

INDIANTOWN

Gas company, inc.



CLEAN AND EFFICIENT NATURAL GAS AND PROPANE GAS FOR ALL YOUR ENERGY NEEDS

January 13, 1996

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Blvd
Tallahassee, Fl. 32399 0580

RE: Purchased Gas Adjustment (PGA) True up
Docket No. **970003-GU**

Dear Ms. Bayo:

Enclosed for filing in the above docket on behalf of Indiantown Gas Co., please find an original and fifteen (15) copies of the following:

1. Schedules E-1, E-2, E-3, E-4 and E-5
2. Direct Testimony of Brian J. Powers
3. Petition for Approval of Purchased Gas Adjustment Factor
4. Statement of Issues and Positions

Thank you for your assistance.

Sincerely,

Brian J. Powers
General Manager
Indiantown Gas Co.

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INDIANTOWN GAS COMPANY
DOCKET NO. 970003-GU

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DIRECT TESTIMONY

OF

BRIAN J. POWERS

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

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

Q. What are your responsibilities in that position?

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

Q. What is the purpose of your testimony.

A. To briefly summarize the projected levelized maximum purchased gas cost recovery factor (LPGCR) calculations for the period April 1997 through March 1998.

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

A. Yes. Schedules E-1, E-2, E-3, E-4 and E-5 were filed on January 13, 1997.

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Q. Please explain the calculation for the total true up amount to be collected or refunded during the April 1997 through March 1998 period.

A. We have projected that at the end of March 1996, based on eight months actual, we will have over recovered \$107,779 for the April 1996 through March 1997 period. Also at the end of March 1997, we will have under-recovered \$63,203 for the April 1995 through March 1996 period. The total net under-recovery to be collected during the April 1997 through March 1998 period is \$5,386. Based on estimated sales for the period April 1997 through March 1998, it will be necessary to add .107 cents per therm to collect this under-recovery. See Schedule E-4 for details of this computation.

Q. What (LPCGR) Factor does Indiantown Gas Company seek approval through its petition for the period April 1, 1997 through March 31, 1998?

A. \$0.36174 per therm.

Q. Does this conclude your testimony?

A. Yes

CALCULATION OF TRUE-UP AMOUNT

FOR THE CURRENT PERIOD:

APRIL 96

Through

MARCH 97

	ACTUAL					REVISED PROJECTION							TOTAL PERIOD
	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR		
PROJECTIONS													
1 PURCHASED GAS COST													\$0
2 TRANSPORTATION COST	\$251,561	\$204,549	\$260,169	\$322,932	\$243,742	\$240,211	\$190,797	\$285,072	\$172,229	\$375,000	\$375,000	\$375,000	\$3,506,262
3 TOTAL	\$251,561	\$204,549	\$260,169	\$322,932	\$243,742	\$240,211	\$190,797	\$285,072	\$372,229	\$375,000	\$375,000	\$375,000	\$3,506,262
4 GROSS REVENUES	\$171,432	\$213,934	\$254,350	\$315,102	\$268,782	\$222,855	\$190,840	\$282,737	\$362,211	\$375,000	\$375,000	\$375,000	\$3,537,253
5 NET OF REVENUE TAX													
6 TRUE-UP COLLECTED OR (REFUNDED)	\$6,399	\$6,399	\$6,399	\$6,399	\$6,399	\$6,399	\$6,399	\$6,399	\$6,399	\$6,399	\$6,399	\$6,399	\$76,788
7 TRUE-UP REVENUE APPLICABLE TO PERIOD (LINE 4 (+ or -) LINE 5)	\$327,831	\$220,333	\$260,749	\$321,501	\$275,181	\$229,254	\$197,239	\$289,136	\$368,620	\$381,399	\$381,399	\$381,399	\$3,614,041
8 TRUE-UP PROVISION - THIS PERIOD (LINE 6 - LINE 7)	\$66,270	\$15,784	\$580	(\$1,431)	\$31,438	(\$10,957)	\$6,442	(\$15,436)	(\$3,609)	\$6,399	\$6,399	\$6,399	\$107,779
9 INTEREST PROVISION - THIS PERIOD (21)	(\$33)	\$123	\$133	\$103	\$142	\$159	\$121	\$71	(\$1)	(\$28)	(\$26)	(\$27)	\$740
10 BEGINNING OF PERIOD TRUE-UP AND INTEREST	(\$37,119)	\$22,720	\$32,228	\$26,543	\$18,816	\$43,998	\$26,801	\$26,965	\$4,701	(\$5,308)	(\$5,335)	(\$5,361)	(\$37,119)
11 TRUE-UP COLLECTED OR (REFUNDED) (REVERSE OF LINE 5)	(\$6,399)	(\$6,399)	(\$6,399)	(\$6,399)	(\$6,399)	(\$6,399)	(\$6,399)	(\$6,399)	(\$6,399)	(\$6,399)	(\$6,399)	(\$6,399)	(\$76,788)
12 FLEX RATE REFUND (if applicable)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13 TOTAL ESTIMATED ACTUAL TRUE-UP (7+8-9+10+11a)	\$22,720	\$32,228	\$26,543	\$18,816	\$43,998	\$26,801	\$26,965	\$4,701	(\$5,308)	(\$5,335)	(\$5,361)	(\$5,368)	(\$5,368)
INTEREST PROVISION													
14 BEGINNING TRUE-UP AND INTEREST PROVISION (9)	(\$37,119)	\$22,720	\$32,228	\$26,543	\$18,816	\$43,998	\$26,801	\$26,965	\$4,701	(\$5,308)	(\$5,335)	(\$5,361)	(\$37,119)
15 ENDING TRUE-UP BEFORE INTEREST (12+7-5)	\$22,753	\$32,105	\$26,409	\$18,713	\$43,856	\$26,642	\$26,844	\$4,630	(\$5,307)	(\$5,308)	(\$5,335)	(\$5,361)	(\$5,129)
16 TOTAL (14+15)	(\$14,366)	\$54,825	\$58,637	\$45,255	\$62,672	\$70,639	\$53,645	\$31,595	(\$806)	(\$10,617)	(\$10,669)	(\$10,722)	(\$43,248)
17 AVERAGE (50% OF 14)	(\$7,183)	\$27,412	\$29,319	\$22,628	\$31,336	\$35,320	\$26,822	\$15,797	(\$303)	(\$5,308)	(\$5,335)	(\$5,361)	(\$21,623)
18 INTEREST RATE - FIRST DAY OF MONTH	6.80	5.40	5.40	5.52	5.45	5.39	5.44	5.38	5.45	5.95	5.95	5.95	5.95
19 INTEREST RATE - FIRST DAY OF SUBSEQUENT MONTH	5.40	5.40	5.52	5.45	5.39	5.44	5.38	5.45	5.95	5.95	5.95	5.95	0.00
20 TOTAL (18+19)	10.90	10.80	10.92	10.97	10.84	10.83	10.82	10.83	11.40	11.90	11.90	11.90	0.00
21 AVERAGE (50% OF 18)	5.45	5.40	5.46	5.49	5.42	5.42	5.41	5.42	5.70	5.95	5.95	5.95	
22 MONTHLY AVERAGE (19/12 Months)	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.48	0.50	0.50	0.50	
23 INTEREST PROVISION (16x20)	-33	123	133	103	142	159	121	71	-1	-28	-26	-27	740

TRANSPORTATION PURCHASES
SYSTEM SUPPLY AND END USE

SCHEDULE E-3
(REVISED 6/1/93)

ESTIMATED FOR THE PROJECTED PERIOD OF:

APRIL 97

Through MARCH 98

MONTH	PURCHASED FROM	PURCHASED FOR	SCH TYPE	SYSTEM SUPPLY	END USE	TOTAL PURCHASED	COMMODITY COST		DEMAND COST	OTHER CHARGES ACA/GR/FUEL	TOTAL CENTS PER THERM
							THIRD PARTY	PIPELINE			
		SYS SUPPLY	FTS	539200		539200	\$199,035				38.91
		SYS SUPPLY	FTS	533500		533500	\$194,263				36.41
Aug-97	PESCO	SYS SUPPLY	FTS	366750		366750	\$126,210				34.41
Sept-97	PESCO	SYS SUPPLY	FTS	265900		265900	\$91,534				34.41
Oct-97	PESCO	SYS SUPPLY	FTS	266500		266500	\$86,381				32.41
Nov-97	PESCO	SYS SUPPLY	FTS	265800		265800	\$86,154				32.41
Dec-97	PESCO	SYS SUPPLY	FTS	265000		265000	\$85,894				32.41
Jan-98	PESCO	SYS SUPPLY	FTS	346000		346000	\$119,069				34.41
Feb-98	PESCO	SYS SUPPLY	FTS	536500		536500	\$184,626				34.41
Mar-98	PESCO	SYS SUPPLY	FTS	545800		545800	\$201,471				36.91
		SYS SUPPLY	FTS	541400		541400	\$199,847				36.91
		SYS SUPPLY	FTS	539700		539700	\$199,219				36.91
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**CALCULATION OF TRUE-UP AMOUNT
PROJECTED PERIOD**

ESTIMATED FOR THE PROJECTED PERIOD: **APRIL 97** Through **MARCH 98**

	PRIOR PERIOD: APRIL 95 - MARCH 96			CURRENT PERIOD: APRIL 96 - MARCH 97	
	(1) EIGHT MONTHS ACTUAL PLUS FOUR MONTHS REVISED ESTIMATE	(2) ACTUAL	(3) (2)-(1) DIFFERENCE	(4) EIGHT MONTHS ACTUAL PLUS FOUR MONTHS REVISED ESTIMATE	(5) (3)+(4) TOTAL TRUE-UP
1 TOTAL THERM SALES \$	\$2,855,387	\$3,145,631	\$290,244	\$3,614,041	\$3,904,235
2 TRUE-UP PROVISION FOR THIS PERIOD OVER (UNDER) COLLECTION	\$49,014	(\$63,023)	(\$112,037)	\$107,779	(\$4,258)
3 INTEREST PROVISION FOR THIS PERIOD	\$2,832	\$964	(\$1,868)	\$740	(\$1,128)
4 END OF PERIOD TOTAL NET TRUE-UP	\$51,846	(\$62,059)	(\$113,905)	\$108,519	(\$5,386)

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

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

$$\frac{(\$5,386)}{5,012,050} \text{ equals } (\$0.00107) \text{ PER THERM TRUE UP COLLECTION}$$

