#### State of Florida



# Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD TALLAHASSEE, FLORIDA 32399-0850

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

DATE:

August 2, 2005

TO:

Shevie Brown; Division of Competitive Markets and Enforcement

FROM:

Denise Vandiver; Bureau Chief of Auditing

RE:

**Docket No. 050004-GU; Company Name:** Florida City Gas; **Audit Purpose:** Natural Gas Conservation Cost Recovery for 2004; **Audit** 

Control No.: 05-034-4-1

Attached is the final audit report for the utility stated above. I am sending the utility a copy of this memo and the audit report. If the utility desires to file a response to the audit report, it should send the response to the Division of Commission Clerk and Administrative Services. There are no confidential work papers associated with this audit.

#### Attachment

CC:

Division of Regulatory Compliance and Consumer Assistance (Hoppe, District

Offices, File Folder)

Division of Commission Clerk and Administrative Services (2) Division of Competitive Markets and Enforcement (Harvey)

General Counsel

Office of Public Counsel

Mr. Charles A. Rawson, III Florida City Gas 955 East 25<sup>th</sup> Street Hialeah, FL 33013-3498

Mr. Bill L. Bryant, Jr. Ackerman Law Firm P. O. Box 1877

Tallahassee, FL 32302-1877

DOCUMENT NUMBER-DATE

07536 AUG-48



# FLORIDA PUBLIC SERVICE COMMISSION DIVISION OF REGULATORY COMPLIANCE AND CONSUMER ASSISTANCE

Miami District Office

FLORIDA CITY GAS

**ENERGY CONSERVATION COST RECOVERY CLAUSE** 

HISTORICAL YEAR ENDED DECEMBER 31, 2004

DOCKET NO. 050004-GU AUDIT CONTROL NO. 05-034-4-1

> Gabriela Leon Audit Manager

Ruth Young Audit Staff

/Kathy L. Welch

Public Utilities Supervisor

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# DIVISION OF REGULATORY COMPLIANCE AND CONSUMER ASSISTANCE AUDITOR'S REPORT July 26, 2005

# TO: FLORIDA PUBLIC SERVICE COMMISSION AND OTHER INTERESTED PARTIES

We have applied the procedures described in this report to audit the Conservation Cost Recovery schedules for the historical 12-month period ended December 31, 2004 for Florida City Gas Company. These schedules were prepared by the utility as part of its petition for Conservation Cost Recovery in Docket No. 050004-GU.

This is an internal accounting report prepared after performing a limited scope audit. Accordingly, this report should not be relied upon for any purpose except to assist the Commission staff in the performance of their duties. Substantial additional work would have to be performed to satisfy generally accepted auditing standards and produce audited financial statements for public use.

#### SUMMARY OF SIGNIFICANT PROCEDURES

Our audit was performed by examining, on a test basis, certain transactions and account balances which we believe are sufficient to base our opinion. Our examination did not entail a complete review of all financial transactions of the company. Our more important audit procedures are summarized below. The following definitions apply when used in this report:

Scanned - The documents or accounts were read quickly looking for obvious errors.

**Compiled** - The exhibit amounts were reconciled with the general ledger, and accounts were scanned for errors or inconsistency.

**Reviewed -** The exhibit amounts were reconciled with the general ledger, The general account balances were traced to the subsidiary ledgers, and selective analytical review procedures were applied.

**Examined -** The exhibit amounts were reconciled with the general ledger. The general account balances were traced to the subsidiary ledgers. Selective analytical review procedures were applied, and account balances were tested to the extent further described.

**Confirmed** - Evidential matter supporting an account balance, transaction, or other information was obtained directly from an independent third party.

**Verified** - The item was tested for accuracy, and substantiating documentation was examined.

**REVENUES:** Examined the revenues from the general ledger and reconciled them to the Company schedules CT-3. Compiled the therms sold from the company's revenue worksheets and applied the applicable rate factors approved in Commission orders. The revenue calculation was reconciled to the company's CT-3 schedules. The bills for various rate classes were recomputed to determine that the applicable factor was actually charged.

**EXPENSES:** Examined expense amounts in the general ledger and reconciled them to the company's CT-3 schedules. A judgmental sample was pulled from the company's printout of incentives. The incentive expenses were traced to vouchers, invoices, and sales contracts. Benefits, payroll, transportation and common costs were also tested through sample selection.

**TRUE-UP:** Recalculated the true-up and verified the beginning true-up to the orders and the interest rates to the Wall Street Journal.

### **EXHIBITS**

# ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION SUMMARY OF EXPENSES BY MONTH JANUARY 2004 THROUGH DECEMBER 2004

134,127 182,380 273,123 155,547 148,828 223,716 153,010 319,753 136,137 128,588 22,003 12,637 969 1,037 1,032 975 1,818 487 14,61 572 41,000 20,167 23,512 19,580 22,402 16,251 23,319 24,136 43,421 12,667 22,525 925 . 14,500 4,150	134,127         182,380         273,123         155,547         148,628         223,716         153,010         319,753         136,137         128,588           22,003         12,637         969         1,037         1,032         975         1,818         497         1,461         572           41,000         20,167         23,512         19,580         22,402         16,251         23,319         24,196         49,21         12,667           225         925         14,500         4,150         14,250         14,250         14,246         12,2667         14,485         10,782         11,248         12,293         8,758         10,009         9,930         13,438         11,091         9,914           1,171         1,111         1,536         1,482         1,830         1,847         1,828         1,128         11,091         9,914           18,152         28,597         16,680         24,579         24,803         25,147         1,128         1,128         1,488           204         1,962         10,687         43,643         26,013         18,749         22,088         3,500         24,872         39,503         8,156           236,330         269,773         37	134,127 182,380 273,123 155,547 148,628 223,716 153,010 319,753 136,137 128,598 22,003 12,637 965 1,037 1,032 975 1,818 487 1,461 572 41,000 20,167 23,512 19,580 22,402 16,251 23,319 24,136 43,421 12,667 22,5 22,5 22,5 22,5 22,5 22,5 22,5 22,	134,127 182,380 273,123 155,547 148,828 223,716 153,010 319,753 136,137 128,588 223,003 12,637 869 1,037 1,032 875 1,816 487 1,461 572 41,000 20,167 23,512 19,580 22,402 16,251 23,319 24,136 43,421 12,667 22,525 22,525 - 14,500 4,150 22,525 22,525 - 14,500 4,150 22,525 22,525 11,248 12,283 8,758 10,809 9,939 13,438 11,091 9,914 1,171 1,111 1,536 14,962 10,687 10,687 24,879 24,803 25,147 24,134 27,492 10,687 22,486 (49) 640 552 444 672 22,55 1,386 2,971 8,152 24,962 10,687 3,000 25,013 10,749 22,030 24,872 39,503 10,156 22,071 236,330 269,773 370,642 255,681 231,103 301,247 21,831 387,882 279,766 186,424 10,000 25,000 24,872 23,103 201,247 21,831 22,875 279,766 186,424 10,000 24,872 23,103 201,247 21,831 22,872 23,103 201,247 21,831 22,872 23,103 201,247 21,831 22,872 23,103 201,247 21,831 22,872 23,103 201,247 21,831 23,103 201,247 21,831 23,103 201,247 21,831 23,103 201,247 21,831 22,103 279,766 186,424 10,000 24,872 23,103 201,247 21,831 23,103 201,247 21,831 22,103 279,766 186,424 10,000 24,872 23,103 201,247 21,831 22,103 279,766 186,424 10,000 24,872 23,103 201,247 21,831 24,831	EXPENSES.	Jan-04	Feb-04	Mar-04	<b>201-04</b>	E S		i K	Aug-04	Charles to the Control of the		Nov-04
22,003     12,637     969     1,037     1,032     975     1,818     487     1,461     572       41,000     20,167     23,512     19,580     22,402     16,251     23,319     24,136     43,421     12,667       225     225     -     14,500     4,150     -     -     -     -     -     -       225     925     -     14,500     4,150     - <td< th=""><th>22,003 12,637 969 1,037 1,032 975 1,818 487 1,461 572 41,000 20,167 23,512 19,580 22,402 16,251 23,319 24,136 43,421 12,667 22,5 925 14,480 4,150 4,150 (18,450) 9900) 2 22,5 925 11,248 12,223 8,758 10,509 9,930 13,438 11,091 9,914 1,171 1,111 1,538 1,492 1,830 1,847 1,828 1,728 2,165 1,488 1,152 28,597 16,680 24,579 24,803 25,147 24,134 21,495 45,492 22,056 10,687 43,643 26,013 18,749 27,058 3,500 24,672 39,503 8,156 22,613 18,749 27,058 3,500 24,672 39,503 8,156 23,330 269,773 370,642 255,681 231,103 301,247 218,311 387,682 279,756 186,424</th><th>22,003 12,637 969 1,037 1,032 975 1,818 487 1,461 572 41,000 20,167 23,512 19,580 22,402 16,251 23,319 24,136 43,421 12,667 22,402 20,167 23,512 19,580 22,402 16,251 23,319 24,136 43,421 12,667 24,136 20,136 24,136 26,137 26,136 26,173 370,642 255,681 221,103 301,247 21,651 367,682 279,756 186,424</th><th>22,003 12,637 969 1,037 1,032 975 1,818 487 1,461 41,000 20,167 23,512 19,580 22,402 16,251 23,319 24,136 43,421 -</th><th>PROGRAM 1:</th><th>134,127</th><th>182,380</th><th>273,123</th><th>155,547</th><th>148,628</th><th>223,716</th><th>153,010</th><th>319,753</th><th>136,137</th><th>128,598</th><th>147,764</th></td<>	22,003 12,637 969 1,037 1,032 975 1,818 487 1,461 572 41,000 20,167 23,512 19,580 22,402 16,251 23,319 24,136 43,421 12,667 22,5 925 14,480 4,150 4,150 (18,450) 9900) 2 22,5 925 11,248 12,223 8,758 10,509 9,930 13,438 11,091 9,914 1,171 1,111 1,538 1,492 1,830 1,847 1,828 1,728 2,165 1,488 1,152 28,597 16,680 24,579 24,803 25,147 24,134 21,495 45,492 22,056 10,687 43,643 26,013 18,749 27,058 3,500 24,672 39,503 8,156 22,613 18,749 27,058 3,500 24,672 39,503 8,156 23,330 269,773 370,642 255,681 231,103 301,247 218,311 387,682 279,756 186,424	22,003 12,637 969 1,037 1,032 975 1,818 487 1,461 572 41,000 20,167 23,512 19,580 22,402 16,251 23,319 24,136 43,421 12,667 22,402 20,167 23,512 19,580 22,402 16,251 23,319 24,136 43,421 12,667 24,136 20,136 24,136 26,137 26,136 26,173 370,642 255,681 221,103 301,247 21,651 367,682 279,756 186,424	22,003 12,637 969 1,037 1,032 975 1,818 487 1,461 41,000 20,167 23,512 19,580 22,402 16,251 23,319 24,136 43,421 -	PROGRAM 1:	134,127	182,380	273,123	155,547	148,628	223,716	153,010	319,753	136,137	128,598	147,764
41,000 20,167 23.512 19,580 22,402 16,251 23,319 24,136 43,421 12,667  225 925 - 14,500 4,150 - (18,450) (900) 2  14,485 10,782 11,248 12,293 8,758 10,809 9,939 13,438 11,991 9,914  1,171 1,111 1,536 1,492 1,830 1,847 1,828 1,728 2,165 1,488  18,152 28,597 16,680 24,579 24,803 25,147 24,134 21,496 46,492 22,056  20, 24,86 (49) 640 552 444 6672 22,571  4,962 10,687 43,643 26,013 18,749 27,058 3,500 24,872 39,503 8,156  236,330 269,773 370,642 255,681 231,103 391,247 218,311 387,682 279,756 188,424	41,000 20,167 23,512 19,580 22,402 16,251 23,319 24,136 43,421 12,667  225 925 1,4500 4,150 - (18,450) (900) 2  14,465 10,782 11,246 12,293 6,758 10,809 9,930 13,438 11,091 9,914  1,171 1,111 1,536 1,492 1,830 1,847 1,828 1,728 2,165 1,488  18,152 28,597 16,680 24,579 24,803 25,147 24,134 21,495 45,492 22,056  2,496 (49) 640 652 44, 672 22,558 10,697 43,643 26,013 18,749 22,058 3,500 24,672 39,503 8,156 236,330 269,773 370,642 255,681 231,103 901,247 218,311 387,682 279,756 186,424	41,000 20,167 23,512 19,580 22,402 16,251 23,319 24,136 43,421 12,667 24,136 22,4136 23,512 24,136 23,421 12,667 24,136 22,513 22,4136 22,513 22,4136 22,4136 22,4136 22,4136 22,4136 22,4136 24,579 24,803 25,147 24,134 21,436 22,486 24,491 22,486 24,491 22,486 24,491 22,486 24,491 22,486 24,642 26,513 18,748 22,581 231,103 301,247 24,817 387,682 279,756 186,424	41,000 20,167 23,512 19,580 22,402 16,251 23,319 24,136 43,421	PROGRAM 2:	22,003	12,637	969	1,037	1,032	975	1,818	487	1, <b>4</b> 61	572	- <del>-</del>
225 925 14,500 4,150 (18,450) (900) 2 14,465 10,782 11,248 12,293 8,758 10,809 9,930 13,438 11,081 9,914 1,171 1,111 1,536 1,492 1,830 1,847 1,828 1,728 2,165 1,488 18,162 28,597 16,680 24,579 24,803 25,147 24,134 21,495 45,492 22,056 18,162 28,597 10,687 43,643 26,013 18,749 27,058 39,503 8,156 236,330 269,773 370,642 255,681 231,103 301,247 21,8311 387,682 279,756 186,424	225 925 - 14,500 4,150 (18,450) (900) 2 14,485 10,782 11,248 12,293 8,758 10,009 9,930 13,438 11,091 9,914 1,171 1,111 1,536 1,492 1,830 1,847 1,828 1,728 2,165 1,488 1,8152 28,597 16,680 24,579 24,803 25,147 24,134 21,495 45,492 22,056 2,486 (49) 640 552 444 6672 225 1,386 2,971 818 4,962 10,687 43,643 26,013 18,749 22,058 3,500 24,872 370,642 255,681 231,103 301,247 218,311 387,882 278,756 186,424	225 925 11,248 12,283 8,758 10,009 9,930 13,438 11,981 9,914 1,171 1,111 1,536 1,492 1,850 24,579 24,803 25,147 24,134 21,495 10,666 24,579 24,803 25,147 24,134 21,495 22,066 1,962 10,667 43,643 26,013 18,749 22,058 3,500 24,972 39,642 255,881 231,103 301,247 218,311 387,882 279,756 186,424	225 925 11,248 12,93 4,150 4,150 9,930 13,438 11,091 1,4485 10,782 11,248 12,293 8,758 10,809 9,930 13,438 11,091 1,171 1,111 1,536 1,492 1,830 1,847 1,828 1,728 2,165 18,152 28,597 16,860 24,579 24,803 25,147 24,134 27,495 45,492 10,867 43,643 26,013 18,749 27,058 33,500 24,872 39,503 2569,773 370,642 255,581 231,103 391,247 218,311 387,882 279,756 17 226,330 269,773 370,642 255,581 231,103 391,247 218,311 387,882 279,756 10 10 10 10 10 10 10 10 10 10 10 10 10	PROGRAM 3:	41,000	20,167	23,512	19,580	22,402	16,251	23,319	24,136	43,421	12,667	2 <u>7</u>
225 925 14,500 4,150 (18,450) (900) 2 14,465 10,782 11,248 12,293 8,758 10,809 9,930 13,438 11,091 9,914 1,171 1,111 1,536 1,492 1,830 1,847 1,828 1,728 2,165 1,488 18,152 28,597 16,660 24,579 24,803 25,147 24,134 21,495 45,492 22,056 9, 204 2,486 (49) 640 552 444 672 225 1,386 2,971 4,962 10,687 43,643 26,013 18,749 27,058 3,500 24,672 39,503 8,156 236,330 269,773 370,642 265,681 231,103 301,247 218,311 367,662 279,756 186,424	225 925 1,248 12,293 8,758 10,809 9,930 13,438 11,981 9,914 1,171 1,111 1,536 1,492 1,830 1,847 1,628 1,728 21,65 1,488 18,152 28,597 16,680 24,579 24,803 25,147 24,134 27,495 22,056 24,86 (49) 640 552 444 5672 22,5 1,386 2,971 236,330 269,773 370,642 255,681 231,103 301,247 218,311 387,682 27,975 186,424	225 925 11,248 12,293 4,150 - (15,450) (900) 2 14,485 10,782 11,248 12,293 8,758 10,809 9,930 13,438 11,981 9,914 1,171 1,111 1,536 1,482 1830 1847 1,628 1,728 21,655 18,152 28,597 16,680 24,579 24,803 25,147 24,134 21,495 45,492 22,056 1,204 2,486 (49) 640 552 444 672 225 1,386 2,971 8518 4,962 10,687 43,943 26,013 18,749 22,058 3,500 269,773 370,642 255,681 231,103 301,247 218,311 387,682 278,756 186,424	225 925 . 14,500 4,150 . (16,450) (900)  14,485 10,782 11,248 12,293 8,758 10,009 9,950 13,438 11,091  1,171 1,111 1,536 11,492 1,830 1,847 1,828 17,728 2,165  18,152 28,597 16,580 24,579 24,803 25,147 24,134 21,495 45,492  204 2,486 (49) 640 552 24,467 22,58 1,386  4,962 10,687 43,843 26,013 18,749 27,058 31,030 24,477 39,503  236,373 370,642 255,681 231,103 301,247 218,311 387,682 2797,756  17	PROGRAM 4:											
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14,485         10,782         11,248         12,293         6,758         10,809         9,930         13,438         11,091         9,914           1,171         1,111         1,536         1,492         1,830         1,847         1,828         1,728         2,165         1,488           18,152         28,597         16,660         24,579         24,803         25,147         24,134         21,495         45,492         22,056           1,924         2,486         (49)         640         552         444         672         225         1,386         2,971           1,962         10,687         43,643         26,013         18,749         22,058         3,600         24,872         38,503         6,156           236,330         269,773         370,642         225,681         231,103         301,247         218,311         387,682         279,756         186,424	14,485 10,782 11,248 12,293 8,758 10,809 9,930 13,438 11,081 9,914 1,171 1,111 1,536 1,482 1,850 1,847 1,828 1,728 2,165 1,488 1,850 1,847 1,828 1,728 2,165 1,488 1,850 1,847 1,828 1,728 2,165 1,488 1,850 1,857 1,858 1,850 24,579 24,803 25,147 24,134 21,495 45,492 22,056 10,687 43,643 26,013 18,749 27,058 3,500 24,972 39,503 8,156 2,971 236,330 269,773 370,642 265,681 231,103 301,247 2,831 387,882 279,756 186,424	14,485 10,782 11,248 12,293 6,758 10,609 9,930 13,438 11,091 9,914 1,171 1,111 1,536 1,492 1,820 1,847 1,828 1,728 2,165 1,486 1,8152 28,597 16,660 24,579 24,803 25,147 24,134 21,495 45,492 22,056 1,204 2,486 (49) 640 5552 444 672 22,571 236,330 269,773 370,642 255,681 231,103 301,247 218,311 387,682 27,9756 186,424  177 177 187 187 187 187 187 187 187 18	14,485 10,782 11,248 12,293 8,758 10,809 9,930 13,438 11,091 1,171 1,111 1,536 1,492 1,850 1,847 1,828 1,728 2,165 1,171 1,111 1,536 1,492 1,850 1,847 1,828 1,728 2,165 1,8162 28,597 16,660 24,579 24,803 25,147 24,134 21,495 45,492 10,687 43,643 26,013 18,748 27,058 3,500 24,872 39,503 269,773 370,642 255,681 231,103 301,247 218,311 387,682 178 236,330 269,773 370,642 255,681 231,103 301,247 218,311 387,682 179,756 136 136 136 136 136 136 136 136 136 13	PROGRAM 6:	225	925		14,500	4,150			(18,450)	( <del>900</del>	N	
1,171 1,111 1,536 1,492 1,830 1,847 1,828 1,728 2,165 1,488 1,172 18,162 28,597 16,660 24,579 24,803 25,147 24,134 21,495 45,492 22,056 20,48	1,171 1,111 1,536 1,492 1,830 1,847 1,828 1,728 2,165 1,488 18,152 28,597 16,660 24,579 24,803 25,147 24,134 21,495 45,492 22,056 24,879 24,803 25,147 24,134 21,495 45,492 22,056 24,872 24,867 43,643 26,013 18,749 22,058 3,500 24,872 39,503 8,156 236,330 269,773 370,642 285,681 231,103 3901,247 218,311 367,662 279,756 186,424	1,171 1,111 1,536 1,492 1,830 1,847 1,828 1,728 2,165 1,488 18,152 28,597 16,660 24,579 24,803 25,147 24,134 21,495 45,492 22,056 24,862 49,62 10,687 43,643 26,013 18,749 27,058 36,000 24,877 3970,642 255,681 231,103 397,247 218,311 387,682 2779,756 188,424 27,058 279,756 188,424 27,058 279,756 188,424 27,058 279,756 188,424 27,058 279,756 188,424 27,058 279,756 188,424 27,058 279,756 188,424 27,058 279,756 188,424 27,058 279,756 188,424 27,058 279,756 188,424 27,058 279,756 188,424 27,058 279,756 188,424 27,058 279,756	1,171 1,111 1,536 1,492 1,830 1,847 1,828 1,728 2,165 18,152 28,597 16,660 24,579 24,803 25,147 24,134 21,495 45,492 24,804 25,486 (49) 6440 552 444 6572 225 1,386 31,4962 10,687 43,643 26,013 18,748 27,058 36,203 269,773 370,642 255,681 231,103 301,247 218,311 387,682 27,78,756 27,78,756 27,877 27,875	PROGRAM 7:	14,485	10,782	11,248	12,293	8,758	10,809	9,930	13,438	11,091	9,914	11,35
18,162     28,597     16,660     24,579     24,803     25,147     24,134     21,495     45,492     22,056       )     2,04     2,486     (49)     640     552     444     672     225     1,386     2,971       (5T1:     4,962     10,687     43,643     26,013     18,749     27,058     3,500     24,972     39,503     8,156       236,330     269,773     370,642     255,681     231,103     301,247     218,311     387,882     279,756     186,424	18,162     28,597     16,680     24,579     24,803     25,147     24,134     21,495     45,492     22,056       1, 20,4     2,486     (49)     640     552     444     672     225     1,386     2,971       1, 962     10,687     43,643     26,013     18,749     22,058     3,500     24,872     39,503     8,156       236,3300     269,773     370,642     255,681     231,103     301,247     218,311     387,682     279,756     186,424	18,152     28,597     16,880     24,579     24,803     25,147     24,134     21,495     45,492     22,056       1, 204     2,486     (48)     640     552     444     672     225     1,386     2,971       1, 962     10,687     43,643     26,013     18,749     22,058     3,500     24,672     38,503     6,156       236,330     269,773     370,642     225,581     231,103     391,247     218,311     387,682     279,756     186,424       17     36,424     36,424     36,424     36,424     36,424     36,424     36,424	18,152 28,597 16,660 24,579 24,803 25,147 24,134 21,495 45,492 24,862 10,687 43,643 26,013 18,749 22,058 33,500 24,872 39,503 236,773 370,642 255,681 231,103 301,247 218,311 387,682 279,756 279,756 20,000 24,872 279,756 27	PROGRAM 8:	1,171	2	1,536	1,492	1,830	1,847	1,828	1,728	2,165	1,488	1,56
204     2,486     (49)     640     552     444     672     225     1,386     2,971       41,962     10,687     43,643     26,013     18,749     22,058     3,500     24,872     39,503     8,156       236,330     269,773     370,642     255,681     231,103     301,247     218,311     387,682     279,756     186,424       7     367,682     367,682     367,682     279,756     186,424	204     2,486     (49)     640     552     444     672     225     1,386     2,971       4,962     10,687     43,643     26,013     18,749     27,058     3,600     24,872     30,503     8,156       236,330     269,773     370,642     255,681     231,103     301,247     218,311     387,882     279,756     186,424       36,330     36,763     36,231     36,231     36,231     36,231     36,231     36,231       36,330     36,231     36,231     36,231     36,231     36,231     36,231     36,231       36,330     36,231     36,231     36,231     36,231     36,231     36,231     36,231     36,231       36,330     36,231	204     2,486     (49)     640     552     444     672     225     1,386     2,971       4,962     10,687     43,643     26,013     18,749     22,058     3,500     24,872     39,503     8,156       236,330     269,773     370,642     255,681     231,103     397,244     218,311     387,682     279,756     186,424       186,424     43,643 <td< td=""><td>204 2,486 (49) 640 552 444 672 225 1,386 10,687 43,643 26,013 18,749 22,058 3,500 24,872 38,503 269,773 370,642 255,681 231,103 301,24 218,311 387,682 279,756</td><td>PROGRAM 9:</td><td>18,152</td><td>28,597</td><td>16,660</td><td>24,579</td><td>24,803</td><td>25,147</td><td>24,134</td><td>21,495</td><td>45,492</td><td>22,056</td><td>25,75</td></td<>	204 2,486 (49) 640 552 444 672 225 1,386 10,687 43,643 26,013 18,749 22,058 3,500 24,872 38,503 269,773 370,642 255,681 231,103 301,24 218,311 387,682 279,756	PROGRAM 9:	18,152	28,597	16,660	24,579	24,803	25,147	24,134	21,495	45,492	22,056	25,75
1T:     4,962     10,687     43,643     26,013     18,749     22,058     3,600     24,872     38,503     8,156       236,330     269,773     370,642     255,681     231,103     301,247     218,311     367,682     279,756     186,424       36,330     36,773     370,642     255,681     231,103     301,247     218,311     367,682     279,756     186,424	173	7. 4.962 10,687 43,643 26,013 18,749 27,058 3,500 24,872 39,503 0,156 236,330 269,773 370,642 255,681 231,103 301,247 218,311 387,682 279,786 186,424 218,311 231,103 255,681 231,103	4,962       10,687       43,643       26,013       18,749       22,058       3,500       24,872       39,503         236,330       269,773       370,642       255,681       231,103       301,247       218,311       387,682       279,756         36,330       26,773       370,642       25,681       231,103       301,247       218,311       387,682       279,756	PROGRAM 10:	<b>%</b>	2,486	(49)	*	552	\$	672	225	1,386	2,971	57
236,330 269,773 370,642 255,681 231,103 301,247 218,311 387,682 279,756 186,424 NT	236,3300 269,773 370,642 255,681 231,103 301,247 218,3111 387,682 279,756 186,424 N N N N N N N N N N N N N N N N N N	NT 236,3300 269,773 370,642 255,681 231,103 301,247 218,3111 387,682 279,756 186,424 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	236,3390 269,773 370,642 278,768 231,103 301,247 218,311 387,682 278,768 2 2	COMMON COSTS	4,962	10,687	43,643	26,013	18,749	22,058	3,600	24,872	39,503	8,156	5,55
LESS AMOUNT INCLUDED IN RATE BASE	LESS AMOUNT INCLUDED IN RATE BASE	RATE BASE		TOTAL	236,330	269,773	370,642	255,681	231,103	301,247	218,311	387,682	279,756	186,424	214,93
				LESS AMOUNT INCLUDED IN											

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# SCHEDULE CT-2 PROJECTED CONSERVATION COSTS PER MONTH JANUARY 2004 THROUGH DECEMBER 2004 EIGHT MONTHS ACTUAL AND FOUR MONTHS ESTIMATED

EXPENSES:	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Total
PROGRAM 1:	134,127	182,381	273,123	155,546	148,827	223,716	153,010	319,753	187,729	187,914	185,596	187,914	2,339,636
PROGRAM 2:	22,004	12,637	<b>9</b> 69	1,037	1,032	975	1,817	486	4,350	4,358	4,185	4,358	58,208
PROGRAM 3:	41,000	20,168	23,511	19,580	22,402	16,251	23,319	24,137	33,671	33,971	31,691	33,971	323,672
PROGRAM 4:													
PROGRAM 5:								industrial de la composition della composition d					
PROGRAM 6:	225	925		14,500	4,150			(18,450)	354	357	310	357	2,728
PROGRAM 7:	14,485	10,782	11,249	12,293	8,758	10,809	9,929	13,439	12,859	12,944	12,240	12,944	142,731
PROGRAM 8:	1,170	1,111	1,536	1,493	1,831	1,847	1,828	1,728	2,483	2,493	2,239	2,493	22,252
PROGRAM 9:	18,152	28,598	16,660	24,579	24,803	25,148	24,135	21,495	28,587	28,150	24,838	28,850	293,995
PROGRAM 10: COMMON COSTS	204 4,962	2,486 10,688	(49) 43,642	640 26,013	553 18,748	444 22,059	672 3,600	225 24,871	6,230 20,045	5,046 20,056	4,915 19,761	6,246 20,056	27,612 234,501
TOTAL	236,329	269,776	370,641	255,681	231,104	301,249	218,310	387,684	296,308	295,289	285,775	297,189	3,445,335
LESS AMOUNT INCLUDED IN RATE BASE													
RECOVERABLE													
CONSERVATION EXPENSES	236,329	269.776	370,641	255,681	231,104	301,249	218,310	387,684	296,308	295,289	<u> 285,775</u>	297,189	3,445,335

SCHEDULE CT-3
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#### SCHEDULE CT-2 SUMMARY OF EXPENSES BY PROGRAM VARIANCE ACTUAL VERSUS PROJECTED JANUARY 2004 THROUGH DECEMBER 2004

EXPENSES:	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Total
PROGRAM 1:	0		0			0	(0)	(0)	(51,592)	(59,316)	(37,832)	(43,158)	(191,897)
PROGRAM 2:	(1)	(0)	(0)	(0)	(0)	0	1		(2,889)	(3,786)	(3,039)	(3,264)	(12,980)
PROGRAM 3:	ò	(1)		(0)	(0)	(0)	0	(1)	9,750	(21,304)	(10,480)	31,610	9,573
PROGRAM 4:													
PROGRAM 5:													
PROGRAM 6:									(1,254)	(355)	(309)	(251)	(2,170)
PROGRAM 7:	0	(0)	(1)	(0)	0	(0)		(1)	(1,768)	(3,030)	(885)	(1,906)	(7,589)
PROGRAM 8:		(0)	0	(1)	(1)	0	0	(0)	(318)	(1,005)	(671)	(1,133)	(3,127)
PROGRAM 9:	(0)	(1)	(0)	0	(0)	(1)	(1)	0	16,905	(6,094)	920	(4,088)	7,641
PROGRAM 10:	0	0	0	0	(1)	(0)	0	(0)	(4,844)	(2,075)	(4,338)	(5,660)	(16,918)
COMMON COSTS		(1)	1	ő	1	(1)	Ö	1	19,458	(11,900)	(14,208)	15,923	9,274
TOTAL	1	(3)	1	(0)	(1)	(2)	1	(2)	(16,552)	(108,865)	(70,843)	(11,928)	(208,193)
LESS AMOUNT INCLUDED IN RATE BASE		•						·					
RECOVERABLE CONSERVATION													
EXPENSES	1	(3)	1	(0)	(1)	(2)	1	(2)	(16,552)	(108,865)	(70,843)	(11,928)	(208,193)

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# ENERGY CONSERVATION ADJUSTMENT CALCULATION OF TRUE-UP AND INTEREST PROVISION JANUARY 2004 THROUGH DECEMBER 2004

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Total
1 RCS AUDIT FEES													
2 OTHER PROGRAM REVS 3 CONSERV. ADJ REVS 4 TOTAL REVENUES	(297,283) (297,283)	(280,887)	(281,232) (281,232)	(245,384) (245,384)	(210,948) (210,948)	(194,121) (194,121)	(192,763) (192,763)	(185,214) (185,214)	(188,212) (188,212)	(189,404)	(210,639) (210,639)	(242,898) (242,898)	(2,718,985) (2,718,985)
5 PRIOR PERIOD TRUE UP NOT APPLICABLE TO THIS PERIOD	(46,069)	(46,069)	(46,069)	(46,069)	(46,069)	(46,069)	(46,069)	(46,069)	(46,069)	(46,069)	(46,069)	(46,067)	(552,826)
CONSERVATION REVENUES 6 APPLICABLE TO THE PERIOD	(343,352)	(326,956)	(327,301)	(291,453)	(257,017)	(240,190)	(238,832)	(231,283)	(234,281)	(235,473)	(256,708)	(288,965)	(3,271,811)
CONSERVATION EXPENSES 7 (FROM CT-3, PAGE 1)	238,330	269,773	370,642	255,681	231,103	301,247	218,311	387,682	279,756	186,424	214,932	285,261	3,237,142
8 TRUE-UP THIS PERIOD 9 INTEREST PROVISION	(107,022)	(57,183)	43,341	(35,772)	(25,914)	61,057	(20,521)	156,399	45,475	(49,049)	(41,776)	(3,704)	(34,669)
THIS PERIOD (FROM CT-3 PAGE 3)	(508)	(519)	(475)	(445)	(446)	(448)	(453)	(351)	(179)	(129)	(144)	(114)	(4,212)
10 TRUE-UP & INTER. PROV. BEGINNING OF MONTH	(552,826)	(614,287)	(625,920)	(536.985)	(527,134)	(507,425)	(400.747)	(375,651)	(173.534)	(82,169)	(85,279)	(81,130)	
11 PRIOR PERIOD TRUE UP													
COLLECTED/(REFUNDED)	40.000	40.000	44.000	42.000	40.000	40.000	40.000	48.400	40.000	40.000	42.000	40.007	
12 TOTAL NET TRUE UP (SUM LINES 8+9+10+11)	46,069 (614,287)	46,069 (625,920)	46,069 (536,985)	46,069 (527,134)	46,06 <u>9</u> (507,425)	46,069 (400,747)	46,069 (375,651)	46,069 (173,534)	46,069 (82,169)	46,069 (85,279)	46,069 (81,130)	46,067 (38,881)	(38,881)

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## CALCULATION OF TRUE-UP AND INTEREST PROVISION JANUARY 2004 THROUGH DECEMBER 2004

	INTEREST PROVISION	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Total
1.	BEGINNING TRUE-UP	(552,826)	(614,287)	(625,920)	(536,985)	(527,134)	(507,425)	(400,747)	(375,651)	(173,534)	(82,169)	(85,279)	(81,130)	
2.	ENDING TRUE-UP BEFORE INTEREST	(613,779)	(625,401)	(536,511)	(526,688)	(506,979)	(400,299)	(375,198)	(173,183)	(81,990)	(85,149)	(80,986)	(38,767)	
3.	TOTAL BEGINNING & ENDING TRUE-UP	(1,166,605)	(1,239,688)	(1,162,431)	(1,063,674)	(1,034,113)	(907,723)	(775,945)	(548,834)	(255,524)	(167,319)	(166,264)	(119,897)	
4.	AVERAGE TRUE-UP (LINE 3 TIMES 50%)	(583,303)	(619,844)	(581,215)	(531,837)	(517,056)	(453,862)	(387,973)	(274,417)	(127,762)	(83,659)	(83,132)	(59,948)	
5.	INTER. RATE - 1ST DAY OF REPORTING MONTH	1.060%	1.030%	0.980%	0.980%	1.030%	1.040%	1.330%	1.470%	1.600%	1.770%	1.940%	2.220%	
6.	INTER. RATE - 1\$T DAY OF SUBSEQUENT MONTH	1.030%	0.980%	0.980%	1.030%	1.040%	1.330%	1.470%	1.600%	1.770%	1.940%	2.220%	2.340%	
7.	TOTAL (SUM LINES 5 & 6)	2.090%	2.010%	1.960%	2.010%	2.070%	2.370%	2.800%	3.070%	3.370%	3.710%	4.160%	4.560%	
8.	AVG INTEREST RATE (LINE 7 TIMES 50%)	1.045%	1.005%	0.980%	1.005%	1.035%	1.185%	1.400%	1.535%	1.685%	1.855%	2.080%	2.280%	
9.	MONTHLY AVG INTEREST RATE	0.087%	0.084%	0.082%	0.084%	0.086%	0.099%	0.117%	0.128%	0.140%	0.155%	0.173%	0.190%	
10. 10.	INTEREST PROVISION (LINE 4 TIMES LINE 9) a. INT. ADJ	(508)	(519)	(475)	(445)	(446)	(448)	(453)	(351)	(179)	(129)	(144)	(114)	(4,212)