,840	1,460
52970053 Brandon East	38,400	30,720	7,680
52980028 Westwood Lakes	16,900	13,520	3,380
52970051 SR54 Willow Bend	-- 52,800	42,240	10,560

Budget 2002 Main Costs

<u>Project with Description</u>	<u>Capital Mains '02</u>	<u>Plastic</u>	<u>Steel</u>
52970006 Fish Hawk Ranch	278,300	222,640	55,660
52001007 The Pointe at Harbour Island	2,400	1,920	480
52001002 Tampa Palms 15 & 16	9,600	7,680	1,920
52001016 Grand Oaks, S. R. 54	68,000	54,400	13,600
52001017 Danforth Place, (Richmond Pl)	19,200	15,360	3,840
52001004 Oakstead, SR 54	76,000	60,800	15,200
52001003 Somerset at Mulrennan & Hwy 60	98,500	78,800	19,700
52000071 Woodberry at Lakewood	30,400	24,320	6,080
52001026 Lumsden Pointe-206 Homes	60,800	48,640	12,160
52001029 Tampa Palms parcel 23	14,400	11,520	2,880
52001030 Devonshire Lake Dr	2,400	1,920	480
52001034 Brandon Ridge I	24,000	19,200	4,800
52001037 3409 & 3411 SAN LUIS ST.	800	640	160
52001032 Bayshore Trails-56 Homes	9,600	7,680	1,920
52001042 Olive Garden and Red Lobster	62,000	49,600	12,400
52001013 Deerpark, Livingston Rd	33,600	26,880	6,720
52001012 Mulrennan/Pearson Rd	48,000	38,400	9,600
52970025 Lake Saint Charles	67,200	53,760	13,440
52970019 Oak Grove (no gate now)	67,200	53,760	13,440
52980023 Emerald Creek	24,000	19,200	4,800
52980050 Arbor Greene (total)	120,800	96,640	24,160
52970050 Dade City Expansion	7,300	5,840	1,460
52990039 Carolwood Publix	30,800	24,640	6,160
52980021 Meadowpointe 12-1 parcel 15	220,800	176,640	44,160
52990021 Westchester	28,800	23,040	5,760
52990026 River Crossing	4,000	3,200	800
52990052 Lake June Estates	6,400	5,120	1,280
52990063 Bloomingdale Trails	11,200	8,960	2,240
52990067 Wesley Point SR54	24,000	19,200	4,800
52990099 Saddlebrook Village	19,200	15,360	3,840
52990077 Bloomingdale Ridge	33,600	26,880	6,720
52990087 Centex & Bayshore	28,800	23,040	5,760
52990100 Pinewalk	3,200	2,560	640
52990072 Garrison District Channel	67,500	54,000	13,500
52010010 Thurston Groves, 102nd Ave N	30,400	24,320	6,080
52010071 South Cross Bayou Water Recl	31,000	24,800	6,200
52980043 Maderia Beach Expansion	74,800	59,840	14,960
52990028 Oakhurst	8,000	6,400	1,600
52990088 Paradise Point Circle	1,600	1,280	320
52010011 Lakeridge Falls - University	57,700	46,160	11,540
52010022 River Pines Dubdivision	16,000	12,800	3,200
52010025 Old Grove - Greenfield	27,200	21,760	5,440
52010030 Greenbrook-Lakewood Ranch	96,000	76,800	19,200
52010031 The Plantations @ Tara	4,800	3,840	960
52010054 Secluded Oaks-Sarasota	27,200	21,760	5,440
52010055 The Enclave-Sarasota	3,200	2,560	640
52010065 Heritage Harbour	20,800	16,640	4,160
52010066 Kenwood Park-University Park	20,000	16,000	4,000
52010063 Englewood Project	-- 148,500	118,800	29,700

Budget 2002 Main Costs

<u>Project with Description</u>	<u>Capital Mains '02</u>	<u>Plastic</u>	<u>Steel</u>
52970027 University "T&Z" Y & Park	20,000	16,000	4,000
52980044 Lakewood Ranch, (consolidate)	264,000	211,200	52,800
52000023 Monte Verde in Prestancia	1,600	1,280	320
52000024 Willow Brook - Sarasota	12,800	10,240	2,560
52000008 Hammocks - Sarasota	9,600	7,680	1,920
52990035 Waterleaf	67,200	53,760	13,440
52000076 Hudson Street- Sarasota	1,600	1,280	320
52000077 Emerald Pointe, Longboat Key	3,200	2,560	640
52001014 Water Oak-Braden River Rd	24,000	19,200	4,800
52001040 Portofino Project	4,800	3,840	960
52001015 The Inlets-Pinnacle Dr	9,600	7,680	1,920
52990001 Venice Expansion	73,000	58,400	14,600
52980037 The Hamptons	19,200	15,360	3,840
52980035 Riviera Dunes	50,200	40,160	10,040
52980034 Rosdale Highlands (combined)	19,200	15,360	3,840
52980009 Ellenton	26,600	21,280	5,320
52980005 Blake Project	21,900	17,520	4,380
52980045 Hawks Harbor	3,200	2,560	640
52990013 River Club South	14,400	11,520	2,880
52990036 Silver Oaks	4,800	3,840	960
52990016 Villa Rosa- Sarasota	9,600	7,680	1,920
52980042 Heron Creek North Port	74,600	59,680	14,920
52990015 Bobcat Trail / Toledo Blade	53,000	42,400	10,600
52000016 The Preserve at Fairway Oaks	22,400	17,920	4,480
52970001 Pasco / Hernando Expansion	443,400	354,720	88,680
52970009 Brooksville Expansion	104,000	83,200	20,800
Land O'Lakes	450,000	360,000	90,000
Englewood	450,000	360,000	90,000
East Manatee	450,000	360,000	90,000
Mango	450,000	360,000	90,000
New Misc	450,000	360,000	90,000
Connerton	100,000	80,000	20,000
UCF - Academic Villages	15,000	-	15,000
Super Target at Hunter's Creek	10,000	-	10,000
Thornton Rd. main installation	15,000	-	15,000
Custom Fabs, 109 5th St.	10,000	-	10,000
Orange County Animal Control	15,000	-	15,000
2024 Wellfleet Ct./Auto Body	10,000	-	10,000
Sand Lake Pointe Apartments	10,000	10,000	-
The Waverly at Lake Eola	25,000	25,000	-
Perle Du Lac, Winter Park	4,500	4,500	-
1300 Brookhaven Dr	5,000	5,000	-
53000024, SAND LK RD & PHIL	9,900	-	9,900
2550 MICHIGAN AVE	8,800	-	8,800
The Fountains Shopping Center	5,000	-	5,000
Central Ave Elementary School	25,000	-	25,000
Orange Tree Subdivision: US 27	30,000	30,000	-
VALENCIA Woods Apartments	15,000	15,000	-
53000026, 325 S ORANGE AVE	--	17,500	-

Budget 2002 Main Costs

<u>Project with Description</u>	<u>Capital Mains '02</u>	<u>Plastic</u>	<u>Steel</u>
CRESENT LAKE SUBDIVISION	40,000	40,000	-
Waterford Point Apartments	23,000	23,000	-
SUMMER BAY RESORT CLERMONT	5,000	5,000	-
WESTGATE TIMESHARE RESORT	25,000	25,000	-
ATRIA, RED BUG LAKE RD	17,100	-	17,100
98-A-4 SE ORLANOD EXPANS	450,000	-	450,000
MCINERNEY FORD	9,000	-	9,000
ORLANDO INT'L AIRPORT	7,500	-	7,500
53990136 LITTLE LAKE BRYAN	10,000	-	10,000
53990137 217 BOSTON AVE	10,000	-	10,000
8500 VINELAND RD-OUTLET MAL	10,000	-	10,000
THE PALMS COUNTRY CL	30,000	30,000	-
INDIAN CREEK	30,000	30,000	-
53990041 GREATER GROVES 7-9	15,000	15,000	-
Mossy Oak Subdivision	2,500	2,500	-
U.S. Nutraceuticals	50,000	-	50,000
Bridle Path Subdivision	5,000	5,000	-
Mission Inn: Howey in the Hill	30,000	30,000	-
Waterman Hopital Expansion	75,000	-	75,000
ROYAL HARBOR TAVARES	30,000	30,000	-
Publix, Shepherd Rd.Lakeland	25,000	25,000	-
Juice Bowl Products, Inc.	28,000	-	28,000
337 Bill France Main Extension	8,500	8,500	-
115 Main Street main extension	4,500	4,500	-
1200 W. International Speedway	8,500	8,500	-
CRANE LAKES PH 2	10,000	10,000	-
Salvation Army on LPGA Blvd.	7,400	7,400	-
CRANE LAKES PH I	6,500	6,500	-
ABERDEEN @ ORMOND BEACH	30,000	30,000	-
New Project 1	6,000	6,000	-
Residence Inn Westwood	21,000	-	21,000
Baldwin Park NTC / Orl.	100,000	-	100,000
Reunion 545 / Or.	175,000	150,000	25,000
Bridgewater / Horizon West / Or.	110,000	110,000	-
Universal Blvd. OCCC / Or.	300,000	-	300,000
Oviedo Extension / Or.	400,000	-	400,000
Cambridge Cove Apts. / Lkld 0870103005	45,000	45,000	-
Greater Grove Project	45,000	30,000	15,000
Orlando New Apts	45,000	30,000	15,000
Daytona Unknown	50,000	25,000	25,000
Eustis Unknown	50,000	25,000	25,000
Lakeland Unknown	50,000	25,000	25,000
Orlando Unknown	175,000	150,000	25,000
St. Johns Golf & Country Club	125,000	125,000	-
Southampton Golf Club	75,000	75,000	-
54000008 MANDARIN EXP	455,000	455,000	-
SUPPLY MAIN-WORLD GOLF VLG	300,000	-	300,000
SUTTON6 LAKES	100,000	100,000	-
54980004 Ridgemoor	15,000	15,000	-

Budget 2002 Main Costs

<u>Project with Description</u>	<u>Capital Mains '02</u>	<u>Plastic</u>	<u>Steel</u>
54-069902 JAMES ISLAND	25,000	25,000	
54990023,CAMBRIDGE ESTATES	100,000	100,000	-
54001010 Summerton South residential	5,815	5,815	-
54010013 Belleview Extension	423,636	300,000	123,636
54990251 Golden Ocala	100,000	100,000	
92-B-14 SPRUCE CREEK	150,000	150,000	-
190-A-15 LADY LAKES-VILLAG	1,400,000	1,300,000	100,000
54990274 Quail Meadows phase 2	10,000	10,000	
54990282 Golfview	10,000	10,000	
136A1-15 OCALA WESTERN	120,000	120,000	
54990278 Victoria Station	13,250	13,250	
54990284 Heather Island Preserve	50,000	50,000	
54990293 Deerpath	13,541	13,541	-
KING & MCCOYS CREEK	13,800	13,800	
DALTON WOODS	23,922	23,922	-
ANTHONY RD-WINN DIXIE	14,062	14,062	
FOUNTAIN SUBD	24,283	24,283	
Palencia	350,000	350,000	
Misc. Short Main Ext. -06	750,000	750,000	
Misc.Short Main Ext. - 14	500,000	500,000	
Pier Park	125,000	125,000	
Palmetto Trace	64,000	64,000	
15...MISC. MAIN	150,000	150,000	
15..BOYD DEV.	200,000	200,000	
15..AUTUMN RIDGE	50,000	50,000	
15...HEATHBROOK	150,000	150,000	
Gulfstream	3,000,000	-	3,000,000
Total New Mains	<u>\$ 27,079,409</u>	<u>\$ 19,830,393</u>	<u>\$ 7,249,016</u>
NE 9ST & NE 14 ST	5,796	3,825	1,971
Beaver St Bare Stl	300,000	198,000	102,000
Cinderella Lane	15,000	9,900	5,100
Forest Ave	15,000	9,900	5,100
15.. NE 12TH AVE	30,000	19,800	10,200
15...SHORES	30,000	19,800	10,200
Virginia Ave. Main Replacement	8,000	5,280	2,720
Lakeland Regional Medical	7,100	4,686	2,414
Ridgewood Main Replacement / Daytona	75,000	49,500	25,500
South FL Main Replacement 0870194002 / Lkld	53,000	34,980	18,020
Lakeland Bypass Replacement	55,000	36,300	18,700
Delany & Gore / Orl	40,000	26,400	13,600
Tangerine Place / Orl	50,000	33,000	17,000
Edgewater & Par / Orl.	75,000	49,500	25,500
Tampa	300,000	198,000	102,000
St. Petersburg	300,000	198,000	102,000
Sarasota	200,000	132,000	68,000
BRIDGE B/PALM IS & HIBISCUS	30,500	20,130	10,370

Budget 2002 Main Costs

<u>Project with Description</u>	<u>Capital Mains '02</u>	<u>Plastic</u>	<u>Steel</u>
South Region's Allocation CY02	800,000	528,000	272,000
Total Main Replacements	\$ 2,389,396	\$ 1,577,001	\$ 812,395
Riverland Village Ph-2, Ft. Lauderdale	220,000	145,200	74,800
Biscayne Blvd, Aventura	155,600	102,696	52,904
Msc. Projects	100,000	66,000	34,000
SR A1A, Lighthouse Point, Offsets	80,000	52,800	27,200
Riverland Village - Phase 1	76,600	50,556	26,044
SR A1A (Indian Crk Dr), Miami Beach	68,000	44,880	23,120
Sunrise Blvd. (5) Offsets	60,000	39,600	20,400
N.W. 6 Ave, Pompano, Offsets	37,500	24,750	12,750
02-Misc	270,000	178,200	91,800
FDOT US-41 McIntosh/SR-681	200,000	132,000	68,000
Municipal - Siesta Key Project	100,000	66,000	34,000
03- Misc	72,000	47,520	24,480
11-Misc	68,000	44,880	23,120
Collier Parkway Road Widening	55,000	36,300	18,700
20th St./ Crosstown Expressway	50,000	33,000	17,000
Windhorst Ave. @ Highview Ave.	30,000	19,800	10,200
Delaware & Arizona	30,000	19,800	10,200
63rd Ave Municipal Rd Project	30,000	19,800	10,200
US 19 & TOUCAN TR HUDSON	25,000	16,500	8,500
Countyline Rd & Oakgrove Blvd	20,000	13,200	6,800
HORATIO ST AND WILLOW AVE-COT	20,000	13,200	6,800
BRYAN DAIRY & 66 ST	20,000	13,200	6,800
65th St. & 78th A/N - Pinellas	20,000	13,200	6,800
Nova Road Port Orange	150,000	99,000	51,000
SR441 Taftvineland	150,000	99,000	51,000
SR 426 (Aloma Ave.) Relocation	100,000	66,000	34,000
SR 545 / Orl	100,000	66,000	34,000
Alafaya Trail & Muculloch	100,000	66,000	34,000
SR192 Michigan	85,000	56,100	28,900
Dodd Road / Orl.	75,000	49,500	25,500
Silver Star Road & Gate Sta.	60,000	39,600	20,400
CR 545 Main Relocation	40,000	26,400	13,600
US 27 Main relocation	35,000	23,100	11,900
Nova Road Ormond Beach	25,000	16,500	8,500
INGRAM AND MYRTLE RELOCATION	20,700	13,662	7,038
International Dr. & SR 528	20,100	13,266	6,834
SR 530 B/BONNETT & SR 535	15,000	9,900	5,100
SR 500 (US 441) Main Relocate	15,000	9,900	5,100
Bay Street Main Replacement	15,000	9,900	5,100
Central Blvd. at Mills	14,000	9,240	4,760
GRIFFIN ROAD PROJECT	8,000	5,280	2,720
LANE AVE	250,000	165,000	85,000
San Juan Reloc	150,000	99,000	51,000
SW 20th Street	150,000	99,000	51,000
SW 31st Street	- - 150,000	99,000	51,000

Budget 2002 Main Costs

<u>Project with Description</u>	<u>Capital Mains '02</u>	<u>Plastic</u>	<u>Steel</u>
Beach Blvd	75,000	49,500	25,500
5TH ST /MCDUFF AVE	60,000	39,600	20,400
Airport Rd	40,000	26,400	13,600
Oak St	36,000	23,760	12,240
Point Meadows Dr.	30,000	19,800	10,200
MURRY HILL	25,000	16,500	8,500
MLK Blvd	20,000	13,200	6,800
Hath Bridge Proj	20,000	13,200	6,800
NW 14 ST & MAGNOLIA AVE	13,854	9,144	4,710
DERPATH3	8,194	5,408	2,786
SE 31ST STREET	7,818	5,160	2,658
Total Municipal Improvements	\$ 3,871,366	\$ 2,555,102	\$ 1,316,264
Shores	50,000	39,417	10,583
NE 12th Street	30,000	23,650	6,350
Westside Ind. Park	30,000	23,650	6,350
SE 24TH Terrace	25,000	19,708	5,292
Myrtle Ave Backfeed	15,000	11,825	3,175
Orlando Unknown	100,000	78,833	21,167
Daytona Unknown	50,000	39,417	10,583
Lakeland Unknown	50,000	39,417	10,583
Eustis Unknown	50,000	39,417	10,583
Millenia Blvd & Oakridge rd ex	25,000	19,708	5,292
53990132,6161 JONES AVE	25,000	19,708	5,292
02-Dale Mabry	300,000	236,500	63,500
11- Siesta Key	125,000	98,542	26,458
02-Culbreath	100,000	78,833	21,167
03- US 19 - Pasco	100,000	78,833	21,167
02-Misc	50,000	39,417	10,583
03- Misc	25,000	19,708	5,292
Las Olas Blvd @ ICWW	112,500	88,687	23,813
Collins Ave, Bal Harbour	112,500	88,687	23,813
Copans Road Backfeed	84,600	66,693	17,907
Davie Blvd & New River	50,000	39,417	10,583
Miami Gate Station Upgrade	50,000	39,417	10,583
Total Distribution System Improvements	\$ 1,559,600	\$ 1,229,484	\$ 330,116
Goldenrod, Woodlands & Silver Star Rectifiers / Ori	5,000	-	5,000
(2) Rectifier locations in Lakeland.	5,200	-	5,200
CP-54	50,000	-	50,000
General C.P. Requirements	75,000	-	75,000
Misc	120,000	-	120,000
Total Cathodic Protection	\$ 255,200	\$ -	\$ 255,200
Miscellaneous	\$ 395,005	\$ 395,005	\$ -
Total All 37600 and 37602	\$ 35,549,976	\$ 25,586,985	\$ 9,962,991

Budget 2002 Service Line Costs

<u>Project with Description</u>	<u>Total Service Cost</u>	<u>Plastic</u>	<u>Steel</u>
54990262 Villages (conservative)	\$ 1,170,799	\$ 1,054,471	\$ 116,329
51000010 Northwest Broward Expansion	220,716	198,786	21,930
52000015 South Hillsborough	215,423	194,019	21,404
52980044 Lakewood Ranch, (consolidate)	174,667	157,313	17,355
52970006 Fish Hawk Ranch	159,847	143,965	15,882
52980021 Meadowpointe 12-1 parcel 15	146,085	131,570	14,515
53990034 Falcon Trace Apartments	133,382	120,130	13,253
51000004 Fiddler's Creek	125,443	112,979	12,464
54980251 Spruce Creek	105,859	95,341	10,518
51990061 Big Sky North (a2)	100,566	90,574	9,992
51010019 Tarpon Bay Development	100,566	90,574	9,992
52980010 West Meadows (total)	100,566	90,574	9,992
52980050 Arbor Greene (total)	79,923	71,982	7,941
54001005 St. Johns Golf & Country Club	79,394	71,506	7,888
54970003 Sutton Lakes (total buildout)	74,101	66,739	7,363
52010030 Greenbrook-Lakewood Ranch	63,515	57,205	6,311
51000017 The Brooks (shadow woods)	62,457	56,251	6,206
52001003 Somerset at Mulrennan & Hwy 60	60,869	54,821	6,048
53000009 Orange Tree Subdivision	60,869	54,821	6,048
51000019 Mediterra	56,105	50,531	5,575
54990258 Top of the World	52,929	47,670	5,259
52001004 Oakstead, SR 54	50,283	45,287	4,996
54001006 Southampton Golf Club	47,637	42,903	4,733
51000030 Tiburon, Collier County	46,578	41,950	4,628
52001016 Grand Oaks, S. R. 54	44,990	40,520	4,470
52970025 Lake Saint Charles	44,461	40,043	4,418
52970019 Oak Grove (no gate now)	44,461	40,043	4,418
52990035 Waterleaf	44,461	40,043	4,418
53990043 Indian Creek (Sandhill Road)	42,344	38,136	4,207
52980042 Heron Creek North Port	40,756	36,706	4,049
52001026 Lumsden Pointe-206 Homes	40,226	36,230	3,997
52980017 Westchase (all)	38,109	34,323	3,786
51010012 Village 14, Pembroke Falls	37,051	33,369	3,681
51010020 Rookery Pointe Development	35,463	31,939	3,524
51001006 Murdock Circle Apartments	34,933	31,463	3,471
52970051 SR54 Willow Bend	34,933	31,463	3,471
53990093 The Preserves @ Windsong	34,933	31,463	3,471
52010011 Lakeridge Falls - University	33,875	30,509	3,366
52010008 Mango Road and Lake Weeks	32,816	29,556	3,261
51010006 Gulf Harbour Development	31,758	28,602	3,155
51010018 Mirasol at Golf Digest	31,758	28,602	3,155
52001012 Mulrennan/Pearson Rd	31,758	28,602	3,155
54990004 James Island	31,758	28,602	3,155
54970001 World Golf Village (lp to ng 2)	31,758	28,602	3,155
52001011 Cory Lake Isles	30,699	27,649	3,050
52010035 West Hamptom, Racetrack Rd	30,170	27,172	2,998
53990061 Ormand Beach (total)	-- 29,111	26,219	2,892

Budget 2002 Service Line Costs

<u>Project with Description</u>	<u>Total Service Cost</u>	<u>Plastic</u>	<u>Steel</u>
53990081 Southeast Orlando	29,111	26,219	2,892
51000026 US1 & Jupiter	28,582	25,742	2,840
51000032 Gateway Development	27,523	24,789	2,735
52970001 Pasco / Hernando Expansion	26,994	24,312	2,682
52990015 Bobcat Trail / Toledo Blade	26,465	23,835	2,629
53990018 Carillon Lakes	26,465	23,835	2,629
53990073 Royal Harbor (Pringle)	26,465	23,835	2,629
52970053 Brandon East	25,406	22,882	2,524
54990023 Cambridge Estates	25,406	22,882	2,524
54001001 New Berlin Road Extension	25,406	22,882	2,524
51990050 West Bay Club	23,289	20,975	2,314
51010001 The Estuary at Grey Oakes	22,230	20,022	2,209
52990077 Bloomingdale Ridge	22,230	20,022	2,209
52001013 Deerpark, Livingston Rd	22,230	20,022	2,209
52970015 Fairway Oaks (phase 3)	22,230	20,022	2,209
53990025 Crane Lakes	21,701	19,545	2,156
53000042 Hampton Park, Orange	21,172	19,068	2,104
53990106 Weston Hills (total)	21,172	19,068	2,104
52010010 Thurston Groves, 102nd Ave N	20,113	18,115	1,998
52000071 Woodberry at Lakewood	20,113	18,115	1,998
52990087 Centex & Bayshore	19,055	17,161	1,893
52990032 Van Dyke /Lakeshore Estates	19,055	17,161	1,893
52990021 Westchester	19,055	17,161	1,893
54990035 North Creek / Amelia View	19,055	17,161	1,893
53990031 Eastwood, (all)	18,525	16,685	1,841
52010025 Old Grove - Greenfield	17,996	16,208	1,788
52980025 Riverglen	17,996	16,208	1,788
52010054 Secluded Oaks-Sarasota	17,996	16,208	1,788
51990011 BallenIsles	16,408	14,778	1,630
51990019 Martin County Expansion	15,879	14,301	1,578
52001034 Brandon Ridge I	15,879	14,301	1,578
52980023 Emerald Creek	15,879	14,301	1,578
52970012 Hickory Lakes	15,879	14,301	1,578
52010050 Mc Mullen Loop Rd.-Riverview	15,879	14,301	1,578
52001014 Water Oak-Braden River Rd	15,879	14,301	1,578
52990067 Wesley Point SR54	15,879	14,301	1,578
53990026 Crescent Lakes	15,879	14,301	1,578
52010006 Camelot Woods Ph2	14,820	13,348	1,473
52000016 The Preserve at Fairway Oaks	14,820	13,348	1,473
53000058 Viscaya Subdivision	14,291	12,871	1,420
52010063 Englewood Project	13,762	12,394	1,367
52000042 East Manatee 6" Steel	13,232	11,918	1,315
52010066 Kenwood Park-University Park	13,232	11,918	1,315
52980035 Riviera Dunes	13,232	11,918	1,315
52970027 University "T&Z" Y & Park	13,232	11,918	1,315
53000050 The Reserve at Cypress Point	13,232	11,918	1,315
52001017 Danforth Place, (Richmond Pl)	--	12,703	1,262

Budget 2002 Service Line Costs

<u>Project with Description</u>	<u>Total Service Cost</u>	<u>Plastic</u>	<u>Steel</u>
52010059 Hurley Rd.@ Bloomingdale Ave.	12,703	11,441	1,262
52980034 Rosdale Highlands (combined)	12,703	11,441	1,262
52990099 Saddlebrook Village	12,703	11,441	1,262
52980037 The Hamptons	12,703	11,441	1,262
52980026 Valrico Grove	12,703	11,441	1,262
53990054 LPGA, Jubilee phase 1&2	12,703	11,441	1,262
54970002 Mayport Expansion	12,703	11,441	1,262
52010003 Berkford Place	11,644	10,488	1,157
52010076 The Oasis	11,115	10,011	1,104
51010002 Quail Woods Courtyards	10,586	9,534	1,052
52010022 River Pines Dubdivision	10,586	9,534	1,052
53000066 LAUREL VALLEY IN THE PRESERVES	10,586	9,534	1,052
53001005 Mission Inn: Howey in the Hill	10,586	9,534	1,052
53990084 Stonehurst	10,586	9,534	1,052
54990255 Lake Diamond Country Club	10,586	9,534	1,052
54000008 Mandarin Expansion	10,586	9,534	1,052
52010069 Cross Creek Section O, Phase 2	10,057	9,057	999
54001010 Summerton South residential	10,057	9,057	999
52990013 River Club South	9,527	8,581	947
52001029 Tampa Palms parcel 23	9,527	8,581	947
52980009 Ellenton	8,998	8,104	894
52000024 Willow Brook - Sarasota	8,469	7,627	841
52990063 Bloomingdale Trails	7,410	6,674	736
51990126 Cloisters on the Bay	6,881	6,197	684
52980028 Westwood Lakes	6,881	6,197	684
51990016 Egret Landing area a,b,c	6,352	5,720	631
52001032 Bayshore Trails-56 Homes	6,352	5,720	631
52000008 Hammocks - Sarasota	6,352	5,720	631
52001002 Tampa Palms 15 & 16	6,352	5,720	631
52001015 The Inlets-Pinnacle Dr	6,352	5,720	631
52990016 Villa Rosa- Sarasota	6,352	5,720	631
53001009 COUNTRY CLUB OAKS SUBDIV.	6,352	5,720	631
53990123 Waterview Subdivision	6,352	5,720	631
52970009 Brooksville Expansion	5,822	5,244	578
51990029 Island Estates	5,293	4,767	526
51010023 The Cove	5,293	4,767	526
52990028 Oakhurst	5,293	4,767	526
52990001 Venice Expansion	5,293	4,767	526
53990015 Bright Water Place	5,293	4,767	526
53990153 Silver Creek Port Orange	5,293	4,767	526
54990264 Laurel Woods	5,293	4,767	526
51990077 The Bears Club, Jupiter	4,764	4,290	473
52980022 Richmond Place (combine)	4,764	4,290	473
52990052 Lake June Estates	4,234	3,814	421
54001004 Tierra Verde (The Glades)	4,234	3,814	421
52980002 Lakeview Village #2 Sect. F &	3,705	3,337	368
52980043 Maderia Beach Expansion	--	3,337	368

Budget 2002 Service Line Costs

<u>Project with Description</u>	<u>Total Service Cost</u>	<u>Plastic</u>	<u>Steel</u>
52990072 Garrison District Channel	3,176	2,860	316
52001040 Portofino Project	3,176	2,860	316
52990036 Silver Oaks	3,176	2,860	316
52010031 The Plantations @ Tara	3,176	2,860	316
52970054 301 / 54 / Zephyrhills	3,176	2,860	316
53990065 Pennsylvannia Place	3,176	2,860	316
53990134 The Milenia Project: Conroy &	3,176	2,860	316
53001012 Winter Park Pointe	3,176	2,860	316
54980003 Baker County Expansion	3,176	2,860	316
54990251 Golden Ocala	3,176	2,860	316
54001011 THE LANDINGS OFF OF HWY 390	3,176	2,860	316
51990001 I75 Broward Expansion	2,646	2,384	263
52990026 River Crossing	2,646	2,384	263
53010034 LAKE ADAIR PLACE	2,646	2,384	263
53990091 The Park @ Wolf Branch	2,646	2,384	263
54990256 Deer Path	2,646	2,384	263
54990293 Deerpath	2,646	2,384	263
54990269 Lemonwood 2	2,646	2,384	263
54990270 Silver Meadows Central (murphy)	2,646	2,384	263
54990257 South Point	2,646	2,384	263
52000077 Emerald Pointe, Longboat Key	2,117	1,907	210
52980045 Hawks Harbor	2,117	1,907	210
52990100 Pinewalk	2,117	1,907	210
52010055 The Enclave-Sarasota	2,117	1,907	210
53990140 Gipson Green Subdivision	2,117	1,907	210
53990090 The Palms Country Club Resort	2,117	1,907	210
54990283 Diamond Crest	2,117	1,907	210
54990561 Preserve on the Bay	2,117	1,907	210
51990119 Prosperity Pines	1,588	1,430	158
52980005 Blake Project	1,588	1,430	158
52970004 Citrus Park Mall	1,588	1,430	158
52001030 Devonshire Lake Dr	1,588	1,430	158
52970033 Preston Woods (bsf)	1,588	1,430	158
52001007 The Pointe at Harbour Island	1,588	1,430	158
53990013 Biscayne Heights	1,588	1,430	158
53990071 Red Bug Loop & Acadia Woods	1,588	1,430	158
53000017 The Preserve at Interlachen	1,588	1,430	158
53990105 Westgate Resort	1,588	1,430	158
54990532 Finistere Subdivision	1,588	1,430	158
54990562 Magnolia Meadows	1,588	1,430	158
54990289 Oak Leaf	1,588	1,430	158
54010014 Run new 2" main line for Texas	1,588	1,430	158
54990537 S Jan Drive	1,588	1,430	158
54001008 S. Bertha Ave.	1,588	1,430	158
51000005 Albertson's Plaza, Pembroke Pi	1,059	953	105
52010028 ESPERANZA - BAY VISTA	1,059	953	105
52980060 Havana Heights	--	953	105

Budget 2002 Service Line Costs

<u>Project with Description</u>	<u>Total Service Cost</u>	<u>Plastic</u>	<u>Steel</u>
52000076 Hudson Street- Sarasota	1,059	953	105
52000023 Monte Verde in Prestancia	1,059	953	105
52990034 North Creek	1,059	953	105
52970039 Old Oak	1,059	953	105
52990088 Paradise Point Circle	1,059	953	105
52970044 SR52 - US19 to Little Road	1,059	953	105
53010009 Alafaya Tr. at Lake Underhill	1,059	953	105
53990108 Festival Bay Mall	1,059	953	105
53001006 The Fountains Shopping Center	1,059	953	105
53010011 115 Main Street main extension	1,059	953	105
53010014 1200 W. International Speedway	1,059	953	105
53010004 337 Bill France Main Extension	1,059	953	105
54990535 Lullwater Drive	1,059	953	105
54010022 Moonlight Bay Dr	1,059	953	105
54010006 Sewanee St. main line exst.	1,059	953	105
54990254 Shalamar	1,059	953	105
54990554 Summerwood Phase 2	1,059	953	105
54990555 Woodrun	1,059	953	105
51990076 Broward County Correctional Fa	529	477	53
51980001 Broward County Detention	529	477	53
51010005 Jupiter Park of Commerce	529	477	53
52001027 Aston Gardens ACLF	529	477	53
52010067 BAYPOINTE SUBDIVISION	529	477	53
52010044 Beef O'Brady's	529	477	53
52970043 Brookside	529	477	53
52010001 Commerce Park	529	477	53
52010058 Community Srvc's 3107 N 50th St	529	477	53
52970003 CR581/SR54 (total buildout)	529	477	53
52970050 Dade City Expansion	529	477	53
52010007 Moffitt Cancer Center	529	477	53
52010071 South Cross Bayou Water Recl	529	477	53
52010034 West Park Village	529	477	53
52001037 3409 & 3411 SAN LUIS ST.	529	477	53
52010027 5119 W. LONGFELLOW AVE.	529	477	53
53010046 Agri-Starts Inc. Extension	529	477	53
53990121 Best Western Airport Inn - 810	529	477	53
53000007 Bridle Path: Mt. Dora	529	477	53
53990023 City of Orlando	529	477	53
53010033 Del Verde Way Main Extension	529	477	53
53990047 International Festival	529	477	53
53000054 Orange County Correctional	529	477	53
53000024 Plaza Venezia	529	477	53
53000023 Publix 1910 N. John Young Pkwy	529	477	53
53001015 Publix main extension	529	477	53
53990113 The Villas at Summer Bay	529	477	53
53990096 Tuck's Knoll S/D	529	477	53
53010045 U.S. Nutraceuticals	--	529	477

Budget 2002 Service Line Costs

<u>Project with Description</u>	<u>Total Service Cost</u>	<u>Plastic</u>	<u>Steel</u>
53990098 Universal Studios Gate Staton	529	477	53
53000012 University Blvd.	529	477	53
53010026 Vacation Villages @ Parkway	529	477	53
53010030 2500 S. Kirkman Road	529	477	53
54010019 I.T. Corporation - Whitehouse	529	477	53
54990506 LaValencia S/D	529	477	53
54990514 Pelican Bay	529	477	53
54000009 Revita - Orange Park	529	477	53
54990515 Shadow Bay	529	477	53
54010021 Southeast Toyota Dist, Center	529	477	53
Project Total	<u>\$ 5,760,842</u>	<u>\$ 5,188,453</u>	<u>\$ 572,389</u>
Scattered Services	2,789,912	2,512,711	277,201
Total New Services	<u>\$ 8,550,753</u>	<u>\$ 7,701,163</u>	<u>\$ 849,590</u>
Service Replacements	691,050	440,050	251,000
Total Services	<u>\$ 9,241,803</u>	<u>\$ 8,141,213</u>	<u>\$ 1,100,590</u>

--

Projected 2003 Capital Budget

2.66% Annual compound growth in CPI 1991-2001

	Budget 2002	Adjusted 2002	Projected 2003	Adjustments to Budget 2002 for Adjusted 2002
Revenue Mains	\$ 27,079,409	\$ 23,156,311	\$ 26,772,427	5-Yr average adjusted to net out Div. 16 revenue mains plus \$3.0m for Gulfstream
Revenue Services	8,550,753	8,550,753	8,778,261	
Meters	2,719,211	2,719,211	2,791,561	
Meter Install	-	-	-	
Regulators	636,185	636,185	653,112	
Meter/Reg. Install - Res.	1,801,995	1,801,995	1,849,940	
Meter/Reg. Install - Comm.	714,650	714,650	733,665	
Industrial Installations	304,950	304,950	313,064	
Alternative Fueling Stations	10,000	10,000	10,266	
Meas. Reg. Sta. Equipment	1,419,318	1,021,403	1,048,580	5-Yr average
Major Projects	-	-	-	
Miscellaneous	-	-	-	
	<u>\$ 43,236,470</u>	<u>\$ 38,915,458</u>	<u>\$ 42,950,875</u>	
Service Replacements	\$ 691,050	\$ 691,050	\$ 709,437	
Main Replacements	2,389,396	2,389,396	2,452,970	
System Improvements	1,559,601	1,559,601	1,601,097	
Municipal Improvements	3,871,371	3,871,371	3,974,376	
Cathodic Protection	255,200	255,200	261,990	
Transportation Vehicles	2,388,009	1,655,722	2,021,866	Average b/w 2002 Budget and 5 Yr. Average net of interim & new airplanes
Communication Equipment	287,500	804,079	825,473	5-Yr average
Office Equipment	2,471,112	3,456,963	3,548,942	5-Yr average
Tools & Shop Equipment	487,100	272,357	279,604	5-Yr average
Power Operated Equipment	362,600	187,537	192,527	5-Yr average
Testing/Meas. Equipment	791,400	279,120	286,546	5-Yr average net of 1/2 of Metretek in 2002 Bud
Franchise Acquisitions	-	-	-	
Improvements to Property	1,578,300	699,883	718,504	5-Yr average net of extraordinary improvements
Improvements to Leased Property	-	-	-	
Special System Upgrade	-	-	-	
Misc. Maintenance	395,000	395,000	405,510	
Total Maintenance	<u>\$ 17,527,639</u>	<u>\$ 16,517,279</u>	<u>\$ 17,278,841</u>	
			\$ -	
Reimbursable Constr. - Net	-	-	-	
Removal Costs	1,608,000	1,608,000	1,650,784	
Total Maintenance/Removal	<u>\$ 19,135,639</u>	<u>\$ 18,125,279</u>	<u>\$ 18,929,625</u>	
Total Capital	<u>\$ 62,372,109</u>	<u>\$ 57,040,737</u>	<u>\$ 61,880,500</u>	

(1) Unless otherwise noted, Adjusted 2002 is Budget 2002.

(2) Projected 2003 is Adjusted 2002 with indicated growth.

Analysis of Revenue Capital

	Budget 2002	Actual 2001	Actual 2000	Actual 1999	Actual 1998	5-Yr Avg. 98-02
Revenue Mains	\$ 27,079,409	\$ 33,014,610	\$ 43,435,580	\$ 41,254,824	\$ 24,811,312	\$ 33,919,147
Revenue Services	8,550,753	12,430,463	12,084,822	9,539,294	6,600,443	9,841,155
Meters	2,719,211	3,304,621	3,572,548	2,578,777	1,115,810	2,658,194
Meter Install	-	-	-	-	-	-
Regulators	636,185	686,490	559,666	570,057	479,468	586,373
Meter/Reg. Install - Res.	1,801,995	2,447,242	1,849,135	1,640,178	1,211,361	1,789,982
Meter/Reg. Install - Comm.	714,650	1,332,217	1,076,180	805,486	646,259	914,958
Industrial Installations	304,950	423,795	342,607	579,188	335,147	397,137
Alternative Fueling Stations	10,000	(1,379)	11,554	8,855	-	5,806
Meas. Reg. Sta. Equipment	1,419,318	748,649	1,466,766	958,590	513,694	1,021,403
Major Projects	-	20,051	60,276	61,231	2,608,715	550,054
Miscellaneous	-	497	(112,615)	2,594,828	2,452,249	986,992
Total Revenue Producing	\$ 43,236,470	\$ 54,407,255	\$ 64,346,521	\$ 60,591,308	\$ 40,774,458	\$ 52,671,202

EXTRAORDINARY EXPENSES

Division 16 : SW FL						
Revenue Mains		15,932,298	19,362,540	17,563,304	956,036	
Revenue Services		2,303,716	1,403,774	88,797	-	
Regulators		112,813	27,976	3,763	-	
Meter/Reg. Install - Res.		170,177	16,477	21,375	-	
Meter/Reg. Install - Comm.		255,704	118,022	11,780	-	
Meas. Reg. Sta. Equipment		197,305	325,846	(152,215)	251,819	
Miscellaneous		-	-	(1,336,636)	1,341,737	
Adjusted Revenue Producing	\$ 43,236,470	\$ 38,474,957	\$ 44,983,980	\$ 43,028,004	\$ 39,818,422	\$ 41,908,367

(adjusted for italicized items).

Revenue Capital Not of Div. 16 Revenue Mains

Revenue Mains	\$ 27,079,409	\$ 17,082,311	\$ 24,073,040	\$ 23,691,520	\$ 23,855,276	\$ 23,156,311
Revenue Services	8,550,753	12,430,463	12,084,822	9,539,294	6,600,443	9,841,155
Meters	2,719,211	3,304,621	3,572,548	2,578,777	1,115,810	2,658,194
Meter Install	-	-	-	-	-	-
Regulators	636,185	686,490	559,666	570,057	479,468	586,373
Meter/Reg. Install - Res.	1,801,995	2,447,242	1,849,135	1,640,178	1,211,361	1,789,982
Meter/Reg. Install - Comm.	714,650	1,332,217	1,076,180	805,486	646,259	914,958
Industrial Installations	304,950	423,795	342,607	579,188	335,147	397,137
Alternative Fueling Stations	10,000	(1,379)	11,554	8,855	-	5,806
Meas. Reg. Sta. Equipment	1,419,318	748,649	1,466,766	958,590	513,694	1,021,403
Major Projects	-	20,051	60,276	61,231	2,608,715	550,054
Miscellaneous	-	497	(112,615)	2,594,828	2,452,249	986,992
Total Revenue Producing	\$ 43,236,470	\$ 38,474,957	\$ 44,983,980	\$ 43,028,004	\$ 39,818,422	\$ 41,908,367

	Budget 2002	Actual 2001	Actual 2000	Actual 1999	Actual 1998	98-02
Service Replacements	\$ 691,050	\$ 819,314	\$ 611,916	\$ 524,211	\$ 378,404	\$ 604,979
Main Replacements	2,389,396	959,529	842,076	803,638	1,252,729	1,249,474
System Improvements	1,559,601	1,532,359	1,928,438	1,258,053	1,624,800	1,580,650
Municipal Improvements	3,871,371	4,399,298	2,240,913	2,903,906	1,833,061	3,049,510
Catholic Protection	255,200	310,876	257,582	194,519	263,445	256,324
Transportation Vehicles	2,388,009	2,192,932	5,444,613	1,269,112	936,943	3,646,322
Communication Equipment	287,500	1,333,515	325,591	935,245	1,138,543	804,079
Office Equipment	2,471,112	1,757,394	3,229,512	3,631,820	6,194,977	3,456,963
Tools & Shop Equipment	487,100	231,978	339,811	139,990	162,908	272,357
Power Operated Equipment	362,600	112,065	82,907	36,318	343,795	187,537
Testing/Meas. Equipment	791,400	214,432	435,985	110,155	143,627	339,120
Franchise Acquisitions	-	-	-	-	-	-
Improvements to Property	1,578,300	3,150,443	3,385,005	1,741,122	171,325	2,005,239
Improvements to Leased Property	-	10,827	-	1,040	4,449	3,263
Special System Upgrade	-	-	-	-	-	-
Misc. Maintenance	395,000	473,037	127,129	580,796	507,058	416,604
Reimbursable Constr. - Net	-	804,518	(2,010,409)	2,573,138	222,050	317,860
Removal Costs	1,608,000	(4,975,326)	1,664,169	1,419,340	1,122,881	167,813
Total Maintenance/Removal	\$ 19,135,639	\$ 19,326,192	\$ 18,905,236	\$ 18,122,403	\$ 16,300,995	\$ 18,358,093

Check (s/b zero)

EXTRAORDINARY EXPENSES

Transportation Vehicles		\$ 6,120,643	\$ 3,832,354			
Interim Airplane S/11 (Div. 90)			722,161	3,201,120		
New Airplane Bravo (Div. 90)			5,398,482	631,234		
Removal Costs		\$ (5,945,929)				
Airplane Removal (Div. 90)			(4,170,000)			
Building Removal (Div. 01)			(1,775,929)			
Office Equipment (Div. 90)				\$ 3,213,288	\$ 5,152,494	
Interplant					253,215	
Gas Mgt. System					1,078,950	
Centralized SCADA					561,489	
Meter Reading Repl Project					309,013	
GOFR Data Network						125,746
Service Order Auto. Sys.					699,575	2,043,248
PC & Laptop Upgrade					194,818	1,561,217
Upgrade Network Servers					116,228	1,402,283
Improvements to Property	\$ 1,152,500	\$ 2,711,597	\$ 1,873,575	\$ 789,109		
N. Miami Local Ops Coconut Creek (01)			411,406	507,367		
South Region Office Sunrise (01)	1,152,500	865,495				
SW FL on Enterprise (16)		1,000,333				
FL Myers Yard (16)		67,270				
Palm Beach Operations Facility (13)		267,093		293,124		
Sarasota Operations Building (11)				1,073,064	248,307	
Daytona Div. Office (09)					540,806	
Municipal Improvements		\$ 2,755,030				
Riverland Village (01)		152,780				
Collins Ave Reconstruction (01)		80,729				
Powerline Road Govt Improv (01)		93,639				
Collier Parkway Road Widening (02)		87,293				
S R. 54 - DOT (02)		180,233				
CR 545 Main Relocation (04)		102,549				
Bennet Road Relocation (04)		78,379				
SR 426 (Aloma Ave) Relocation (04)		91,995				
Lake Underhill Road Project (04)		112,491				
Holden Heights replacement (04)		148,123				
SR 506 (US 441) Main Relocate (05)		271,211				
San Juan Relocation (06)		98,287				
Blanding Blvd @ Cedar (06)		197,783				
Fouraker Rd Relocation (06)		221,369				
63rd Ave Municipal Rd Project (11)		267,075				
Municipal - Clarke Rd (11)		181,036				
San Carlos at US 41 (10)		410,056				
Misc. Maintenance		\$ 62,320	\$ 186,231	\$ 484,202		
Network Modeling Svcs.		62,320		192,275		276,998
Mapping & Gas Distr System				(6,044)		207,204
Testing/Measuring Equipment	\$ 300,000					
Adjusted Maintenance/Removal	\$ 17,683,139	\$ 16,439,881	\$ 13,199,307	\$ 17,333,294	\$ 16,300,995	\$ 16,191,323

(adjusted for italicized items)

Maintenance Capital Net of Adjustments

Service Replacements	\$ 691,050	\$ 819,314	\$ 611,916	\$ 524,211	\$ 378,404	\$ 604,979
Main Replacements	2,389,396	959,529	842,076	803,638	1,252,729	1,249,474
System Improvements	1,559,601	1,532,359	1,928,438	1,258,053	1,624,800	1,580,650
Municipal Improvements	3,871,371	4,399,298	2,240,913	2,903,906	1,833,061	3,049,510
Catholic Protection	255,200	310,876	257,582	194,519	263,445	256,324
Transportation Vehicles	2,388,009	2,072,289	1,612,259	1,269,112	936,943	1,655,722
Communication Equipment	287,500	1,333,515	325,591	935,245	1,138,543	804,079
Office Equipment	2,471,112	1,757,394	3,229,512	3,631,820	6,194,977	3,456,963
Tools & Shop Equipment	487,100	231,978	339,811	139,990	162,908	272,357
Power Operated Equipment	362,600	112,065	82,907	36,318	343,795	187,537
Testing/Meas. Equipment	491,400	214,432	435,985	110,155	143,627	279,120
Franchise Acquisitions	-	-	-	-	-	-
Improvements to Property	425,800	438,846	1,511,430	952,013	171,325	699,883
Improvements to Leased Property	-	10,827	-	1,040	4,449	3,263
Special System Upgrade	-	-	-	-	-	-
Misc. Maintenance	395,000	473,037	127,129	580,796	507,058	416,604
Reimbursable Constr. - Net	-	804,518	(2,010,409)	2,573,138	222,050	317,860
Removal Costs	1,608,000	970,603	1,664,169	1,419,340	1,122,881	1,356,999
Total Maintenance/Removal	\$ 17,683,139	\$ 16,439,881	\$ 13,199,307	\$ 17,333,294	\$ 16,300,995	\$ 16,191,323

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

11

TO: Frank Sivard UTILITY: TECO-Peoples Gas System

AUDIT MANAGER: Joe Rohrbacher PREPARED BY: Roger W. Fletcher

REQUEST NUMBER: 11 DATE OF REQUEST: 8/07/02 (2:00 PM 8/6/02)

AUDIT PURPOSE: TECO Gas Rate Case - Docket No. 020384-GU

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 8/02/02
REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
 OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

Please provide a detail of the individual construction projects included in the Monthly Plant Addition Summary, Schedule G-1, Lines 4, 5, 10, and 11, Accounts 376, 376.02, 380, and 380.02, page 211 of the Minimum Filing Requirements (MFRs). This detail should show a description or name of each construction project, total dollars associated with the project, and the month plant addition was included in the Monthly Plant Addition Summary.

TO: AUDIT MANAGER

DATE: 8/12/02

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) HAS BEEN PROVIDED TODAY
- (2) CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY: _____
- (3) AND IN MY OPINION, ITEM(S) _____ IS (ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL. THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.
- (4) THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

J. Paul Higgins
(SIGNATURE AND TITLE OF RESPONDENT)

Distribution: Original: Utility (for completion and return to Auditor)
Copy: Audit File

EXHIBIT 2

**Capital Main Assumptions
Response to Asset Request Number 11**

<u>Project with Description</u>	<u>Capital Mains '02</u>
1 St. Johns Golf & Country Club	\$125,000
2 Southampton Golf Club	\$75,000
3 54000008 MANDARIN EXP	\$455,000
4 SUPPLY MAIN-WORLD GOLF VLG	\$300,000
5 SUTTON6 LAKES	\$100,000
6 54980004 Ridgemoor	\$15,000
7 54-069902 JAMES ISLAND	\$25,000
8 54990023,CAMBRIDGE ESTATES	\$100,000
9 54001010 Summerton South residential	\$5,815
10 54010013 Belleview Extension	\$423,636
11 54990251 Golden Ocala	\$100,000
12 92-B-14 SPRUCE CREEK	\$150,000
13 190-A-15 LADY LAKES-VILLAG	\$1,400,000
14 54990274 Quail Meadows phase 2	\$10,000
15 54990282 Golfview	\$10,000
16 136A1-15 OCALA WESTERN	\$120,000
17 54990278 Victoria Station	\$13,250
18 54990284 Heather Island Preserve	\$50,000
19 54990293 Deerpath	\$13,541
20 KING & MCCOYS CREEK	\$13,800
21 DALTON WOODS	\$23,922
22 PALMETTO TRACE	\$64,000
23 ANTHONY RD-WINN DIXIE	\$14,062
24 FOUNTAIN SUBD	\$24,283
25 Palencia	\$350,000
26 Misc. Short Main Ext. -06	\$750,000
27 15...MISC. MAIN	\$150,000
28 15..BOYD DEV.	\$200,000
29 15..AUTUMN RIDGE	\$50,000
30 15...HEATHBROOK	\$150,000
31 NE 9ST & NE 14 ST	\$5,796
32 SW 20th STREET	\$150,000
33 SW 30th STREET	\$150,000
34 Beaver St Bare Stl	\$300,000
35 Cinderella Lane	\$15,000
36 15.. NE 12TH AVE	\$30,000
37 15...SHORES	\$30,000
38 LANE AVE	\$250,000
39 Beach Blvd.	\$75,000
40 San Juan Reloc	\$150,000
41 5TH ST /MCDUFF AVE	\$60,000
42 Airport Rd	\$40,000
43 Oak Street	\$36,000
44 Point Meadows Dr.	\$30,000
45 MURRY HILL	\$25,000
46 MLK Blvd	\$20,000
47 Westside Ind. Pk.	\$30,000
48 Hath Bridge Proj	\$20,000
49 Misc. Short Main Ext. - 14	\$500,000
50 NW 14 ST & MAGNOLIA AVE	\$13,854
51 DERPETH3	\$8,194
52 SE 31ST STREET	\$7,818
53 Shores	\$50,000
54 NE 12th Street	\$30,000
55 SE 24TH Terrace	<u>\$25,000</u>
	\$7,332,971

CENTRAL REGION
BUDGET 2002 MAIN COST

<u>Project with Description</u>	<u>Capital Mains '02</u>
1 UCF - Academic Villages	\$15,000
2 Super Target at Hunter's Creek	\$10,000
3 Thornton Rd. main installation	\$15,000
4 Custom Fabs, 109 5th St.	\$10,000
5 Orange County Animal Control	\$15,000
6 2024 Wellfleet Ct./Auto Body	\$10,000
7 Sand Lake Pointe Apartments	\$10,000
8 The Waverly at Lake Eola	\$25,000
9 Perle Du Lac, Winter Park	\$4,500
10 1300 Brookhaven Dr	\$5,000
11 53000024, SAND LK RD & PHIL	\$9,900
12 2550 MICHIGAN AVE	\$8,800
13 The Fountains Shopping Center	\$5,000
14 Central Ave Elementary School	\$25,000
15 Orange Tree Subdivision: US 27	\$30,000
16 VALENCIA Woods Apartments	\$15,000
17 53000026, 325 S ORANGE AVE	\$17,500
18 CRESENT LAKE SUBDIVISION	\$40,000
19 Waterford Point Apartments	\$23,000
20 SUMMER BAY RESORT CLERMONT	\$5,000
21 WESTGATE TIMESHARE RESORT	\$25,000
22 ATRIA, RED BUG LAKE RD	\$17,100
23 98-A-4 SE ORLANOD EXPANS	\$450,000
24 MCINERNEY FORD	\$9,000
25 ORLANDO INT'L AIRPORT	\$7,500
26 53990136 LITTLE LAKE BRYAN	\$10,000
27 53990137 217 BOSTON AVE	\$10,000
28 8500 VINELAND RD-OUTLET MAL	\$10,000
29 THE PALMS COUNTRY CL	\$30,000
30 Forest Ave	\$15,000
31 INDIAN CREEK	\$30,000
32 INGRAM AND MYRTLE RELOCATION	\$20,700
33 53990041 GREATER GROVES 7-9	\$15,000
34 Myrtle Ave. Backfeed	\$15,000
35 Mossy Oak Subdivision	\$2,500
36 GRIFFIN ROAD PROJECT	\$8,000
37 U.S. Nutraceuticals	\$50,000
38 Bridle Path Subdivision	\$5,000
39 Mission Inn: Howey in the Hill	\$30,000
40 Waterman Hopital Expansion	\$75,000
41 ROYAL HARBOR TAVARES	\$30,000
42 337 Bill France Main Extension	\$8,500
43 115 Main Street main extension	\$4,500
44 1200 W. International Speedway	\$8,500
45 CRANE LAKES PH 2	\$10,000
46 Salvation Army on LPGA Blvd.	\$7,400

47 CRANE LAKES PH I	\$6,500
48 ABERDEEN @ ORMOND BEACH	\$30,000
49 Virginia Ave Main Replacement	\$8,000
50 Residence Inn Westwood	\$21,000
51 Baldwin Park NTC / Orl.	\$100,000
2 Reunion 545 / Orl.	\$175,000
53 Bridgewater / Horizon West / Orl.	\$110,000
54 Universal Blvd. OCCC / Orl.	\$300,000
55 Oviedo Extension / Orl.	\$400,000
56 Greater Grove Project	\$45,000
57 New Project 1	\$6,000
58 Orlando New Apts	\$45,000
59 Daytona Unknown	\$50,000
60 Eustis Unknown	\$50,000
61 Orlando Unknown	\$175,000
62 Ridgewood Main Replacement / Daytona	\$75,000
63 Delany & Gore / Orl	\$40,000
64 Tangerine Place / Orl	\$50,000
65 Edgewater & Par / Orl.	\$75,000
66 Nova Road Port Orange	\$150,000
67 SR441 Taftvineland	\$150,000
68 SR 426 (Aloma Ave.) Relocation	\$100,000
69 SR 545 / Orl	\$100,000
70 Alafaya Trail & Muculloch	\$100,000
71 SR192 Michigan	\$85,000
72 Dodd Road / Orl.	\$75,000
73 Silver Star Road & Gate Sta.	\$60,000
74 CR 545 Main Relocation	\$40,000
75 US 27 Main relocation	\$35,000
76 Nova Road Ormond Beach	\$25,000
77 International Dr. & SR 528	\$20,100
78 SR 530 B/BONNETT & SR 535	\$15,000
79 SR 500 (US 441) Main Relocate	\$15,000
80 Bay Street Main Replacement	\$15,000
81 Central Blvd. at Mills	\$14,000
82 Orlando Unknown	\$100,000
83 Daytona Unknown	\$50,000
84 Eustis Unknown	\$50,000
85 Millenia Blvd & Oakridge rd ex	\$25,000
86 53990132,6161 JONES AVE	<u>\$25,000</u>
	\$4,213,000

State of Florida



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE : October 1, 2002

TO : **ROGER W. FLETCHER**
UTILITY SYSTEMS ENGINEER
BUREAU OF SAFETY
DIVISION OF AUDITING & SAFETY, TALLAHASSEE

FROM : **LOVEDALE C. PETERSIDE**
UTILITY SYSTEMS ENGINEER
BUREAU OF SAFETY
DIVISION OF AUDITING & SAFETY, TAMPA

RE : **PEOPLES GAS SYSTEM RATE CASE, DOCKET NO. 020384-GU/PLANT ALLOCATION (SCHEDULE B-5 & CONSTRUCTION BUDGET 2002 FOR MAINS & SERVICES) FOR TAMPA, ST. PETERSBURG AND SARASOTA OPERATIONAL AREAS**

BRIEF

Staff was directed to verify the plant additions and common plant allocations for Peoples Gas System as contained in its Minimum Filing Requirements (MFRs), Docket Number 020384-GU, Schedule B-5, Accounts 374 and 375, pages 2 of 4, 3 of 4 and 4 of 4. Schedule G-1, lines 4, 5, 10 and 11, Accounts 376, 376.02, 380 and 380.02, page 211 of the MFRs were reviewed as part of this evaluation. The directive also included a review to determine the appropriateness of the common plant allocations and the reasonableness of the projected plant additions in Lakeland, Tampa, St. Petersburg, Sarasota and Highland Operational areas of Peoples Gas System.

An evaluation was conducted in each of the above-mentioned operational areas from September 10-31, 2002. The evaluation includes record verifications, discussion with the management and on-site verification to determine the use and usefulness of individual structure and parcels of land. The evaluation also determined the existence of vacant offices not in use and land not predominantly used for utility purposes. This evaluation also established an allocation percentage based on square footage if partial use is determined. The evaluation findings, determination, and allocations are discussed in this report accordingly.

-2-

Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

RECOMMENDATION

It is recommended that the determinations and allocations as contained in this report should be entered into the record of Peoples Gas System Rate Case, Docket Number 020384-GU and that all necessary allocations and adjustment be made by the Commission staff accordingly.

DISCUSSION

Staff evaluation of Schedule B-5 "ALLOCATION OF COMMON PLANT" is focused on the line items, account number, description, the cost associated with the plant and the address (operational area). The findings and allocations according to each account are stated as follows:

LAKELAND OPERATIONAL AREA

SCHEDULE B-5, PAGE 2 OF 4 - LAKELAND LANDS

LINE 41 - Account #374 - Land - \$1,245 - Lakeland-Peachtree Plant site (parcel #1)

This land is located between Peachtree Street and Kathleen Road in Lakeland. It is the main plant site where the office and the warehouse buildings are located. It is also called the main operation center for Lakeland operational area. The land is used for regulated and nonregulated utilities (large propane storage tank). This allocation is based on percentage of square footage of nonutilization of the property. The evaluation of this account determined the following:

The total area footage of the land is $195' \times 377' = 73,515$ sq. ft.

The total area footage for nonutility usage is $195' \times 100' = 19,500$ sq. ft.

Percentage (%) of nonutility usage = $19,500/73,515 \times 100 = \underline{26.5\%}$

Amount allocated for nonutility usage = $0.265 \times \$1,245 = \underline{\$330}$

--

-3-

Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

SCHEDULE B-5, PAGE 4 OF 4 - LAKELAND STRUCTURES

LINE 44 - Account #375 - Structure - \$552,432 - Lakeland Office Building - Kathleen Road

The description of this account includes the Lakeland main office building at Kathleen Road, which is also called the main operation center. It was determined that this facility is used for both regulated and nonregulated operation. Therefore, this account should be allocated based on percentage of square footage of nonregulated utilization. The calculation is as follows:

Total building area footage = $113' \times 40' + 65' \times 62' = 8,550$ sq. ft.

Total area footage for sales display lobby = $40' \times 26' = 1,040$ sq. ft.

Total footage for vacant lobby space = $26' \times 15' = 390$ sq. ft.

Total footage for nonutility office space usage (2 offices for TECO Partners usage) = $13' \times 13' + 12' \times 13' = 325$ sq. ft.

Total footage for nonutility usage = $390 + 325$ sq. ft. = 715 sq. ft.

Percentage (%) of nonutility usage = $715/8,550 \times 100 = 8.4\%$

Amount allocated for nonutility usage = $0.084 \times \$552,342 = \underline{\$46,397}$

LINE 45 - Account #375 - Lakeland Warehouse - \$86, 208

An evaluation of this warehouse determined that the building is used to store materials for natural gas pipeline operations. It contains pipe fittings, fusion sockets, manifolds, valves, regulators, fusion equipments, pipeline markers, etc. Therefore, the allocation for this warehouse should be 100 percent regulated utility usage.

--

-4-

Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

This evaluation also determined that there are 15 employees in the Lakeland office, 13 of these employees are assigned to regulated utility operations only and two are assigned to nonutility. To determine the ratio of total square footage per total number of employees occupying each office building in Lakeland:

$$\frac{\text{Total building footage}}{\text{Number of Employees}} = \frac{8,550 \text{ sq. ft.}}{15} = 570 \text{ sq. ft./employee}$$

CONSTRUCTION BUDGET FOR THE HISTORIC BASE YEAR + 1

SCHEDULE G-1, LINES 4, 5, 10 & 11, PAGE 211 OF MFRs

ACCOUNTS #376, 376.02, 380 AND 380.02

LAKELAND BUDGET 2002 MAIN COSTS

Publix, Shepard Road, Lakeland - \$25,000

This project has been completed in 2002.

Juice Bowl Products, Inc. - \$28,000

This project has been completed in 2002.

Cambridge Cove Apartments - \$45,000

This project has been completed in 2002.

Lakeland Regional Medical - \$7,100

This project has been completed in 2002.

South Florida Main Replacement - \$53,000

This project has been completed in 2002.

Lakeland Bypass Replacement - \$55,000

This project is ongoing.

--

-5-

Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

Ingram and Myrtle Relocation - \$20,700
This project has not been performed.

Griffin Road Project - \$8,000
This project has been completed in 2002.

LAKELAND BUDGET 2002 SERVICE LINE COST

Project #53990018 - Carillon Lakes - \$26,465
This project started in 1999 and is still ongoing.

SARASOTA OPERATIONAL AREA

SCHEDULE B-5, PAGE 2 OF 4 - SARASOTA LANDS

LINE 45 - Account #374 - Sarasota Land - Gate Station, 12th & Central - \$50,000

This account contains the above land that was purchased from Florida Gas Transmission Company. It includes a pipeline easement that measures approximately 20 feet wide and 5.3 miles long and a natural gas pressure regulating station at 12th Street and Central Avenue. The easement stretches from Oneco Gate Station in Bradenton, Manatee County to 12th and Central Avenue in Sarasota, Sarasota County. The evaluation determined that the easement, and the gate station should be allocated to regulated utility operation.

SCHEDULE B-5, PAGE 4 OF 4 - SARASOTA STRUCTURES

LINE 3 - Account 375 - Structures - Sarasota Office Building - \$11,352

This is the Sarasota operational area main office building and warehouse. It is located at Vico Court in Sarasota International Industrial Park. The evaluation determines that the building is used for regulated utility and nonregulated utility; therefore, the allocation should be based on percentage of square footage of nonutility usage. The overall footage of the building including the warehouse is as follows:

--

-6-

Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

Total footage of the building with warehouse = $125' \times 90' = 11,250$ sq. ft.

Total footage of the warehouse only is $90' \times 30' = 2,700$ sq. ft.

Total footage of the building without the warehouse is $11,250 - 2,700$ sq. ft.

Total footage for nonutility usage = $21' \times 21' = \underline{441}$ sq. ft.

Percentage of nonutility usage = $441/8,550 \times 100 = 5.2\%$

Amount allocated for nonutility usage = $0.052 \times \$11,352 = \underline{\$590}$

LINE 4 - Account 375 - Structure - Sarasota Storage Shed - \$10,877

The storage shed is used for the storage of natural gas operation related equipments, tools, plastic pipeline, manifolds, etc. The shed measures $40' \times 16' = 640$ sq. ft. The evaluation determined that the storage shed is used for regulated utility operation and therefore should be 100 percent allocated for regulated utility.

LINE 5 - Account 375 - Structure - Sarasota Warehouse - \$4,936

The Sarasota Warehouse is part of the main office building structure. The evaluation determined that the warehouse is used to store materials for natural gas operations. It contains materials such as pipe fittings, regulator parts, flanges, repair kits, meters, valves and other equipment used for regulated utility. It is therefore recommended that the warehouse should be inclusive in the base and 100 percent allocated for regulated utility utilization. The warehouse measures $90' \times 30' = 2,700$ sq. ft.

During the evaluation, it was also determined that the Sarasota operational area has 34 employees; 31 who are assigned to regulated utility operation, while 3 employees are for nonregulated operations. The ratio of total footage per number of employee occupying each office building:

<u>Total building footage</u>				<u>\$11,250</u>
Number of employees	=	34	=	330 sq. ft./employee

--

-7-

Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

CONSTRUCTION BUDGET FOR HISTORIC BASE YEAR + 1

SCHEDULE G-1, LINE 4, 5, 10 & 11, PAGE 211 OF MFRs

ACCOUNTS #376, 376.02, 380, & 380.02

SARASOTA BUDGET 2002 MAIN & SERVICE LINE COSTS

There are three groups of Construction Projects that will be presented in this report:

Group A details projects that have been completed in 2002 or still ongoing.

Group B details the Construction Project that was completed prior to 2002.

Group C details the Construction Project that has been suspended.

GROUP A - MAIN

<u>PROJECT #</u>	<u>LOCATION</u>	<u>STATUS</u>	<u>RECOMMENDATION</u>	<u>COST</u>
52010011	Lakeridge Falls-University	In Progress	Allocate for rate base	\$ 57,700
52010025	Old Grove-Greenfield		" "	
			27,200	
52010030	Greenbrook-Lakewood Ranch	"	"	96,000
52010066	Kenwood Park-University Park	"	"	20,000
52010063	Englewood	"	"	148,500
52000023	Monte Verde in Prestancia	Completed 2002	"	1,600
52990035	Waterleaf	In Progress	"	67,200
52001015	The Inlets-Pinnacle Dr.	"	"	9,600
52980035	Riviera Dunes	"	"	50,200
52980034	Rosdale Highlands (combined)	"	"	19,200
52990013	River Club South	Completed 2002	"	14,400
52990036	Silver Oak	In Progress	"	4,800
52990016	Vila Rosa-Sarasota	Completed 2002	"	9,600
52980042	Heron Creek-North Port	In Progress	"	74,600
52990015	Bobcat Trail/Toledo Blade	"	"	53,000
	Englewood Project	-- "	"	450,000
	East Manatee Project	"	"	450,000

-8-

Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

GROUP B - MAIN

<u>PROJECT #</u>	<u>LOCATION</u>	<u>STATUS</u>	<u>RECOMMENDATION</u>	<u>COST</u>
52010022	River Pines Subdivision	Completed 2001	Disallow	\$ 16,000
52010031	The Plantation @ Tara	"	"	4,800
52010054	Secluded Oaks-Sarasota	"	"	27,200
52010055	The Enclave-Sarasota	"	"	3,200
52970027	University "T&Z" Y&Park	Completed 1997	"	20,000
52980044	Lakeland Ranch(consolidate)	Completed 2001	"	264,000
52000024	Willow Brook-Sarasota	"	"	12,800
52000008	Hammock-Sarasota	"	"	9,600
52000076	Hudson Street-Sarasota	"	"	1,600
52000077	Emerald Pointe-Longboat Key	"	"	3,200
52001014	Water Oak-Braden River Road	"	"	24,000
52001040	Portofino Project	"	"	4,800
52990001	Venice Expansion	"	"	73,000
52980037	The Hampton	Completed 2000	"	19,200
52980009	Ellenton	"	"	26,600
52980005	Blake Project	"	"	21,900
52980045	Hawks Harbor	Completed 1999	"	3,200

GROUP C

52010065	Heritage Harbor	Suspended to 2003	"	20,800
----------	-----------------	-------------------	---	--------

SERVICE LINE - GROUP A

52980044	Lakewood Ranch (consolidate)	In Progress	Allocate	\$174,667
52010030	Greenbrook-Lakewood Ranch	"	"	63,515
52990035	Waterleaf	"	"	44,461
52010011	Lakeridge Falls-University	"	"	33,875
52990015	Bobcat Trail/Toledo Blade	"	"	26,465
52010025	Old Grove-Greenfield	"	"	17,996
52010054	Secluded Oaks-Sarasota	"	"	17,996
52010063	Englewood Project	"	"	13,762
52000042	East Manatee 6" Steel	"	"	13,232
52010066	Kenwood Park-Univ. Park	-- "	"	13,232
52980035	Riviera Dunes	"	"	13,232

-9-

Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

<u>PROJECT #</u>	<u>LOCATION</u>	<u>STATUS</u>	<u>RECOMMENDATION</u>	<u>COST</u>
52970027	University "T&Z" Y&Park	In Progress	Allocate	13,232
52980034	Rosdale Highlands(combined)	"	"	12,703
52980037	The Hamptons	"	"	12,703
52010022	River Pines Subdivision	"	"	10,586
52990013	River Club South	"	"	9,527
52000024	Willow Brook	"	"	8,469
52000008	Hammock-Sarasota	"	"	6,352
52001015	The Inlets-Pinnacle Dr.	"	"	6,352
52990016	Villa Rosa-Sarasota	"	"	6,352
52001040	Portofino Project	"	"	3,176
52990036	Silver Oaks	"	"	3,176
52010031	The Plantation @ Tara	"	"	3,176
52000077	Emerald Pointe-Longboat Key	Completed 2002	"	2,117
52980045	Hawks Harbor	"	"	2,117
52010055	The Enclave-Sarasota	"	"	2,117
52980005	Blake Project	"	"	1,588
52000076	Hudson Street-Sarasota	"	"	1,059
52980060	Havana Heights	"	"	1,059
52000023	Monte Verde in Prestancia	In Progress	"	1,059
52990034	North Creek	"	"	1,059
52970039	Old Oak	"	"	1,059
GROUP - B				
52990001	Venice Expansion	Completed 2001	Disallow	5,292
52980009	Ellenton	"	"	8,998

TAMPA OPERATIONAL AREA

SCHEDULE B-5, PAGE 2 OF 4 - TAMPA LAND

LINE #5 - Account 374 - Tampa Easement - Nebraska Avenue from Bird Street South 432 ft. - \$5,334

--

-10-

Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

This account showed the purchase of an easement for the installation of 8-inch steel pipeline along Nebraska Avenue to the corner of Bird Street. The evaluation determined that the easement is used for natural gas operations and therefore should be allocated 100 percent to regulated utility.

LINE #6 - Account 374 - Tampa Land - Gate Station @Lithia Pinecrest Road - \$8,000

The total area footage of this land is 50' x 50' = 2,500 sq. ft., and the land is used for natural gas measurement gate station. The evaluation determined that the stated amount should be 100 percent allocated to regulated utility.

LINE #7 - Account 374 - Tampa Land Right Purchase for NW Gate Station - 6,000 sq. ft. - \$8,909

This land is used for the WestChase natural gas measuring gate station. The evaluation determined that the facility is used for regulated utility and therefore should be 100 percent allocated for regulated utility.

LINE #8 - Account 374 - Tampa Land-CSX RR property west of 13th Street @Frank Adamo Drive - 25,689 sq. ft. legal description - \$7,960

The evaluation determined that this parcel of land was purchased from CSX Railroad, in order to extend the existing property for natural gas operations. The land also contained some contaminated soil caused by a past manufacturing gas operation. It is under the Department of Environmental Protection (DEP) monitoring requirement. The allocation should be 100 percent regulated utility usage.

LINE #9 - Account 374 - Tampa Land-Estuary Plant, 1300 North 13th Street, Tampa, Parcel #1 - 207,000 sq. ft. total area footage - \$41,799

This land is the main plant site that includes the offices, warehouse, operation center, distribution operations, welding shop, transportation facility, storage and parking. This land also contains four large propane storage tanks occupying a piece of land measuring 140' x 140'. The evaluation determined that the land is leased to Horizon Propane Company for storage purposes only. There is no Horizon staff or office on the premises. The 19,600 sq. ft. of land should be considered nonutility usage and therefore should be allocated as follows:

--

-11-

Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

Percentage (%) of nonutility usage = $19,600/20,700 \times 100 = 9.5\%$

Amount allocated for nonutility usage = $.095 \times \$41,799 = \underline{\$3,971}$

LINE #10 - Account 374 - Tampa Land-Estuary Plant, South of Railroad, Tampa, Parcel #2 - 28,500 sq. ft. total footage - \$2,760

This land is located south of the main plant site, and it is partially leased for propane and compressed natural gas activities. There is a natural gas pressure regulator station that supplies gas to the compressed natural gas filling station and a propane refilling station for filling propane tanks on the site. An evaluation determined that the area used for regulated utility and nonregulated utility is as follows:

Total area used for regulated utility is $60' \times 60' = 3,600$ sq. ft.

Total area used for nonregulated utility is $28,500 - 3,600$ sq. ft. = 24,900 sq. ft.

Percentage usage for nonregulated utility is $24,900/28,500 \times 100 = 87.4\%$.

Amount allocated for nonregulated utility is $0.874 \times \$2,766 = \underline{\$2,418}$.

LINE #11 - Account 374 - Tampa Land - Port Sutton Gate Station @ 78th & Madison Street, Parcel #3 - 10,000 sq. ft. total footage - \$4,939

This land is utilized for natural gas measurement gate station, which is considered a regulated utility. It should therefore be allocated 100 percent to regulated utility.

SCHEDULE B-5, PAGE 3 OF 4 - Tampa Structures

LINE #18 - Account 375 - Tampa Office Building - Channelside & 13th Street - \$1,997,062

This building is the main operational facility for PGS Tampa operational area. It houses the regulated and nonregulated utility operations. The allocation of this facility will be based on the percentage of square footage of nonutility property. The nonutility usage is the square footage leased to TECO Partners which is a nonregulated utility operation. The evaluation determined the following:

-13-

Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

LINE #22 - Account 375 - Storage Building - \$5,370

This storage building is used to store tools and heavy equipments such as backhoes, ditch witch and some distribution trucks. It measures 20' x 40' with a 40' x 90' overhang. An evaluation determined that the building should be allocated 100 percent regulated utility usage.

LINE #23 - Account 375 - Transportation Building - \$56,180

This building contains natural gas industrial meters and is also a vehicle repair shop. Since all the vehicles are used for regulated utility, it is recommended that the building be allocated 100% regulated utility usage. The building measures 30' x 40'.

LINE #24 - Account 375 - Warehouse Building - \$140,674

This building measures 60' x 100'. It is used to store residential meters, pipe fittings, repair kits, regulators, cathodic protection equipments, manifolds, valves and other natural gas operation and distribution equipments. It is therefore recommended that the building be 100 percent regulated utility usage. The building measures 60' x 100'.

LINE #25 - Account 375 - Tampa Welding Shop - \$20,312

The building measures 30' x 30', it and contains welding machinery and equipment used to weld and construct natural gas pressure regulation stations. It is also used to conduct tests for new welders attempting to weld on natural gas steel pipes. The evaluation determined that the building should be 100 percent allocation for regulated utility usage.

This evaluation also determined that there are 110 employees at the PGS Tampa Operation Facility, 100 of who are assigned to different responsibilities relating to regulated utility operation and ten who are assigned to nonregulated activities. To determine the ratio of total square footage per employee occupying each office building:

$$\frac{\text{Total building footage}}{\text{Total number of employees}} = 16,865/110 = 153 \text{ sq. ft./employees}$$

-14-

Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

CONSTRUCTION BUDGET FOR HISTORICAL BASE YEAR +1

SCHEDULE G-1, LINE 4, 5, 10 & 11, PAGE 211 OF MFRs

TAMPA BUDGET 2002 MAIN & SERVICE LINE COST

GROUP A - MAINS

<u>PROJECT #</u>	<u>LOCATION</u>	<u>STATUS</u>	<u>RECOMMENDATION</u>	<u>COST</u>
52010044	Beef O'Brady's	Completed 2002	Allocate	\$ 7,300
52010058	Community Services	"	"	31,000
52010003	Berkford Place	In Progress	"	24,000
52001011	Cory Lake Isles	"	"	52,900
52990032	Van Dyke/Lakeshore	"	"	28,800
52010026	Belle Vista Subdivision	"	"	19,200
52010034	West Park Village	"	"	7,300
52980010	West Meadow	"	"	152,000
52010052	Waterchase	"	"	90,600
52010081	Seven Oaks	"	"	40,000
52010008	Mango Rd/Lk Weeks	"	"	179,000
52980017	WestChase	"	"	57,600
52970006	Fish Hawk Ranch	"	"	278,300
52970019	Oak Grove	"	"	67,200
52980050	Arbor Greene	"	"	120,800
52990099	Saddle Brook Village	"	"	19,200

GROUP A - SERVICE LINES

52000015	South Hillsborough	"	"	220,716
52970006	Fish Hawk Ranch	"	"	159,847
52980021	Meadowpointe	Completed 2002	"	146,085
52980010	West Meadows	"	"	100,566
52980050	Arbor Greene	In Progress	"	79,923
52001003	Somerset @ Mulrennan	"	"	60,869
52001004	Oakstead, SR54	"	"	50,283
52001016	Grand Oaks, SR 54	"	"	44,990
52970025	Lake Saint Charles	- -	"	44,461

Memorandum

October 1, 2002

-15-

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

<u>PROJECT #</u>	<u>LOCATION</u>	<u>STATUS</u>	<u>RECOMMENDATION</u>	<u>COST</u>
52970019	Oak Grove	In Progress	Allocate	44,461
52001026	Lumsden Pointe	"	"	40,226
52980017	WestChase	"	"	38,109
52970051	SR 54 Willow Bend	"	"	34,933
52010008	Mango Rd/Lk. Weeks	"	"	32,816
52001012	Mulrennan/Pearson Rd	"	"	31,758
52001011	Cory Lake Isles	"	"	30,699
52010035	West Hampton	"	"	30,170
52970053	Brandon East	"	"	25,406
52990077	Bloomingdale Ridge	"	"	22,230
52001013	Deerpark, Livingstone Rd	"	"	22,230
52000071	Woodberry @ Lakewood	"	"	22,230
52990087	Centex & Bayshore	"	"	19,055
52990032	Van Dyke/Lakeshore Est.	"	"	19,055
52990021	Westchester	"	"	19,055
52980025	Riverglen	"	"	17,996
52001034	Brandon Ridge	"	"	15,879
52980023	Emerald Creek	"	"	15,879
52970012	Hickory Lakes	"	"	15,879
52010050	McMullen Loop Rd-Riverview	"	"	15,879
52990067	Camelot Woods Ph. 2	"	"	14,820
52001017	Danforth Pl, (Richmond Pl)	"	"	12,703
52010059	Hurley Rd @ Bloomingdale	"	"	12,703
52990099	Saddle Brook Village	"	"	12,703
52980037	Valrico Grove	"	"	12,703
52010003	Berkford Place	"	"	11,644
52010076	The Oasis	"	"	11,115
52010069	Cross Creek Section O, Ph.2	"	"	10,057
52001029	Tampa Palms Parcel 23	"	"	9,527
52990063	Bloomingdale Trail	"	"	7,410
52980028	Westwood Lakes	"	"	6,881
52001032	Bayshore Trails-56 Homes	"	"	6,352
52001002	Tampa Palms 15 & 16	"	"	6,352
52980022	Richmond Place(combine)	"	"	4,764
52990052	Lake June Estates	Completed 2002	"	4,234
52980002	Lakeview Village #2 Sec. F	In Progress	"	3,705
52990026	River Crossing	Completed 2002	"	2,646

-16-

Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

<u>PROJECT #</u>	<u>LOCATION</u>	<u>STATUS</u>	<u>RECOMMENDATION</u>	<u>COST</u>
52990100	Pinewalk	In Progress	Allocate	2,117
52001030	Devonshire Lake Dr	"	"	1,588
52001007	The Pointe @ Harbour Is.	Completed 2002	"	1,588
52010028	Esperanza-Bay Vista	In Progress	"	1,059
52010067	Baypointe Subdivision	"	"	529
52970043	Brookside	"	"	529
52010034	West Park Village	"	"	529
GROUP B - MAINS				
52010027	5119 W. Longfellow	Completed 2001	Disallow	800
52010028	Esperanza Bay Vista	"	"	1,600
52010035	West Hampton, Racetrack	"	"	45,600
52010050	McMullen Loop Road	"	"	24,000
52010067	Bay Pointe Subdivision	"	"	800
52010069	Cross Creek Sec. O, Ph.2	"	"	15,200
52010059	Hurley Rd @ Bloomingdale	"	"	19,200
52010076	The Oasis	"	"	23,300
52010006	Camelot Wood	"	"	28,900
52001027	Aston Gardens	"	"	7,300
52970003	CR 581/SR 54	Completed 2000	"	7,300
52970053	Brandon East	"	"	38,400
52980028	Westwood Lakes	"	"	16,900
52970051	SR 54/Willow Bend	"	"	52,800
52001007	The Pointe@ Harbour Island	"	"	2,400
52001002	Tampa Palms 15 & 16	"	"	9,600
52001016	Grand Oak/SR 54	"	"	68,000
52001017	Danforth Place	Completed 2001	"	19,200
52001004	Oakstead, SR 54	"	"	76,000
52001003	Somerset@Mulrenan/Hwy 60	Completed 2000	"	98,500
52000071	Woodberry @ Lakewood	"	"	30,400
52001026	Lumsden Pointe	Completed 2001	"	60,000
52001029	Tampa Palms Parcel 23	Completed 2000	"	14,400
52001030	Davenshire Lake Dr.	"	"	2,400
52001034	Brandon Ridge 1	Completed 2001	"	24,000
52001037	3409 & 3411 San Luis St.	"	"	800
52001032	Bayshore Trail - 56 Homes	Completed 2000	"	9,600

-17-

Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

<u>PROJECT #</u>	<u>LOCATION</u>	<u>STATUS</u>	<u>RECOMMENDATION</u>	<u>COST</u>
52001013	Deerpark, Livingstone Rd	Completed 2000	Disallow	33,600
52001012	Mulrennan/Pearson Rd	"	"	48,000
52970025	Lake Saint Charles	"	"	67,200
52980023	Emerald Creek	"	"	24,000
52970050	Dade City Expansion	"	"	7,300
52990039	Carrollwood Publix	"	"	30,800
52980021	Meadowpointe 12-1 Parcel	"	"	220,800
52990021	Westchester	"	"	28,800
52990026	River Crossing	"	"	4,000
52990052	Lake June Estate	"	"	4,000
52990063	Bloomington Trail	"	"	11,200
52990067	Wesley Pointe/SR 54	"	"	24,000
52990077	Bloomington Ridge	"	"	33,000
52990087	Centex & Bayshore	"	"	28,000
52990100	Pinewalk	"	"	3,200
52990072	Garrison District Channel	"	"	67,500
52970004	Citrus Park Mall	Completed 2001	"	1,588
52970033	Preston Woods (bsf)	"	"	1,588
52001027	Aston Gardens ACLF	"	"	529
52010044	Beef O'Brady's	"	"	529
52010058	Community Services	"	"	529
52970050	Dade City Expansion	Completed 1999	"	529
52010007	Moffitt Cancer Center	Completed 2001	"	529
52001037	3409 & 3411 San Luis St.	"	"	529
52010027	5119 W. Longfellow Ave.	"	"	529

GROUP C - MAIN

52001042	Olive Garden & Red Lobster	Cancelled	"	62,000
----------	----------------------------	-----------	---	--------

PROJECT WITHOUT DESCRIPTION

LAND O'LAKES \$450,000 - This is a generic fund which is to be used on upcoming subdivisions projects.

-18-

Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

MANGO \$450,000 - This fund is reserved for Project #52010008, Mango Road and Lake Weeks which is an ongoing project. Approximately \$179,600 has been spent out of the fund.

CONNERTON \$100,000 - This fund is not active (no action). - Disallow

GULFSTREAM \$3,000,000 - This fund is to be used to construct PGS/GULFSTREAM Gate Station projects at Tampa, Lakeland and Orlando. Tampa Gate Station will be completed in 2002 at a cost of \$1,064,000. Lakeland Gate is still on-going. The evaluation determined that this amount should be included in the rate base.

ST. PETERSBURG OPERATIONAL AREA

SCHEDULE B-5, PAGE 2 OF 4 - LANDS

LINE 12 - Account 374 - St. Petersburg Land - Lot N. Side, 1800 9th Avenue N, Parcel #2, - \$0

This parcel of land is approximately an acre and it is situated across from the main plant site on 9th Avenue North. It is a vacant lot with a TECO/Peoples Gas billboard sign on it. It is not used for regulated utility operation and therefore should be disallowed in the rate base.

LINE 13 - Account 374 - St. Petersburg Land - Main Gate Station, 77th Avenue & 18th Way, Parcel #4, - \$2,928

This land is being used for regulated utility operation. It is a natural gas measurement and pressure regulating station. It should be 100 percent allocated for regulated utility.

LINE 14 - Account 374 - St. Petersburg Land - North Gate Station, 13800 62nd Street N., Parcel #3, \$16,535

This land is approximately five acres, which is 217,800 sq. ft., in total footage. This land is partially leased to propane operation, which is a nonutility operation. The allocation is based on the percentage of square footage of nonutilized property. By calculation:

Total area footage used by regulated utility is 60' x 60' = 3,600 sq. ft.

Percentage allocation for regulated utility = $3,600/217,800 \times 100 = 1.65\%$

--

-19-

Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

Amount allocated for nonutility = $\$16,535 - 273 = \underline{\$16,262}$

An evaluation determined that 98.35 percent and \$16,262 should be allocated to nonutility regulated operation, and 1.65 percent and \$273 should be allocated to regulated utility.

LINE 15 - Account 374 - St. Petersburg Land - Plant Site, 1800 9th Avenue North (swap with City 8405) - \$6,930

This land is the main plant site which consists of the main office building, warehouse and storage facility. It has been determined that the land is used for natural gas operation and therefore should be 100 percent allocated for regulated utility.

LINE 16 - Account 374 - St. Petersburg Land - Regulation Station 3 Avenue & 16th Street South, Parcel #7 - \$500.00

An evaluation determined that this land is used for natural gas pressure regulating station and therefore should be allocated 100 percent regulated utility.

LINE 17 - Account 374 - St. Petersburg Land - Regulation Station, South Side 30th Avenue North West of 16th Street North, Parcel #6 - \$3,000

This land is used for natural gas operation and therefore should be 100 percent allocated to regulated utility.

LINE 18 - Account 374 - St. Petersburg Land - Regulation Station South Side 3rd Avenue South, West of 30th Street South, Parcel #5 - \$3,800

This land is used for natural gas pressure regulation station and therefore should be 100 percent allocated for regulated utility operation.

LINE 19 - Account 374 - St. Petersburg Land MDBH 1020, Madeira Beach Easement @ 127 Avenue, Treasure Island - \$1,900.

This land is 100 percent utilized for natural gas operations and therefore should be 100 percent allocated to regulated utility operations.

-20-

Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

SCHEDULE B-5, PAGE 4 OF 4 - ST. PETERSBURG STRUCTURES

LINE 26 - Account 375 - St. Petersburg Office Building - 9th Avenue - \$2,024,463

BUILDING DESCRIPTION

First Floor Area Footage		11,250 sq. ft.
Second Floor Area Footage		7,072 sq. ft.
Sales Service Area		512 sq. ft.
Utility Room		4,004 sq. ft.
Open Porch (Back of Building)		3,382 sq. ft.
Open Porch (Front of Building)		28 sq. ft.
Warehouse		<u>2,800 sq. ft.</u>

Total Area Building Footage	=	<u><u>29,048 sq. ft.</u></u>
-----------------------------	---	------------------------------

Vacant Areas:	Sales	512 sq. ft.
	Commercial	2,816 sq. ft.
	Lobby	<u>1,632 sq. ft.</u>

Total Vacant Areas (nonutility usage)		<u><u>4,960 sq. ft.</u></u>
---------------------------------------	--	-----------------------------

Percentage (%) allocation for nonutility usage: $4,960/29,048 \times 1000 = 17.1\%$

Amount allocated for nonutility usage = $0.0171 \times 2,024,463 = \underline{\$346,183}$

Amount allocated for regulated utility = $\$2,024,463 - 346,183 = \underline{\$1,678,280}$

It is recommended that the allocations be made according to the calculation above.

LINE 27 - Account 375 - St. Petersburg - Annex Building - \$28,672

This building is used as the natural gas operation training center. It contains training equipments and classrooms. It should be 100 percent allocated for regulated utility.

-21-

Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

LINE 28 - Account 375 - St. Petersburg Storage Building - \$36,716

This building is a storage facility for natural gas distribution equipments. It should be 100 percent allocated to regulated utility.

LINE 29 - Account 375 - St. Petersburg Warehouse Building - \$126,273

This warehouse contains spare parts, emergency supplies, equipments and tools for natural gas operations. It should be 100 percent allocated for regulated utility.

The evaluation also determined that there are 34 employees at PGS St. Petersburg Operational area of which 32 employees are assigned to regulated utility operations while two are assigned to nonregulated activity. To determine the ratio of total footage per employee occupying each office building:

$$\frac{\text{Total building footage}}{\text{Total number of employees}} = \frac{29,048}{34} = \underline{854 \text{ sq. ft./employees}}$$

HIGHLANDS OPERATIONAL AREA (AVON PARK)

SCHEDULE B-5, PAGE 4 OF 4

LINE 2 - Account 375 - Highlands-Fence for Regulation Station - \$1,174

This is a chain link fence around the Regulator Station at Lake Isis. It should be 100% allocated to regulated utility.

LINE 15 - Account 390.02 (Structure Improvement) - Highland - Division Office-
\$30,901

The evaluation determined that the Division Office is a leased office space. The office was recently remodeled and upgraded. It should be allocated to regulated utility.

-22-

Memorandum

October 1, 2002

RE: Peoples Gas System Rate Case, Docket No. 020384-GU/Plant Allocation (Schedule B-5 & Construction Budget 2002 for Mains & Services) for Tampa, St. Petersburg and Sarasota Operational Areas

CONCLUSION

This evaluation determines the appropriateness of the common plant allocations and the reasonableness of the projected plant additions in Lakeland, Tampa, St. Petersburg and Sarasota operational areas of Peoples Gas System and establishes an allocation percentage based on square footage if partial usage of the land or structure is determined. The allocations presented in this report are based on record verifications, on-site evaluations, and other information generated from TECO/Peoples Gas System staff during this process.

Attachments