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IN REPLY REFER TO:

Ansley Watson, Jr.
P.O. Box 1531
Tampa, Florida 33601
e-mail: aw@macfar.com

May 27, 2009

VIA FEDEX

Ann Cole
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RECEIVED- FPSC
09 MAY 28 PM 2:39
COMMISSION
CLERK

Re: Docket No. 080318-GU -- Petition for rate increase by Peoples Gas System – MFR Schedules E-5, H-1, H-2 and H-3 - Revised

Dear Ms. Cole:

Enclosed for filing on behalf of Peoples Gas System at the request of the Commission Staff, please find 20 copies of each of the following revised MFR Schedules, the original versions of which were filed on August 11, 2008 (revised versions of Schedules E-1, H-1 and H-2 were filed on February 23, 2009):

- Schedule E-5 – Revised (May 6, 2009)
- Schedule H-1 – Revised (May 6, 2009)
- Schedule H-2 – Revised (May 6, 2009)
- Schedule H-3 – Revised (May 6, 2009)

The enclosed schedules have been revised based on the amount of the permanent rate increase awarded to Peoples as a result of the Commission's vote at the May 5, 2009 Agenda Conference.

Please acknowledge your receipt and the date of filing of the enclosed revised exhibit on the copy of this letter which is enclosed, and return the same to me in the enclosed preaddressed envelope.

Thank you for your usual assistance.

DOCUMENT NUMBER-DATE

05309 MAY 28 09

FPSC-COMMISSION CLERK

COM
COR 3
GCL
OPC
RCP 1
FSC 1
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CLK

Ann Cole, Commission Clerk
May 27, 2009
Page 2

Sincerely,

A handwritten signature in black ink, appearing to read "Ansley Watson, Jr.", written in a cursive style.

ANSLEY WATSON, JR.

AWjr/a
Enclosures

cc: Parties of Record
Mrs. Kandi M. Floyd

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT
 AND PROPOSED RATES FOR THE RESIDENTIAL RATE CLASS.

TYPE OF DATA SHOWN:
 HISTORIC BASE YEAR DATA: 12/31/07
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: S. RICHARDS

PRESENT RATE SCHEDULE: RESIDENTIAL SALES SERVICE (RS)
 PROPOSED RATE SCHEDULE: RESIDENTIAL SALES SERVICE 1 (RS1)

| <u>PRESENT RATES</u> | | <u>PROPOSED RATES</u> | |
|----------------------------|---------------------|-----------------------|---------------------|
| CUSTOMER CHARGE | \$10.00 | CUSTOMER CHARGE | \$ 12.00 |
| DISTRIB. CHARGE | \$0.37667 PER THERM | DISTRIB. CHARGE | \$0.26782 PER THERM |
| EST. GAS COST | | \$0.95533 PER THERM | |
| THERM USAGE INCREMENT | | 5 THERMS | |
| AVERAGE USAGE PER CUSTOMER | | 4.8 THERMS/MONTH | |

| THERM USAGE | PRESENT MONTHLY BILL <u>W/O FUEL</u> | PRESENT MONTHLY BILL <u>WITH FUEL</u> | PROPOSED MONTHLY BILL <u>W/O FUEL</u> | PROPOSED MONTHLY BILL <u>WITH FUEL</u> | PERCENT INCREASE <u>W/O FUEL</u> | PERCENT INCREASE <u>WITH FUEL</u> |
|----------------|---|--|--|---|--|---|
| 0 | \$10.00 | \$10.00 | \$12.00 | \$12.00 | 20.00% | 20.00% |
| 5 | \$11.88 | \$16.66 | \$13.34 | \$18.12 | 12.25% | 8.74% |
| 10 | \$13.77 | \$23.32 | \$14.68 | \$24.23 | 6.62% | 3.91% |
| 15 | \$15.65 | \$29.98 | \$16.02 | \$30.35 | 2.35% | 1.22% |
| 20 | \$17.53 | \$36.64 | \$17.36 | \$36.46 | -1.01% | -0.48% |
| 25 | \$19.42 | \$43.30 | \$18.70 | \$42.58 | -3.71% | -1.67% |
| 30 | \$21.30 | \$49.96 | \$20.03 | \$48.69 | -5.94% | -2.53% |
| 35 | \$23.18 | \$56.62 | \$21.37 | \$54.81 | -7.81% | -3.20% |
| 40 | \$25.07 | \$63.28 | \$22.71 | \$60.93 | -9.39% | -3.72% |
| 45 | \$26.95 | \$69.94 | \$24.05 | \$67.04 | -10.75% | -4.14% |
| 50 | \$28.83 | \$76.60 | \$25.39 | \$73.16 | -11.94% | -4.49% |

SUPPORTING SCHEDULES: E-2 p.1, H-1 p.11-12

RECAP SCHEDULES:

DOCUMENT NO. DATE

05309-09 05/28/09
 FPSC - COMMISSION CLERK

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT
 AND PROPOSED RATES FOR THE RESIDENTIAL RATE CLASS.

TYPE OF DATA SHOWN:
 HISTORIC BASE YEAR DATA: 12/31/07
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: S. RICHARDS

PRESENT RATE SCHEDULE: RESIDENTIAL SALES SERVICE (RS)
 PROPOSED RATE SCHEDULE: RESIDENTIAL SALES SERVICE 2 (RS2)

| <u>PRESENT RATES</u> | | <u>PROPOSED RATES</u> | |
|----------------------------|---------------------|----------------------------|---------------------|
| CUSTOMER CHARGE | \$10.00 | CUSTOMER CHARGE | \$ 15.00 |
| DISTRIB. CHARGE | \$0.37667 PER THERM | DISTRIB. CHARGE | \$0.26782 PER THERM |
| EST. GAS COST | | <u>\$0.95533 PER THERM</u> | |
| THERM USAGE INCREMENT | | <u>5 THERMS</u> | |
| AVERAGE USAGE PER CUSTOMER | | <u>14.3 THERMS/MONTH</u> | |

| THERM USAGE | PRESENT MONTHLY BILL <u>W/O FUEL</u> | PRESENT MONTHLY BILL <u>WITH FUEL</u> | PROPOSED MONTHLY BILL <u>W/O FUEL</u> | PROPOSED MONTHLY BILL <u>WITH FUEL</u> | PERCENT INCREASE <u>W/O FUEL</u> | PERCENT INCREASE <u>WITH FUEL</u> |
|----------------|---|--|--|---|--|---|
| 0 | \$10.00 | \$10.00 | \$15.00 | \$15.00 | 50.00% | 50.00% |
| 5 | \$11.88 | \$16.66 | \$16.34 | \$21.12 | 37.50% | 26.75% |
| 10 | \$13.77 | \$23.32 | \$17.68 | \$27.23 | 28.41% | 16.77% |
| 15 | \$15.65 | \$29.98 | \$19.02 | \$33.35 | 21.52% | 11.23% |
| 20 | \$17.53 | \$36.64 | \$20.36 | \$39.46 | 16.10% | 7.70% |
| 25 | \$19.42 | \$43.30 | \$21.70 | \$45.58 | 11.74% | 5.28% |
| 30 | \$21.30 | \$49.96 | \$23.03 | \$51.69 | 8.14% | 3.47% |
| 35 | \$23.18 | \$56.62 | \$24.37 | \$57.81 | 5.13% | 2.10% |
| 40 | \$25.07 | \$63.28 | \$25.71 | \$63.93 | 2.58% | 1.02% |
| 45 | \$26.95 | \$69.94 | \$27.05 | \$70.04 | 0.38% | 0.15% |
| 50 | \$28.83 | \$76.60 | \$28.39 | \$76.16 | -1.53% | -0.58% |

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT
 AND PROPOSED RATES FOR THE RESIDENTIAL RATE CLASS.

TYPE OF DATA SHOWN:
 HISTORIC BASE YEAR DATA: 12/31/07
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: S. RICHARDS

PRESENT RATE SCHEDULE: RESIDENTIAL SALES SERVICE (RS)
 PROPOSED RATE SCHEDULE: RESIDENTIAL SALES SERVICE 3 (RS3)

| <u>PRESENT RATES</u> | | <u>PROPOSED RATES</u> | |
|----------------------------|---------------------|----------------------------|---------------------|
| CUSTOMER CHARGE | \$10.00 | CUSTOMER CHARGE \$ | 20.00 |
| DISTRIB. CHARGE | \$0.37667 PER THERM | DISTRIB. CHARGE | \$0.26782 PER THERM |
| EST. GAS COST | | <u>\$0.95533 PER THERM</u> | |
| THERM USAGE INCREMENT | | <u>10 THERMS</u> | |
| AVERAGE USAGE PER CUSTOMER | | <u>35.7 THERMS/MONTH</u> | |

| THERM USAGE | PRESENT MONTHLY BILL W/O FUEL | PRESENT MONTHLY BILL WITH FUEL | PROPOSED MONTHLY BILL W/O FUEL | PROPOSED MONTHLY BILL WITH FUEL | PERCENT INCREASE W/O FUEL | PERCENT INCREASE WITH FUEL |
|-------------|-------------------------------|--------------------------------|--------------------------------|---------------------------------|---------------------------|----------------------------|
| 0 | \$10.00 | \$10.00 | \$20.00 | \$20.00 | 100.00% | 100.00% |
| 10 | \$13.77 | \$23.32 | \$22.68 | \$32.23 | 64.73% | 38.21% |
| 20 | \$17.53 | \$36.64 | \$25.36 | \$44.46 | 44.62% | 21.35% |
| 30 | \$21.30 | \$49.96 | \$28.03 | \$56.69 | 31.62% | 13.48% |
| 40 | \$25.07 | \$63.28 | \$30.71 | \$68.93 | 22.52% | 8.92% |
| 50 | \$28.83 | \$76.60 | \$33.39 | \$81.16 | 15.81% | 5.95% |
| 60 | \$32.60 | \$89.92 | \$36.07 | \$93.39 | 10.64% | 3.86% |
| 70 | \$36.37 | \$103.24 | \$38.75 | \$105.62 | 6.55% | 2.31% |
| 80 | \$40.13 | \$116.56 | \$41.43 | \$117.85 | 3.22% | 1.11% |
| 90 | \$43.90 | \$129.88 | \$44.10 | \$130.08 | 0.46% | 0.16% |
| 100 | \$47.67 | \$143.20 | \$46.78 | \$142.32 | -1.86% | -0.62% |

SUPPORTING SCHEDULES: E-2 p.1, H-1 p.11-12

RECAP SCHEDULES:

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT
 AND PROPOSED RATES FOR THE RESIDENTIAL RATE CLASS.

TYPE OF DATA SHOWN:
 HISTORIC BASE YEAR DATA: 12/31/07
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: S. RICHARDS

PRESENT RATE SCHEDULE: RESIDENTIAL STANDBY GENERATOR SERVICE (RSG)
 PROPOSED RATE SCHEDULE: RESIDENTIAL STANDBY GENERATOR SERVICE (RSG)

| <u>PRESENT RATES</u> | | <u>PROPOSED RATES</u> | |
|----------------------------|---------------------------------------|-----------------------|-------------------------------------|
| CUSTOMER CHARGE | \$17.82 | CUSTOMER CHARGE | \$20.00 |
| DISTRIB. CHARGE | \$0.00000 PER THERM UP TO 20.8 THERMS | DISTRIB. CHARGE | \$0.00000 PER THERM UP TO 20 THERMS |
| DISTRIB. CHARGE | \$0.37667 PER THERM >20.8 THERMS | DISTRIB. CHARGE | \$0.26782 PER THERM >20 THERMS |
| EST. GAS COST | | \$0.95533 PER THERM | |
| THERM USAGE INCREMENT | | 5 THERMS | |
| AVERAGE USAGE PER CUSTOMER | | 0 THERMS/MONTH | |

| THERM USAGE | PRESENT MONTHLY BILL W/O FUEL | PRESENT MONTHLY BILL WITH FUEL | PROPOSED MONTHLY BILL W/O FUEL | PROPOSED MONTHLY BILL WITH FUEL | PERCENT INCREASE W/O FUEL | PERCENT INCREASE WITH FUEL |
|----------------|--|---|---|--|---------------------------------|----------------------------------|
| 0 | \$17.82 | \$17.82 | \$20.00 | \$20.00 | 12.23% | 12.23% |
| 5 | \$17.82 | \$22.60 | \$20.00 | \$24.78 | 12.23% | 9.65% |
| 10 | \$17.82 | \$27.37 | \$20.00 | \$29.55 | 12.23% | 7.96% |
| 15 | \$17.82 | \$32.15 | \$20.00 | \$34.33 | 12.23% | 6.78% |
| 20 | \$17.82 | \$36.93 | \$20.00 | \$39.11 | 12.23% | 5.90% |
| 25 | \$19.40 | \$43.29 | \$21.34 | \$45.22 | 9.98% | 4.48% |
| 30 | \$21.29 | \$49.95 | \$22.68 | \$51.34 | 6.54% | 2.79% |
| 35 | \$23.17 | \$56.61 | \$24.02 | \$57.45 | 3.66% | 1.50% |
| 40 | \$25.05 | \$63.27 | \$25.36 | \$63.57 | 1.21% | 0.48% |
| 45 | \$26.94 | \$69.93 | \$26.70 | \$69.69 | -0.88% | -0.34% |
| 50 | \$28.82 | \$76.59 | \$28.03 | \$75.80 | -2.72% | -1.02% |

SUPPORTING SCHEDULES: E-2 p.1, H-1 p.11-12

RECAP SCHEDULES:

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT
 AND PROPOSED RATES FOR THE COMMERCIAL RATE CLASS.

TYPE OF DATA SHOWN:
 HISTORIC BASE YEAR DATA: 12/31/07
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: S. RICHARDS

PRESENT RATE SCHEDULE: COMMERCIAL STREET LIGHTING (CSLS)
 PROPOSED RATE SCHEDULE: COMMERCIAL STREET LIGHTING (CSLS)

| | <u>PRESENT RATES</u> | | <u>PROPOSED RATES</u> |
|-----------------|----------------------|-----------------|-----------------------|
| CUSTOMER CHARGE | \$0.00 | CUSTOMER CHARGE | \$0.00 |
| DISTRIB. CHARGE | \$0.12829 PER THERM | DISTRIB. CHARGE | \$0.18859 PER THERM |

| | |
|----------------------------|----------------------------|
| EST. GAS COST | <u>\$0.91971 PER THERM</u> |
| THERM USAGE INCREMENT | <u>200 THERMS</u> |
| AVERAGE USAGE PER CUSTOMER | <u>1,193 THERMS/MONTH</u> |

| THERM USAGE | PRESENT MONTHLY BILL <u>WO FUEL</u> | PRESENT MONTHLY BILL <u>WITH FUEL</u> | PROPOSED MONTHLY BILL <u>WO FUEL</u> | PROPOSED MONTHLY BILL <u>WITH FUEL</u> | PERCENT INCREASE <u>WO FUEL</u> | PERCENT INCREASE <u>WITH FUEL</u> |
|----------------|--|--|---|---|---------------------------------------|---|
| 0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.00% | 0.00% |
| 200 | \$25.66 | \$209.60 | \$37.72 | \$221.66 | 47.00% | 5.75% |
| 400 | \$51.32 | \$419.20 | \$75.44 | \$443.32 | 47.00% | 5.75% |
| 600 | \$76.97 | \$628.80 | \$113.15 | \$664.98 | 47.00% | 5.75% |
| 800 | \$102.63 | \$838.40 | \$150.87 | \$886.64 | 47.00% | 5.75% |
| 1,000 | \$128.29 | \$1,048.00 | \$188.59 | \$1,108.30 | 47.00% | 5.75% |
| 1,200 | \$153.95 | \$1,257.60 | \$226.31 | \$1,329.96 | 47.00% | 5.75% |
| 1,400 | \$179.61 | \$1,467.20 | \$264.03 | \$1,551.62 | 47.00% | 5.75% |
| 1,600 | \$205.26 | \$1,676.80 | \$301.74 | \$1,773.28 | 47.00% | 5.75% |
| 1,800 | \$230.92 | \$1,886.40 | \$339.46 | \$1,994.94 | 47.00% | 5.75% |
| 2,000 | \$256.58 | \$2,096.00 | \$377.18 | \$2,216.60 | 47.00% | 5.75% |

SUPPORTING SCHEDULES: E-2 p.1, H-1 p.11-12

RECAP SCHEDULES:

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT
 AND PROPOSED RATES FOR THE COMMERCIAL TRANSPORTATION RATE CLASS.

TYPE OF DATA SHOWN:
 HISTORIC BASE YEAR DATA: 12/31/07
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: S. RICHARDS

PRESENT RATE SCHEDULE: COMMERCIAL STANDBY GENERATOR SERVICE (CSG)
 PROPOSED RATE SCHEDULE: COMMERCIAL STANDBY GENERATOR SERVICE (CSG)

| PRESENT RATES | | PROPOSED RATES | |
|----------------------------|---------------------------------------|---------------------|-------------------------------------|
| CUSTOMER CHARGE | \$27.67 | CUSTOMER CHARGE | \$35.00 |
| DISTRIB. CHARGE | \$0.00000 PER THERM UP TO 28.6 THERMS | DISTRIB. CHARGE | \$0.00000 PER THERM UP TO 40 THERMS |
| DISTRIB. CHARGE | \$0.26955 PER THERM >28.6 THERMS | DISTRIB. CHARGE | \$0.33894 PER THERM >40 THERMS |
| EST. GAS COST | | \$0.91971 PER THERM | |
| THERM USAGE INCREMENT | | 10 THERMS | |
| AVERAGE USAGE PER CUSTOMER | | 0 THERMS/MONTH | |

| THERM USAGE | PRESENT MONTHLY BILL W/O FUEL | PRESENT MONTHLY BILL WITH FUEL | PROPOSED MONTHLY BILL W/O FUEL | PROPOSED MONTHLY BILL WITH FUEL | PERCENT INCREASE W/O FUEL | PERCENT INCREASE WITH FUEL |
|-------------|-------------------------------|--------------------------------|--------------------------------|---------------------------------|---------------------------|----------------------------|
| 0 | \$27.67 | \$27.67 | \$35.00 | \$35.00 | 26.49% | 26.49% |
| 10 | \$27.67 | \$36.87 | \$35.00 | \$44.20 | 26.49% | 19.88% |
| 20 | \$27.67 | \$46.06 | \$35.00 | \$53.39 | 26.49% | 15.91% |
| 30 | \$28.05 | \$55.64 | \$35.00 | \$62.59 | 24.79% | 12.50% |
| 40 | \$30.74 | \$67.53 | \$35.00 | \$71.79 | 13.85% | 6.30% |
| 50 | \$33.44 | \$79.42 | \$38.39 | \$84.37 | 14.81% | 6.23% |
| 60 | \$36.13 | \$91.32 | \$41.78 | \$96.96 | 15.62% | 6.18% |
| 70 | \$38.83 | \$103.21 | \$45.17 | \$109.55 | 16.32% | 6.14% |
| 80 | \$41.52 | \$115.10 | \$48.56 | \$122.13 | 16.94% | 6.11% |
| 90 | \$44.22 | \$126.99 | \$51.95 | \$134.72 | 17.47% | 6.08% |
| 100 | \$46.92 | \$138.89 | \$55.34 | \$147.31 | 17.95% | 6.06% |

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT
 AND PROPOSED RATES FOR THE COMMERCIAL TRANSPORTATION RATE CLASS.

TYPE OF DATA SHOWN:
 HISTORIC BASE YEAR DATA: 12/31/07
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: S. RICHARDS

PRESENT RATE SCHEDULE: SMALL GENERAL SERVICE (SGS)
 PROPOSED RATE SCHEDULE: SMALL GENERAL SERVICE (SGS)

| <u>PRESENT RATES</u> | | <u>PROPOSED RATES</u> | |
|----------------------|---------------------|-----------------------|---------------------|
| CUSTOMER CHARGE | \$20.00 | CUSTOMER CHARGE | \$25.00 |
| DISTRIB. CHARGE | \$0.26955 PER THERM | DISTRIB. CHARGE | \$0.33894 PER THERM |

EST. GAS COST \$0.91971 PER THERM
 THERM USAGE INCREMENT 10 THERMS
 AVERAGE USAGE PER CUSTOMER 65 THERMS/MONTH

| THERM USAGE | PRESENT MONTHLY BILL <u>W/O FUEL</u> | PRESENT MONTHLY BILL <u>WITH FUEL</u> | PROPOSED MONTHLY BILL <u>W/O FUEL</u> | PROPOSED MONTHLY BILL <u>WITH FUEL</u> | PERCENT INCREASE <u>W/O FUEL</u> | PERCENT INCREASE <u>WITH FUEL</u> |
|----------------|---|--|--|---|--|---|
| 0 | \$20.00 | \$20.00 | \$25.00 | \$25.00 | 25.00% | 25.00% |
| 10 | \$22.70 | \$31.89 | \$28.39 | \$37.59 | 25.09% | 17.85% |
| 20 | \$25.39 | \$43.79 | \$31.78 | \$50.17 | 25.16% | 14.59% |
| 30 | \$28.09 | \$55.68 | \$35.17 | \$62.76 | 25.21% | 12.72% |
| 40 | \$30.78 | \$67.57 | \$38.56 | \$75.35 | 25.26% | 11.51% |
| 50 | \$33.48 | \$79.46 | \$41.95 | \$87.93 | 25.30% | 10.66% |
| 60 | \$36.17 | \$91.36 | \$45.34 | \$100.52 | 25.33% | 10.03% |
| 70 | \$38.87 | \$103.25 | \$48.73 | \$113.11 | 25.36% | 9.55% |
| 80 | \$41.56 | \$115.14 | \$52.12 | \$125.69 | 25.39% | 9.16% |
| 90 | \$44.26 | \$127.03 | \$55.50 | \$138.28 | 25.41% | 8.85% |
| 100 | \$46.96 | \$138.93 | \$58.89 | \$150.87 | 25.43% | 8.59% |

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT
 AND PROPOSED RATES FOR THE COMMERCIAL RATE CLASS.

TYPE OF DATA SHOWN:
 HISTORIC BASE YEAR DATA: 12/31/07
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: S. RICHARDS

PRESENT RATE SCHEDULE: GENERAL SERVICE (GS 1)
 PROPOSED RATE SCHEDULE: GENERAL SERVICE (GS 1)

| PRESENT RATES | | PROPOSED RATES | |
|----------------------------|---------------------|---------------------|---------------------|
| CUSTOMER CHARGE | \$30.00 | CUSTOMER CHARGE | \$35.00 |
| DISTRIB. CHARGE | \$0.23045 PER THERM | DISTRIB. CHARGE | \$0.26800 PER THERM |
| EST. GAS COST | | \$0.91971 PER THERM | |
| THERM USAGE INCREMENT | | 100 THERMS | |
| AVERAGE USAGE PER CUSTOMER | | 409 THERMS/MONTH | |

| THERM USAGE | PRESENT MONTHLY BILL W/O FUEL | PRESENT MONTHLY BILL WITH FUEL | PROPOSED MONTHLY BILL W/O FUEL | PROPOSED MONTHLY BILL WITH FUEL | PERCENT INCREASE W/O FUEL | PERCENT INCREASE WITH FUEL |
|-------------|-------------------------------|--------------------------------|--------------------------------|---------------------------------|---------------------------|----------------------------|
| 0 | \$30.00 | \$30.00 | \$35.00 | \$35.00 | 16.67% | 16.67% |
| 100 | \$53.05 | \$145.02 | \$61.60 | \$153.77 | 16.50% | 6.04% |
| 200 | \$76.09 | \$260.03 | \$88.60 | \$272.54 | 16.44% | 4.81% |
| 300 | \$99.14 | \$375.05 | \$115.40 | \$391.31 | 16.41% | 4.34% |
| 400 | \$122.18 | \$490.06 | \$142.20 | \$510.08 | 16.39% | 4.08% |
| 500 | \$145.23 | \$605.08 | \$169.00 | \$628.86 | 16.37% | 3.93% |
| 600 | \$168.27 | \$720.10 | \$195.80 | \$747.63 | 16.36% | 3.82% |
| 700 | \$191.32 | \$835.11 | \$222.60 | \$866.40 | 16.35% | 3.75% |
| 800 | \$214.36 | \$950.13 | \$249.40 | \$985.17 | 16.35% | 3.69% |
| 900 | \$237.41 | \$1,065.14 | \$276.20 | \$1,103.94 | 16.34% | 3.64% |
| 1,000 | \$260.45 | \$1,180.16 | \$303.00 | \$1,222.71 | 16.34% | 3.61% |

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT
 AND PROPOSED RATES FOR THE COMMERCIAL RATE CLASS.

TYPE OF DATA SHOWN:
 HISTORIC BASE YEAR DATA: 12/31/07
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: S. RICHARDS

PRESENT RATE SCHEDULE: GENERAL SERVICE GS 2
 PROPOSED RATE SCHEDULE: GENERAL SERVICE (GS 2)

| <u>PRESENT RATES</u> | | <u>PROPOSED RATES</u> | |
|----------------------|---------------------|-----------------------|---------------------|
| CUSTOMER CHARGE | \$35.00 | CUSTOMER CHARGE | \$50.00 |
| DISTRIB. CHARGE | \$0.22267 PER THERM | DISTRIB. CHARGE | \$0.22746 PER THERM |

| | |
|----------------------------|----------------------------|
| EST. GAS COST | <u>\$0.91971 PER THERM</u> |
| THERM USAGE INCREMENT | <u>500 THERMS</u> |
| AVERAGE USAGE PER CUSTOMER | <u>1,710 THERMS/MONTH</u> |

| THERM USAGE | PRESENT MONTHLY BILL W/O FUEL | PRESENT MONTHLY BILL WITH FUEL | PROPOSED MONTHLY BILL W/O FUEL | PROPOSED MONTHLY BILL WITH FUEL | PERCENT INCREASE W/O FUEL | PERCENT INCREASE WITH FUEL |
|----------------|--|---|---|--|---------------------------------|----------------------------------|
| 0 | \$35.00 | \$35.00 | \$50.00 | \$50.00 | 42.86% | 42.86% |
| 500 | \$146.34 | \$606.19 | \$163.73 | \$623.59 | 11.89% | 2.87% |
| 1,000 | \$257.67 | \$1,177.38 | \$277.46 | \$1,197.17 | 7.68% | 1.68% |
| 1,500 | \$369.01 | \$1,748.57 | \$391.19 | \$1,770.76 | 6.01% | 1.27% |
| 2,000 | \$480.34 | \$2,319.76 | \$504.92 | \$2,344.34 | 5.12% | 1.06% |
| 2,500 | \$591.68 | \$2,890.95 | \$618.65 | \$2,917.93 | 4.56% | 0.93% |
| 3,000 | \$703.01 | \$3,462.14 | \$732.38 | \$3,491.51 | 4.18% | 0.85% |
| 3,500 | \$814.35 | \$4,033.33 | \$846.11 | \$4,065.10 | 3.90% | 0.79% |
| 4,000 | \$925.68 | \$4,604.52 | \$959.84 | \$4,638.68 | 3.89% | 0.74% |
| 4,500 | \$1,037.02 | \$5,175.71 | \$1,073.57 | \$5,212.27 | 3.53% | 0.71% |
| 5,000 | \$1,148.35 | \$5,746.90 | \$1,187.30 | \$5,785.85 | 3.39% | 0.68% |

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT
 AND PROPOSED RATES FOR THE COMMERCIAL RATE CLASS.

TYPE OF DATA SHOWN:
 HISTORIC BASE YEAR DATA: 12/31/07
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: S. RICHARDS

PRESENT RATE SCHEDULE: GENERAL SERVICE (GS 3)
 PROPOSED RATE SCHEDULE: GENERAL SERVICE (GS 3)

| | <u>PRESENT RATES</u> | | <u>PROPOSED RATES</u> |
|-----------------|----------------------|-----------------|-----------------------|
| CUSTOMER CHARGE | \$45.00 | CUSTOMER CHARGE | \$150.00 |
| DISTRIB. CHARGE | \$0.19533 PER THERM | DISTRIB. CHARGE | \$0.19670 PER THERM |

EST. GAS COST \$0.91971 PER THERM
 THERM USAGE INCREMENT 1,000 THERMS
 AVERAGE USAGE PER CUSTOMER 7,527 THERMS/MONTH

| THERM USAGE | PRESENT MONTHLY BILL W/O FUEL | PRESENT MONTHLY BILL WITH FUEL | PROPOSED MONTHLY BILL W/O FUEL | PROPOSED MONTHLY BILL WITH FUEL | PERCENT INCREASE W/O FUEL | PERCENT INCREASE WITH FUEL |
|----------------|--|---|---|--|---------------------------------|----------------------------------|
| 0 | \$45.00 | \$45.00 | \$150.00 | \$150.00 | 233.33% | 233.33% |
| 1,000 | \$240.33 | \$1,160.04 | \$346.70 | \$1,266.41 | 44.26% | 9.17% |
| 2,000 | \$435.66 | \$2,275.08 | \$543.40 | \$2,382.82 | 24.73% | 4.74% |
| 3,000 | \$630.99 | \$3,390.12 | \$740.10 | \$3,499.23 | 17.29% | 3.22% |
| 4,000 | \$826.32 | \$4,505.16 | \$936.80 | \$4,615.64 | 13.37% | 2.45% |
| 5,000 | \$1,021.65 | \$5,620.20 | \$1,133.50 | \$5,732.05 | 10.95% | 1.99% |
| 6,000 | \$1,216.98 | \$6,735.24 | \$1,330.20 | \$6,848.46 | 9.30% | 1.68% |
| 7,000 | \$1,412.31 | \$7,850.28 | \$1,526.90 | \$7,964.87 | 8.11% | 1.46% |
| 8,000 | \$1,607.64 | \$8,965.32 | \$1,723.60 | \$9,081.28 | 7.21% | 1.29% |
| 9,000 | \$1,802.97 | \$10,080.36 | \$1,920.30 | \$10,197.69 | 6.51% | 1.16% |
| 10,000 | \$1,998.30 | \$11,195.40 | \$2,117.00 | \$11,314.10 | 5.94% | 1.06% |

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT
 AND PROPOSED RATES FOR THE COMMERCIAL RATE CLASS.

TYPE OF DATA SHOWN:
 HISTORIC BASE YEAR DATA: 12/31/07
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: S. RICHARDS

PRESENT RATE SCHEDULE: GENERAL SERVICE (GS 4)
 PROPOSED RATE SCHEDULE: GENERAL SERVICE (GS 4)

| <u>PRESENT RATES</u> | | <u>PROPOSED RATES</u> | |
|----------------------|---------------------|-----------------------|---------------------|
| CUSTOMER CHARGE | \$85.00 | CUSTOMER CHARGE | \$250.00 |
| DISTRIB. CHARGE | \$0.17828 PER THERM | DISTRIB. CHARGE | \$0.15215 PER THERM |

| | |
|----------------------------|----------------------------|
| EST. GAS COST | <u>\$0.91971 PER THERM</u> |
| THERM USAGE INCREMENT | <u>7,500 THERMS</u> |
| AVERAGE USAGE PER CUSTOMER | <u>29,315 THERMS/MONTH</u> |

| THERM USAGE | PRESENT MONTHLY BILL W/O FUEL | PRESENT MONTHLY BILL WITH FUEL | PROPOSED MONTHLY BILL W/O FUEL | PROPOSED MONTHLY BILL WITH FUEL | PERCENT INCREASE W/O FUEL | PERCENT INCREASE WITH FUEL |
|-------------|-------------------------------|--------------------------------|--------------------------------|---------------------------------|---------------------------|----------------------------|
| 0 | \$85.00 | \$85.00 | \$250.00 | \$250.00 | 194.12% | 194.12% |
| 7,500 | \$1,422.10 | \$8,319.93 | \$1,391.13 | \$8,288.95 | -2.18% | -0.37% |
| 15,000 | \$2,759.20 | \$16,554.85 | \$2,532.25 | \$16,327.90 | -8.23% | -1.37% |
| 22,500 | \$4,096.30 | \$24,789.78 | \$3,673.38 | \$24,366.85 | -10.32% | -1.71% |
| 30,000 | \$5,433.40 | \$33,024.70 | \$4,814.50 | \$32,405.80 | -11.39% | -1.87% |
| 37,500 | \$6,770.50 | \$41,259.63 | \$5,955.63 | \$40,444.75 | -12.04% | -1.97% |
| 45,000 | \$8,107.60 | \$49,494.55 | \$7,096.75 | \$48,483.70 | -12.47% | -2.04% |
| 52,500 | \$9,444.70 | \$57,729.48 | \$8,237.88 | \$56,522.65 | -12.78% | -2.09% |
| 60,000 | \$10,781.80 | \$65,964.40 | \$9,379.00 | \$64,561.60 | -13.01% | -2.13% |
| 67,500 | \$12,118.90 | \$74,199.33 | \$10,520.13 | \$72,600.55 | -13.19% | -2.15% |
| 75,000 | \$13,456.00 | \$82,434.25 | \$11,661.25 | \$80,639.50 | -13.34% | -2.18% |

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT
 AND PROPOSED RATES FOR THE COMMERCIAL RATE CLASS.

TYPE OF DATA SHOWN:
 HISTORIC BASE YEAR DATA: 12/31/07
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: S. RICHARDS

PRESENT RATE SCHEDULE: GENERAL SERVICE (GS 5)
 PROPOSED RATE SCHEDULE: GENERAL SERVICE (GS 5)

| <u>PRESENT RATES</u> | | <u>PROPOSED RATES</u> | |
|----------------------|---------------------|-----------------------|---------------------|
| CUSTOMER CHARGE | \$150.00 | CUSTOMER CHARGE | \$300.00 |
| DISTRIB. CHARGE | \$0.10041 PER THERM | DISTRIB. CHARGE | \$0.11321 PER THERM |

| | |
|----------------------------|----------------------------|
| EST. GAS COST | <u>\$0.91971 PER THERM</u> |
| THERM USAGE INCREMENT | <u>10,000 THERMS</u> |
| AVERAGE USAGE PER CUSTOMER | <u>52,167 THERMS/MONTH</u> |

| THERM USAGE | PRESENT MONTHLY BILL W/O FUEL | PRESENT MONTHLY BILL WITH FUEL | PROPOSED MONTHLY BILL W/O FUEL | PROPOSED MONTHLY BILL WITH FUEL | PERCENT INCREASE W/O FUEL | PERCENT INCREASE WITH FUEL |
|----------------|--|---|---|--|---------------------------------|----------------------------------|
| 0 | \$150.00 | \$150.00 | \$300.00 | \$300.00 | 100.00% | 100.00% |
| 10,000 | \$1,154.10 | \$10,351.20 | \$1,432.10 | \$10,629.20 | 24.09% | 2.69% |
| 20,000 | \$2,158.20 | \$20,552.40 | \$2,564.20 | \$20,958.40 | 18.81% | 1.98% |
| 30,000 | \$3,162.30 | \$30,753.60 | \$3,696.30 | \$31,287.60 | 16.89% | 1.74% |
| 40,000 | \$4,166.40 | \$40,954.80 | \$4,828.40 | \$41,616.80 | 15.89% | 1.62% |
| 50,000 | \$5,170.50 | \$51,156.00 | \$5,960.50 | \$51,946.00 | 15.28% | 1.54% |
| 60,000 | \$6,174.60 | \$61,357.20 | \$7,092.60 | \$62,275.20 | 14.87% | 1.50% |
| 70,000 | \$7,178.70 | \$71,558.40 | \$8,224.70 | \$72,604.40 | 14.57% | 1.46% |
| 80,000 | \$8,182.80 | \$81,759.60 | \$9,356.80 | \$82,933.60 | 14.35% | 1.44% |
| 90,000 | \$9,186.90 | \$91,960.80 | \$10,488.90 | \$93,262.80 | 14.17% | 1.42% |
| 100,000 | \$10,191.00 | \$102,162.00 | \$11,621.00 | \$103,592.00 | 14.03% | 1.40% |

SUPPORTING SCHEDULES: E-2 p.1, H-1 p.11-12

RECAP SCHEDULES:

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT
 AND PROPOSED RATES FOR THE COMMERCIAL RATE CLASS.

TYPE OF DATA SHOWN:
 HISTORIC BASE YEAR DATA: 12/31/07
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: S. RICHARDS

PRESENT RATE SCHEDULE: NATURAL GAS VEHICLE SERVICE (NGVS)
 PROPOSED RATE SCHEDULE: NATURAL GAS VEHICLE SERVICE (NGVS)

| | <u>PRESENT RATES</u> | | <u>PROPOSED RATES</u> |
|-----------------|----------------------|----------------------------|----------------------------|
| CUSTOMER CHARGE | \$35.00 | CUSTOMER CHARGE | \$45.00 |
| DISTRIB. CHARGE | \$0.14013 PER THERM | DISTRIB. CHARGE | \$0.18392 PER THERM |
| | | EST. GAS COST | <u>\$0.91971 PER THERM</u> |
| | | THERM USAGE INCREMENT | <u>500 THERMS</u> |
| | | AVERAGE USAGE PER CUSTOMER | <u>2,381 THERMS/MONTH</u> |

| THERM USAGE | PRESENT MONTHLY BILL W/O FUEL | PRESENT MONTHLY BILL WITH FUEL | PROPOSED MONTHLY BILL W/O FUEL | PROPOSED MONTHLY BILL WITH FUEL | PERCENT INCREASE W/O FUEL | PERCENT INCREASE WITH FUEL |
|----------------|--|---|---|--|---------------------------------|----------------------------------|
| 0 | \$35.00 | \$35.00 | \$45.00 | \$45.00 | 28.57% | 28.57% |
| 500 | \$105.07 | \$564.92 | \$136.96 | \$596.82 | 30.36% | 5.65% |
| 1,000 | \$175.13 | \$1,094.84 | \$228.92 | \$1,148.63 | 30.71% | 4.91% |
| 1,500 | \$245.20 | \$1,624.76 | \$320.88 | \$1,700.45 | 30.87% | 4.66% |
| 2,000 | \$315.26 | \$2,154.68 | \$412.84 | \$2,252.26 | 30.95% | 4.53% |
| 2,500 | \$385.33 | \$2,684.60 | \$504.80 | \$2,804.08 | 31.01% | 4.45% |
| 3,000 | \$455.39 | \$3,214.52 | \$596.76 | \$3,355.89 | 31.04% | 4.40% |
| 3,500 | \$525.46 | \$3,744.44 | \$688.72 | \$3,907.71 | 31.07% | 4.36% |
| 4,000 | \$595.52 | \$4,274.36 | \$780.68 | \$4,459.52 | 31.09% | 4.33% |
| 4,500 | \$665.59 | \$4,804.28 | \$872.64 | \$5,011.34 | 31.11% | 4.31% |
| 5,000 | \$735.65 | \$5,334.20 | \$964.60 | \$5,563.15 | 31.12% | 4.29% |

RECAP SCHEDULES:

SUPPORTING SCHEDULES: E-2 p.1, H-1 p.11-12

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT
 AND PROPOSED RATES FOR THE INDUSTRIAL RATE CLASS.

TYPE OF DATA SHOWN:
 HISTORIC BASE YEAR DATA: 12/31/07
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: S. RICHARDS

PRESENT RATE SCHEDULE: SMALL INDUSTRIAL SERVICE (SIS)
 PROPOSED RATE SCHEDULE: SMALL INDUSTRIAL SERVICE (SIS)

| | <u>PRESENT RATES</u> | | <u>PROPOSED RATES</u> |
|-----------------|----------------------|-----------------|-----------------------|
| CUSTOMER CHARGE | \$150.00 | CUSTOMER CHARGE | \$300.00 |
| DISTRIB. CHARGE | \$0.07227 PER THERM | DISTRIB. CHARGE | \$0.07131 PER THERM |

| | |
|----------------------------|-----------------------------|
| EST. GAS COST | <u>\$0.91971 PER THERM</u> |
| THERM USAGE INCREMENT | <u>25,000 THERMS</u> |
| AVERAGE USAGE PER CUSTOMER | <u>156,182 THERMS/MONTH</u> |

| THERM USAGE | PRESENT MONTHLY BILL W/O FUEL | PRESENT MONTHLY BILL WITH FUEL | PROPOSED MONTHLY BILL W/O FUEL | PROPOSED MONTHLY BILL WITH FUEL | PERCENT INCREASE W/O FUEL | PERCENT INCREASE WITH FUEL |
|----------------|--|---|---|--|---------------------------------|----------------------------------|
| 0 | \$150.00 | \$150.00 | \$300.00 | \$300.00 | 100.00% | 100.00% |
| 25,000 | \$1,956.75 | \$24,949.50 | \$2,082.75 | \$25,075.50 | 6.44% | 0.51% |
| 50,000 | \$3,763.50 | \$49,749.00 | \$3,865.50 | \$49,851.00 | 2.71% | 0.21% |
| 75,000 | \$5,570.25 | \$74,548.50 | \$5,648.25 | \$74,626.50 | 1.40% | 0.10% |
| 100,000 | \$7,377.00 | \$99,348.00 | \$7,431.00 | \$99,402.00 | 0.73% | 0.05% |
| 125,000 | \$9,183.75 | \$124,147.50 | \$9,213.75 | \$124,177.50 | 0.33% | 0.02% |
| 150,000 | \$10,990.50 | \$148,947.00 | \$10,996.50 | \$148,953.00 | 0.05% | 0.00% |
| 175,000 | \$12,797.25 | \$173,746.50 | \$12,779.25 | \$173,728.50 | -0.14% | -0.01% |
| 200,000 | \$14,604.00 | \$198,546.00 | \$14,562.00 | \$198,504.00 | -0.29% | -0.02% |
| 225,000 | \$16,410.75 | \$223,345.50 | \$16,344.75 | \$223,279.50 | -0.40% | -0.03% |
| 250,000 | \$18,217.50 | \$248,145.00 | \$18,127.50 | \$248,055.00 | -0.49% | -0.04% |

SUPPORTING SCHEDULES: E-2 p.1, H-1 p.11-12

RECAP SCHEDULES:

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT
 AND PROPOSED RATES FOR THE PRESENT INDUSTRIAL RATE CLASS.

TYPE OF DATA SHOWN:
 HISTORIC BASE YEAR DATA: 12/31/07
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: S. RICHARDS

PRESENT RATE SCHEDULE: INDUSTRIAL SERVICE (IS)
 PROPOSED RATE SCHEDULE: INDUSTRIAL SERVICE (IS)

| | <u>PRESENT RATES</u> | | <u>PROPOSED RATES</u> |
|-----------------|----------------------|-----------------|-----------------------|
| CUSTOMER CHARGE | \$225.00 | CUSTOMER CHARGE | \$475.00 |
| DISTRIB. CHARGE | \$0.03522 PER THERM | DISTRIB. CHARGE | \$0.03491 PER THERM |

| | |
|----------------------------|-----------------------------|
| EST. GAS COST | <u>\$0.91971 PER THERM</u> |
| THERM USAGE INCREMENT | <u>175,000 THERMS</u> |
| AVERAGE USAGE PER CUSTOMER | <u>800,364 THERMS/MONTH</u> |

| THERM USAGE | PRESENT MONTHLY BILL <u>W/O FUEL</u> | PRESENT MONTHLY BILL <u>WITH FUEL</u> | PROPOSED MONTHLY BILL <u>W/O FUEL</u> | PROPOSED MONTHLY BILL <u>WITH FUEL</u> | PERCENT INCREASE <u>W/O FUEL</u> | PERCENT INCREASE <u>WITH FUEL</u> |
|----------------|---|--|--|---|--|---|
| 0 | \$225.00 | \$225.00 | \$475.00 | \$475.00 | 111.11% | 111.11% |
| 175,000 | \$6,388.50 | \$167,337.75 | \$6,584.25 | \$167,533.50 | 3.06% | 0.12% |
| 350,000 | \$12,552.00 | \$334,450.50 | \$12,693.50 | \$334,592.00 | 1.13% | 0.04% |
| 525,000 | \$18,715.50 | \$501,563.25 | \$18,802.75 | \$501,850.50 | 0.47% | 0.02% |
| 700,000 | \$24,879.00 | \$668,676.00 | \$24,912.00 | \$668,709.00 | 0.13% | 0.00% |
| 875,000 | \$31,042.50 | \$835,788.75 | \$31,021.25 | \$835,767.50 | -0.07% | 0.00% |
| 1,050,000 | \$37,206.00 | \$1,002,901.50 | \$37,130.50 | \$1,002,826.00 | -0.20% | -0.01% |
| 1,225,000 | \$43,369.50 | \$1,170,014.25 | \$43,239.75 | \$1,169,884.50 | -0.30% | -0.01% |
| 1,400,000 | \$49,533.00 | \$1,337,127.00 | \$49,349.00 | \$1,336,943.00 | -0.37% | -0.01% |
| 1,575,000 | \$55,696.50 | \$1,504,239.75 | \$55,458.25 | \$1,504,001.50 | -0.43% | -0.02% |
| 1,750,000 | \$61,860.00 | \$1,671,352.50 | \$61,587.50 | \$1,671,060.00 | -0.47% | -0.02% |

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT
 AND PROPOSED RATES FOR THE PRESENT INDUSTRIAL RATE CLASS.

TYPE OF DATA SHOWN:
 HISTORIC BASE YEAR DATA: 12/31/07
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: S. RICHARDS

PRESENT RATE SCHEDULE: INDUSTRIAL LARGE VOLUME SERVICE (ISLV)
 PROPOSED RATE SCHEDULE: INDUSTRIAL LARGE VOLUME SERVICE (ISLV)

| PRESENT RATES | | PROPOSED RATES | |
|-----------------|---------------------|-----------------|---------------------|
| CUSTOMER CHARGE | \$225.00 | CUSTOMER CHARGE | \$475.00 |
| DISTRIB. CHARGE | \$0.01002 PER THERM | DISTRIB. CHARGE | \$0.00996 PER THERM |

| | |
|----------------------------|------------------------|
| EST. GAS COST | \$0.91971 PER THERM |
| THERM USAGE INCREMENT | 750,000 THERMS |
| AVERAGE USAGE PER CUSTOMER | 4,222,287 THERMS/MONTH |

| THERM USAGE | PRESENT MONTHLY BILL W/O FUEL | PRESENT MONTHLY BILL WITH FUEL | PROPOSED MONTHLY BILL W/O FUEL | PROPOSED MONTHLY BILL WITH FUEL | PERCENT INCREASE W/O FUEL | PERCENT INCREASE WITH FUEL |
|-------------|-------------------------------|--------------------------------|--------------------------------|---------------------------------|---------------------------|----------------------------|
| 0 | \$225.00 | \$225.00 | \$475.00 | \$475.00 | 111.11% | 111.11% |
| 750,000 | \$7,740.00 | \$697,522.50 | \$7,945.00 | \$697,727.50 | 2.65% | 0.03% |
| 1,500,000 | \$15,255.00 | \$1,394,820.00 | \$15,415.00 | \$1,394,980.00 | 1.05% | 0.01% |
| 2,250,000 | \$22,770.00 | \$2,092,117.50 | \$22,885.00 | \$2,092,232.50 | 0.51% | 0.01% |
| 3,000,000 | \$30,285.00 | \$2,789,415.00 | \$30,355.00 | \$2,789,485.00 | 0.23% | 0.00% |
| 3,750,000 | \$37,800.00 | \$3,486,712.50 | \$37,825.00 | \$3,486,737.50 | 0.07% | 0.00% |
| 4,500,000 | \$45,315.00 | \$4,184,010.00 | \$45,295.00 | \$4,183,980.00 | -0.04% | 0.00% |
| 5,250,000 | \$52,830.00 | \$4,881,307.50 | \$52,765.00 | \$4,881,242.50 | -0.12% | 0.00% |
| 6,000,000 | \$60,345.00 | \$5,578,605.00 | \$60,235.00 | \$5,578,495.00 | -0.18% | 0.00% |
| 6,750,000 | \$67,860.00 | \$6,275,902.50 | \$67,705.00 | \$6,275,747.50 | -0.23% | 0.00% |
| 7,500,000 | \$75,375.00 | \$6,973,200.00 | \$75,175.00 | \$6,973,000.00 | -0.27% | 0.00% |

SUPPORTING SCHEDULES: E-2 p.1, H-1 p.11-12

RECAP SCHEDULES:

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: PROVIDE MONTHLY BILL COMPARISONS UNDER PRESENT
 AND PROPOSED RATES FOR THE PRESENT COMMERCIAL RATE CLASS.

TYPE OF DATA SHOWN:
 HISTORIC BASE YEAR DATA: 12/31/07
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: S. RICHARDS

PRESENT RATE SCHEDULE: WHOLESALE (WHS)
 PROPOSED RATE SCHEDULE: WHOLESALE (WHS)

| PRESENT RATES | | PROPOSED RATES | |
|-----------------|---------------------|-----------------|---------------------|
| CUSTOMER CHARGE | \$100.00 | CUSTOMER CHARGE | \$150.00 |
| DISTRIB. CHARGE | \$0.13622 PER THERM | DISTRIB. CHARGE | \$0.14934 PER THERM |

| | |
|----------------------------|----------------------------|
| EST. GAS COST | <u>\$0.91971 PER THERM</u> |
| THERM USAGE INCREMENT | <u>2,500 THERMS</u> |
| AVERAGE USAGE PER CUSTOMER | <u>11,988 THERMS/MONTH</u> |

| THERM USAGE | PRESENT MONTHLY BILL W/O FUEL | PRESENT MONTHLY BILL WITH FUEL | PROPOSED MONTHLY BILL W/O FUEL | PROPOSED MONTHLY BILL WITH FUEL | PERCENT INCREASE W/O FUEL | PERCENT INCREASE WITH FUEL |
|-------------|-------------------------------|--------------------------------|--------------------------------|---------------------------------|---------------------------|----------------------------|
| 0 | \$100.00 | \$100.00 | \$150.00 | \$150.00 | 50.00% | 50.00% |
| 2,500 | \$440.55 | \$2,739.83 | \$523.35 | \$2,822.63 | 18.79% | 3.02% |
| 5,000 | \$781.10 | \$5,379.65 | \$896.70 | \$5,495.25 | 14.80% | 2.15% |
| 7,500 | \$1,121.65 | \$8,019.48 | \$1,270.05 | \$8,167.88 | 13.23% | 1.85% |
| 10,000 | \$1,462.20 | \$10,659.30 | \$1,643.40 | \$10,840.50 | 12.39% | 1.70% |
| 12,500 | \$1,802.75 | \$13,299.13 | \$2,016.75 | \$13,513.13 | 11.87% | 1.61% |
| 15,000 | \$2,143.30 | \$15,938.95 | \$2,390.10 | \$16,185.75 | 11.51% | 1.55% |
| 17,500 | \$2,483.85 | \$18,578.78 | \$2,763.45 | \$18,858.38 | 11.26% | 1.50% |
| 20,000 | \$2,824.40 | \$21,218.60 | \$3,136.80 | \$21,531.00 | 11.06% | 1.47% |
| 22,500 | \$3,164.95 | \$23,858.43 | \$3,510.15 | \$24,203.63 | 10.91% | 1.45% |
| 25,000 | \$3,505.50 | \$26,498.25 | \$3,883.50 | \$26,876.25 | 10.78% | 1.43% |

SUPPORTING SCHEDULES: E-2 p.1, H-1 p.11-12

RECAP SCHEDULES:

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: FULLY ALLOCATED
 EMBEDDED COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: D. YARDLEY

SUMMARY

| LINE NO. | SUMMARY | TOTAL | RESIDENTIAL SERVICE | RESIDENTIAL GENERATOR | COMMERCIAL STREET LIGHTING | COMMERCIAL GENERATOR | (1 - 1,999) SMALL GENERAL SERVICE | (2,000 - 9,999) GENERAL SERVICE 1 | (10,000 - 49,999) GENERAL SERVICE 2 | (50,000 - 249,999) GENERAL SERVICE 3 |
|----------|-------------------------------------|---------------|---------------------|-----------------------|----------------------------|----------------------|-----------------------------------|-----------------------------------|-------------------------------------|--------------------------------------|
| 1 | RATE BASE | 560,844,755 | 200,710,259 | 316,232 | 602,950 | 772,491 | 16,159,714 | 71,182,731 | 104,348,219 | 54,780,517 |
| 2 | ATTRITION | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3 | O&M | 72,124,723 | 37,882,076 | 75,457 | 44,354 | 183,251 | 2,816,919 | 8,306,641 | 9,684,788 | 4,478,221 |
| 4 | DEPRECIATION | 41,853,490 | 15,137,964 | 24,104 | 44,523 | 58,881 | 1,217,025 | 5,302,188 | 7,735,219 | 4,051,502 |
| 5 | AMORTIZATION EXPENSES | 1,837,603 | 285,003 | 0 | 2,545 | 0 | 26,090 | 219,128 | 387,504 | 219,957 |
| 6 | TAXES OTHER THAN INCOME - OTHER | 9,778,750 | 3,536,870 | 5,632 | 10,403 | 13,757 | 284,349 | 1,238,816 | 1,807,275 | 946,603 |
| 7 | TAXES OTHER THAN INCOME - REV. REL. | 1,052,683 | 418,318 | 713 | 990 | 1,870 | 34,360 | 133,621 | 183,923 | 93,476 |
| 8 | GAIN ON SALE OF PROPERTY | (480,321) | (434,217) | (1,015) | (89) | (1,123) | (14,781) | (18,895) | (8,597) | (1,173) |
| 9 | RETURN | 47,671,804 | 17,060,372 | 26,880 | 51,251 | 65,662 | 1,373,576 | 6,050,532 | 8,869,599 | 4,656,344 |
| 10 | INCOME TAXES TOTAL | 16,720,164 | 5,983,667 | 9,428 | 17,975 | 23,030 | 481,761 | 2,122,133 | 3,110,878 | 1,633,142 |
| 11 | REVENUE CREDITED TO COS: | (9,780,513) | (8,031,862) | (18,777) | (1,925) | (24,202) | (318,605) | (407,279) | (185,295) | (25,293) |
| 12 | TOTAL COST - CUSTOMER | 82,793,467 | 54,328,869 | 121,708 | 16,401 | 319,256 | 4,301,788 | 9,672,609 | 8,163,609 | 2,768,930 |
| 13 | TOTAL COST - CAPACITY | 96,932,234 | 17,091,006 | 0 | 152,636 | 0 | 1,584,545 | 13,140,654 | 23,237,761 | 13,190,373 |
| 14 | TOTAL COST - COMMODITY | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15 | TOTAL COST - REVENUE | 1,052,683 | 418,318 | 713 | 990 | 1,870 | 34,360 | 133,621 | 183,923 | 93,476 |
| 16 | NO. OF CUSTOMERS | 338,795 | 306,275 | 716 | 63 | 792 | 10,426 | 13,328 | 6,064 | 828 |
| 17 | PEAK MONTH - JANUARY SALES | 85,557,629 | 12,401,125 | 0 | 82,171 | 0 | 944,291 | 7,920,164 | 13,764,298 | 7,371,755 |
| 18 | ANNUAL SALES | 1,081,229,664 | 61,965,936 | 0 | 901,552 | 0 | 8,296,450 | 65,430,833 | 124,454,784 | 74,743,912 |

SUPPORTING SCHEDULES: H-2 p.10-11

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 060318-GU

EXPLANATION: FULLY ALLOCATED
 EMBEDDED COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: D. YARDLEY

SUMMARY

| LINE NO. | SUMMARY | TOTAL | (250,000 - 499,999) | (500,000 +) | (1,000,000 - 3,999,999) | (4,000,000 - 50,000,000) | (50,000,000 +) | NATURAL GAS | WHOLESALE | SPECIAL |
|----------|-------------------------------------|---------------|---------------------|-------------------|-----------------------------|--------------------------|----------------------------|---------------|-----------|-------------|
| | | | GENERAL SERVICE 4 | GENERAL SERVICE 5 | SMALL INTERRUPTIBLE SERVICE | INTERRUPTIBLE SERVICE | INTERRUPTIBLE LARGE VOLUME | VEHICLE SALES | SERVICE | CONTRACTS |
| 1 | RATE BASE | 560,844,755 | 28,610,349 | 27,797,717 | 12,644,827 | 13,600,680 | 5,276,436 | 349,914 | 921,237 | 22,770,481 |
| 2 | ATTRITION | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3 | O&M | 72,124,723 | 2,111,681 | 2,094,054 | 972,329 | 1,512,945 | 221,276 | 33,943 | 61,450 | 1,645,338 |
| 4 | DEPRECIATION | 41,853,490 | 2,112,385 | 2,054,798 | 934,855 | 1,005,853 | 392,052 | 26,015 | 68,106 | 1,688,018 |
| 5 | AMORTIZATION EXPENSES | 1,837,603 | 121,268 | 185,926 | 82,926 | 152,805 | 0 | 1,163 | 3,748 | 149,539 |
| 6 | TAXES OTHER THAN INCOME - OTHER | 9,778,750 | 493,543 | 480,088 | 218,422 | 235,010 | 91,600 | 6,078 | 15,912 | 394,393 |
| 7 | TAXES OTHER THAN INCOME - REV. REL. | 1,052,683 | 47,559 | 44,882 | 20,771 | 25,664 | 7,348 | 626 | 1,491 | 37,070 |
| 8 | GAIN ON SALE OF PROPERTY | (480,321) | (174) | (147) | (37) | (20) | (4) | (21) | (16) | (11) |
| 9 | RETURN | 47,671,804 | 2,431,880 | 2,362,806 | 1,074,810 | 1,156,058 | 448,497 | 29,743 | 78,305 | 1,935,491 |
| 10 | INCOME TAXES TOTAL | 16,720,164 | 852,945 | 828,718 | 376,973 | 405,470 | 157,304 | 10,432 | 27,464 | 678,844 |
| 11 | REVENUE CREDITED TO COS: | (9,780,513) | (3,759) | (343,473) | (114,006) | (86,494) | (56,120) | (458) | (336) | (162,628) |
| 12 | TOTAL COST - CUSTOMER | 82,793,467 | 847,604 | 299,763 | 223,798 | 381,343 | 401,982 | 37,130 | 29,888 | 878,789 |
| 13 | TOTAL COST - CAPACITY | 96,932,234 | 7,272,164 | 7,363,008 | 3,322,475 | 4,000,284 | 852,623 | 69,765 | 224,746 | 5,450,194 |
| 14 | TOTAL COST - COMMODITY | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15 | TOTAL COST - REVENUE | 1,052,683 | 47,559 | 44,882 | 20,771 | 25,664 | 7,348 | 626 | 1,491 | 37,070 |
| 16 | NO. OF CUSTOMERS | 338,795 | 123 | 104 | 26 | 14 | 3 | 15 | 11 | 8 |
| 17 | PEAK MONTH - JANUARY SALES | 85,557,629 | 3,888,600 | 6,027,183 | 4,256,557 | 12,241,374 | 6,402,662 | 36,175 | 99,745 | 10,121,528 |
| 18 | ANNUAL SALES | 1,081,229,664 | 43,269,635 | 64,790,915 | 48,728,719 | 134,464,513 | 152,002,324 | 428,668 | 1,582,430 | 300,168,992 |

SUPPORTING SCHEDULES: H-2 p.10-11

SCHEDULE H-1 (Revised - 5/06/09)
 FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

COST OF SERVICE

PAGE 3 OF 13

EXPLANATION: FULLY ALLOCATED
 EMBEDDED COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: D. YARDLEY

REVENUE DEFICIENCY

| LINE NO. | TOTAL | REVENUE DEFICIENCY | | | | | | | | |
|----------|---------------------------------------|---------------------|-----------------------|----------------------------|----------------------|-----------------------------------|-----------------------------------|-------------------------------------|--------------------------------------|------------|
| | | RESIDENTIAL SERVICE | RESIDENTIAL GENERATOR | COMMERCIAL STREET LIGHTING | COMMERCIAL GENERATOR | (1 - 1,999) SMALL GENERAL SERVICE | (2,000 - 9,999) GENERAL SERVICE 1 | (10,000 - 49,999) GENERAL SERVICE 2 | (50,000 - 249,999) GENERAL SERVICE 3 | |
| 1 | CUSTOMER COSTS | 82,793,467 | 54,328,869 | 121,708 | 16,401 | 319,256 | 4,301,788 | 9,672,609 | 8,163,609 | 2,768,930 |
| 2 | CAPACITY COSTS | 96,932,234 | 17,091,006 | 0 | 152,636 | 0 | 1,564,545 | 13,140,654 | 23,237,761 | 13,190,373 |
| 3 | COMMODITY COSTS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4 | REVENUE COSTS | 1,052,683 | 418,318 | 713 | 990 | 1,870 | 34,360 | 133,621 | 183,923 | 93,476 |
| 5 | TOTAL | 180,778,384 | 71,838,193 | 122,421 | 170,027 | 321,126 | 5,900,693 | 22,946,884 | 31,585,292 | 16,052,779 |
| 6 | less: REVENUE AT PRESENT RATES | 162,561,427 | 59,391,044 | 153,109 | 115,660 | 262,976 | 5,046,880 | 20,534,619 | 30,498,072 | 15,303,329 |
| 7 | (in the projected test year) | | | | | | | | | |
| 8 | equals: GAS SALES REVENUE DEFICIENCY | 18,216,957 | 12,447,149 | (30,689) | 54,367 | 58,150 | 853,813 | 2,412,265 | 1,087,220 | 749,450 |
| 9 | plus: DEFICIENCY IN OTHER OPER. REV. | 935,815 | 916,148 | 2,142 | 35 | 436 | 5,745 | 7,344 | 3,341 | 456 |
| 10 | equals: TOTAL BASE-REVENUE DEFICIENCY | 19,152,772 | 13,363,297 | (28,547) | 54,402 | 58,587 | 859,558 | 2,419,609 | 1,090,562 | 749,906 |
| 11 | UNIT COSTS: | | | | | | | | | |
| 12 | Customer | 20.365 | 14.782 | 14.165 | 21.695 | 33.592 | 34.383 | 60.479 | 112.193 | 278.775 |
| 13 | Capacity | 1.133 | 1.378 | 0.000 | 1.858 | 0.000 | 1.657 | 1.659 | 1.688 | 1.789 |
| 14 | Commodity | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |

SUPPORTING SCHEDULES: E-1 p.2, H-2 p.8-9

REVENUE DEFICIENCY

| LINE NO. | TOTAL | (250,000 - 499,999) | (500,000 +) | (1,000,000 - 3,999,999) | (4,000,000 - 50,000,000) | (50,000,000 +) | NATURAL GAS VEHICLE SALES | WHOLESALE SERVICE | SPECIAL CONTRACTS | |
|----------|--|----------------------|----------------------|--------------------------------|--------------------------|-------------------------------|------------------------------|----------------------|----------------------|-----------|
| | | GENERAL SERVICE 1 | GENERAL SERVICE 2 | SMALL INTERRUPTIBLE SERVICE | INTERRUPTIBLE SERVICE | INTERRUPTIBLE LARGE VOLUME | | | | |
| 1 | CUSTOMER COSTS | 82,793,467 | 847,604 | 299,763 | 223,798 | 381,343 | 401,982 | 37,130 | 29,888 | 878,789 |
| 2 | CAPACITY COSTS | 96,932,234 | 7,272,164 | 7,363,008 | 3,322,475 | 4,000,284 | 852,623 | 69,765 | 224,746 | 5,450,194 |
| 3 | COMMODITY COSTS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4 | REVENUE COSTS | 1,052,683 | 47,559 | 44,882 | 20,771 | 25,664 | 7,348 | 626 | 1,491 | 37,070 |
| 5 | TOTAL | 180,778,384 | 8,167,327 | 7,707,654 | 3,567,044 | 4,407,291 | 1,261,953 | 107,521 | 256,125 | 6,366,053 |
| 6 | less: REVENUE AT PRESENT RATES (in the projected test year) | 162,561,427 | 7,839,571 | 6,691,956 | 3,568,425 | 4,773,640 | 1,531,163 | 66,369 | 228,759 | 6,555,855 |
| 8 | equals: GAS SALES REVENUE DEFICIENCY | 18,216,957 | 327,756 | 1,015,698 | (1,380) | (366,349) | (269,210) | 41,152 | 27,367 | (189,802) |
| 9 | plus: DEFICIENCY IN OTHER OPER. REV. | 935,815 | 68 | 57 | 14 | 8 | 2 | 8 | 6 | 4 |
| 10 | equals: TOTAL BASE-REVENUE DEFICIENCY | 19,152,772 | 327,824 | 1,015,755 | (1,366) | (366,342) | (269,208) | 41,160 | 27,373 | (189,797) |
| 11 | UNIT COSTS: | | | | | | | | | |
| 12 | Customer | 20.365 | 574.257 | 241.355 | 717.300 | 2269.901 | 11166.163 | 206.277 | 226.427 | 9154.055 |
| 13 | Capacity | 1.133 | 1.870 | 1.222 | 0.781 | 0.327 | 0.133 | 1.929 | 2.253 | 0.538 |
| 14 | Commodity | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |

COST OF SERVICE

EXPLANATION: FULLY ALLOCATED
 EMBEDDED COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
 PROJECTED TEST YEAR 12/31/09
 WITNESS: D. YARDLEY

RATE OF RETURN BY CLASS
 PRESENT RATES

| LINE NO. | TOTAL | RESIDENTIAL SERVICE | RESIDENTIAL GENERATOR | COMMERCIAL STREET LIGHTING | COMMERCIAL GENERATOR | (1 - 1,999) SMALL GENERAL SERVICE | (2,000 - 9,999) GENERAL SERVICE 1 | (10,000 - 49,999) GENERAL SERVICE 2 | (50,000 - 249,999) GENERAL SERVICE 3 | |
|----------|--|---------------------|-----------------------|----------------------------|----------------------|-----------------------------------|-----------------------------------|-------------------------------------|--------------------------------------|-------------------|
| 1 | REVENUES: (projected test year) | | | | | | | | | |
| 2 | Gas Sales (due to growth) | 162,561,427 | 59,391,044 | 153,109 | 115,660 | 262,976 | 5,046,880 | 20,534,619 | 30,498,072 | 15,303,329 |
| 3 | Other Operating Revenue | 8,844,698 | 7,115,713 | 16,635 | 1,890 | 23,766 | 312,860 | 399,935 | 181,954 | 24,837 |
| 4 | Total | 171,406,125 | 66,506,757 | 169,744 | 117,551 | 286,742 | 5,359,740 | 20,934,554 | 30,680,026 | 15,328,166 |
| 5 | EXPENSES: | | | | | | | | | |
| 6 | Purchased Gas Cost | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7 | O&M Expenses | 72,124,723 | 37,882,076 | 75,457 | 44,354 | 183,251 | 2,816,919 | 8,306,641 | 9,684,788 | 4,478,221 |
| 8 | Depreciation Expenses | 41,853,490 | 15,137,964 | 24,104 | 44,523 | 58,881 | 1,217,025 | 5,302,188 | 7,735,219 | 4,051,502 |
| 9 | Amortization Expenses | 1,837,603 | 285,003 | 0 | 2,545 | 0 | 26,090 | 219,128 | 387,504 | 219,957 |
| 10 | Taxes Other Than Income—Fixed | 9,778,750 | 3,536,870 | 5,632 | 10,403 | 13,757 | 284,349 | 1,238,816 | 1,807,275 | 946,603 |
| 11 | Taxes Other Than Income—Revenue | 1,052,683 | 418,318 | 713 | 990 | 1,870 | 34,360 | 133,621 | 183,923 | 93,476 |
| 12 | Gain on Sale of Property | (480,321) | (434,217) | (1,015) | (89) | (1,123) | (14,781) | (18,895) | (8,597) | (1,173) |
| 13 | Total Expenses excl. Income Taxes | 126,166,928 | 56,826,015 | 104,890 | 102,726 | 256,636 | 4,363,961 | 15,181,498 | 19,790,111 | 9,788,586 |
| 14 | INCOME TAXES: | 3,299,604 | 5,199 | 9,912 | 12,699 | 265,660 | 1,170,218 | 1,715,447 | 900,572 | |
| 15 | NET OPERATING INCOME: | 36,019,112 | 6,381,138 | 58,655 | 4,912 | 17,406 | 730,119 | 4,582,837 | 9,174,468 | 4,639,009 |
| 16 | RATE BASE: | 560,844,755 | 200,710,259 | 316,232 | 602,950 | 772,491 | 16,159,714 | 71,182,731 | 104,348,219 | 54,780,517 |
| 17 | RATE OF RETURN | 6.42% | 3.18% | 18.86% | 0.81% | 2.25% | 4.52% | 6.44% | 8.79% | 8.47% |

RATE OF RETURN BY CLASS
 PRESENT RATES

| LINE NO. | TOTAL | (250,000 - 499,999) GENERAL SERVICE A | (500,000 +) GENERAL SERVICE B | (1,000,000 - 3,999,999) SMALL INTERRUPTIBLE SERVICE | (4,000,000 - 50,000,000) INTERRUPTIBLE SERVICE | (50,000,000 +) INTERRUPTIBLE LARGE VOLUME | NATURAL GAS VEHICLE SALES | WHOLESALE SERVICE | SPECIAL CONTRACTS | |
|----------|--|---|-------------------------------------|---|--|---|------------------------------|----------------------|----------------------|------------|
| 1 | REVENUES: (projected test year) | | | | | | | | | |
| 2 | Gas Sales (due to growth) | 162,561,427 | 7,839,571 | 6,691,956 | 3,568,425 | 4,773,640 | 1,531,163 | 66,369 | 228,759 | 6,555,855 |
| 3 | Other Operating Revenue | 8,844,698 | 3,691 | 343,416 | 113,991 | 86,486 | 56,119 | 450 | 330 | 162,623 |
| 4 | Total | 171,406,125 | 7,843,262 | 7,035,372 | 3,682,416 | 4,860,127 | 1,587,282 | 66,819 | 229,089 | 6,718,478 |
| 5 | EXPENSES: | | | | | | | | | |
| 6 | Purchased Gas Cost | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7 | O&M Expenses | 72,124,723 | 2,111,681 | 2,094,054 | 972,329 | 1,512,945 | 221,276 | 33,943 | 61,450 | 1,645,338 |
| 8 | Depreciation Expenses | 41,853,490 | 2,112,385 | 2,054,798 | 934,855 | 1,005,853 | 392,052 | 26,015 | 68,106 | 1,688,018 |
| 9 | Amortization Expenses | 1,837,603 | 121,268 | 185,926 | 82,926 | 152,805 | 0 | 1,163 | 3,748 | 149,539 |
| 10 | Taxes Other Than Income--Fixed | 9,778,750 | 493,543 | 480,088 | 218,422 | 235,010 | 91,600 | 6,078 | 15,912 | 394,393 |
| 11 | Taxes Other Than Income--Revenue | 1,052,683 | 47,559 | 44,882 | 20,771 | 25,664 | 7,348 | 626 | 1,491 | 37,070 |
| 12 | Gain on Sale of Property | (480,321) | (174) | (147) | (37) | (20) | (4) | (21) | (16) | (11) |
| 13 | Total Expenses excl. Income Taxes | 126,166,928 | 4,886,261 | 4,859,603 | 2,229,266 | 2,932,258 | 712,273 | 67,805 | 150,692 | 3,914,346 |
| 14 | INCOME TAXES: | 8,223,085 | 470,344 | 456,984 | 207,876 | 223,590 | 86,743 | 5,752 | 15,145 | 374,338 |
| 15 | NET OPERATING INCOME: | 36,019,112 | 2,486,657 | 1,718,785 | 1,245,273 | 1,704,279 | 788,266 | (6,738) | 63,252 | 2,429,794 |
| 16 | RATE BASE: | 560,844,755 | 28,610,349 | 27,797,717 | 12,644,827 | 13,600,680 | 5,276,436 | 349,914 | 921,237 | 22,770,481 |
| 17 | RATE OF RETURN | 6.42% | 8.69% | 6.18% | 9.85% | 12.53% | 14.94% | -1.93% | 6.87% | 10.67% |

SUPPORTING SCHEDULES: E-1 p.2, H-1 p.9-12

RATE OF RETURN BY CLASS
 PROPOSED RATES

| LINE NO. | TOTAL | RESIDENTIAL SERVICE | RESIDENTIAL GENERATOR | COMMERCIAL STREET LIGHTING | COMMERCIAL GENERATOR | (1 - 1,999) SMALL GENERAL SERVICE | (2,000 - 9,999) GENERAL SERVICE 1 | (10,000 - 49,999) GENERAL SERVICE 2 | (50,000 - 249,999) GENERAL SERVICE 3 | |
|----------|-----------------------------------|------------------------|--------------------------|----------------------------------|-------------------------|---|---|---|--|-------------------|
| 1 | REVENUES: | | | | | | | | | |
| 2 | Gas Sales | 180,777,977 | 71,788,774 | 171,840 | 170,027 | 332,640 | 5,900,693 | 22,946,884 | 31,842,979 | 16,191,879 |
| 3 | Other Operating Revenue | 9,780,513 | 8,031,862 | 18,777 | 1,925 | 24,202 | 318,605 | 407,279 | 185,295 | 25,293 |
| 4 | Total | 190,558,490 | 79,820,635 | 190,617 | 171,953 | 356,842 | 6,219,298 | 23,354,163 | 32,028,275 | 16,217,172 |
| 5 | EXPENSES: | | | | | | | | | |
| 6 | Purchased Gas Cost | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7 | O&M Expenses | 72,124,723 | 37,882,076 | 75,457 | 44,354 | 183,251 | 2,816,919 | 8,306,641 | 9,684,788 | 4,478,221 |
| 8 | Depreciation Expenses | 41,853,490 | 15,137,964 | 24,104 | 44,523 | 58,881 | 1,217,025 | 5,302,188 | 7,735,219 | 4,051,502 |
| 9 | Amortization Expenses | 1,837,603 | 285,003 | 0 | 2,545 | 0 | 26,090 | 219,128 | 387,504 | 219,957 |
| 10 | Taxes Other Than Income—Fixed | 9,778,750 | 3,536,870 | 5,632 | 10,403 | 13,757 | 284,349 | 1,238,816 | 1,807,275 | 946,603 |
| 11 | Taxes Other Than Income—Revenue | 1,052,683 | 418,318 | 713 | 990 | 1,870 | 34,360 | 133,621 | 183,923 | 93,476 |
| 12 | Gain on Sale of Property | (480,321) | (434,217) | (1,015) | (89) | (1,123) | (14,781) | (18,895) | (8,597) | (1,173) |
| 13 | Total Expenses excl. Income Taxes | 126,166,928 | 56,826,015 | 104,890 | 102,726 | 256,636 | 4,363,961 | 15,181,498 | 19,790,111 | 9,788,586 |
| 14 | PRE TAX NOI: | 64,391,561 | 22,994,620 | 85,726 | 69,226 | 100,206 | 1,855,337 | 8,172,665 | 12,238,163 | 6,428,586 |
| 15 | INCOME TAXES: | 16,720,164 | 5,983,667 | 9,428 | 17,975 | 23,030 | 481,761 | 2,122,133 | 3,110,878 | 1,633,142 |
| 16 | NET OPERATING INCOME: | 47,671,397 | 17,010,953 | 76,299 | 51,251 | 77,176 | 1,373,576 | 6,050,532 | 9,127,286 | 4,795,444 |
| 17 | RATE BASE: | 560,844,755 | 200,710,259 | 316,232 | 602,950 | 772,491 | 16,159,714 | 71,182,731 | 104,348,219 | 54,780,517 |
| 18 | RATE OF RETURN | 8.50% | 8.48% | 24.13% | 8.50% | 9.99% | 8.50% | 8.50% | 8.75% | 8.75% |

RATE OF RETURN BY CLASS
 PROPOSED RATES

| LINE NO. | TOTAL | (250,000 - 499,999) | (500,000 +) | (1,000,000 - 3,999,999) | (4,000,000 - 50,000,000) | (50,000,000 +) | NATURAL GAS | WHOLESALE | SPECIAL | |
|----------|-----------------------------------|---------------------|-------------------|-----------------------------|--------------------------|----------------------------|------------------|----------------|----------------|-------------------|
| | | GENERAL SERVICE 4 | GENERAL SERVICE 5 | SMALL INTERRUPTIBLE SERVICE | INTERRUPTIBLE SERVICE | INTERRUPTIBLE LARGE VOLUME | VEHICLE SALES | SERVICE | CONTRACTS | |
| 1 | REVENUES: | | | | | | | | | |
| 2 | Gas Sales | 180,777,977 | 6,952,475 | 7,707,654 | 3,568,414 | 4,773,637 | 1,531,163 | 86,941 | 256,125 | 6,555,851 |
| 3 | Other Operating Revenue | 9,780,513 | 3,759 | 343,473 | 114,006 | 86,494 | 56,120 | 458 | 336 | 162,628 |
| 4 | Total | 190,558,490 | 6,956,234 | 8,051,127 | 3,682,420 | 4,860,132 | 1,587,283 | 87,400 | 256,462 | 6,718,478 |
| 5 | EXPENSES: | | | | | | | | | |
| 6 | Purchased Gas Cost | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7 | O&M Expenses | 72,124,723 | 2,111,681 | 2,094,054 | 972,329 | 1,512,945 | 221,276 | 33,943 | 61,450 | 1,645,338 |
| 8 | Depreciation Expenses | 41,853,490 | 2,112,385 | 2,054,798 | 934,855 | 1,005,853 | 392,052 | 26,015 | 68,106 | 1,688,018 |
| 9 | Amortization Expenses | 1,837,603 | 121,268 | 185,926 | 82,926 | 152,805 | 0 | 1,163 | 3,748 | 149,539 |
| 10 | Taxes Other Than Income—Fixed | 9,778,750 | 493,543 | 480,088 | 218,422 | 235,010 | 91,600 | 6,078 | 15,912 | 394,393 |
| 11 | Taxes Other Than Income—Revenue | 1,052,683 | 47,559 | 44,882 | 20,771 | 25,664 | 7,348 | 626 | 1,491 | 37,070 |
| 12 | Gain on Sale of Property | (480,321) | (174) | (147) | (37) | (20) | (4) | (21) | (16) | (11) |
| 13 | Total Expenses excl. Income Taxes | 126,166,928 | 4,886,261 | 4,859,603 | 2,229,266 | 2,932,258 | 712,273 | 67,805 | 150,692 | 3,914,346 |
| 14 | PRE TAX NOI: | 64,391,561 | 2,069,973 | 3,191,524 | 1,453,154 | 1,927,874 | 875,011 | 19,594 | 105,769 | 2,804,132 |
| 15 | INCOME TAXES: | 16,720,164 | 852,945 | 828,718 | 376,973 | 405,470 | 157,304 | 10,432 | 27,464 | 678,844 |
| 16 | NET OPERATING INCOME: | 47,671,397 | 1,217,028 | 2,362,806 | 1,076,180 | 1,522,404 | 717,707 | 9,163 | 78,305 | 2,125,288 |
| 17 | RATE BASE: | 560,844,755 | 28,610,349 | 27,797,717 | 12,644,827 | 13,600,680 | 5,276,436 | 349,914 | 921,237 | 22,770,481 |
| 18 | RATE OF RETURN | 8.50% | 4.25% | 8.50% | 8.51% | 11.19% | 13.60% | 2.62% | 8.50% | 9.33% |

COST OF SERVICE

EXPLANATION: FULLY ALLOCATED
 EMBEDDED COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: D. YARDLEY

SUMMARY

| LINE NO. | TOTAL | RESIDENTIAL SERVICE | RESIDENTIAL GENERATOR | COMMERCIAL STREET LIGHTING | COMMERCIAL GENERATOR | (1 - 1,999) SMALL GENERAL SERVICE | (2,000 - 9,999) GENERAL SERVICE 1 | (10,000 - 49,999) GENERAL SERVICE 2 | (50,000 - 249,999) GENERAL SERVICE 3 | |
|----------|--|---------------------|-----------------------|----------------------------|----------------------|-----------------------------------|-----------------------------------|-------------------------------------|--------------------------------------|------------|
| 1 | PRESENT RATES (Projected Test Year) | | | | | | | | | |
| 2 | GAS SALES (due to growth) | 162,561,427 | 59,391,044 | 153,109 | 115,660 | 262,976 | 5,046,880 | 20,534,619 | 30,498,072 | 15,303,329 |
| 3 | OTHER OPERATING REVENUE | 8,844,698 | 7,115,713 | 16,635 | 1,890 | 23,766 | 312,860 | 399,935 | 181,954 | 24,837 |
| 4 | TOTAL | 171,406,125 | 66,506,757 | 169,744 | 117,551 | 286,742 | 5,359,740 | 20,934,554 | 30,680,026 | 15,328,166 |
| 5 | RATE OF RETURN | 6.42% | 3.18% | 18.86% | 0.81% | 2.25% | 4.52% | 6.44% | 8.79% | 8.47% |
| 6 | INDEX | 1.00 | 0.50 | 2.94 | 0.13 | 0.35 | 0.70 | 1.00 | 1.37 | 1.32 |
| 7 | PROPOSED RATES | | | | | | | | | |
| 8 | GAS SALES | 180,777,977 | 71,788,774 | 171,840 | 170,027 | 332,640 | 5,900,693 | 22,946,884 | 31,842,979 | 16,191,879 |
| 9 | OTHER OPERATING REVENUE | 9,780,513 | 8,031,862 | 18,777 | 1,925 | 24,202 | 318,605 | 407,279 | 185,295 | 25,293 |
| 10 | TOTAL | 190,558,490 | 79,820,635 | 190,617 | 171,953 | 356,842 | 6,219,298 | 23,354,163 | 32,028,275 | 16,217,172 |
| 11 | TOTAL REVENUE INCREASE | 19,152,365 | 13,313,878 | 20,872 | 54,402 | 70,101 | 859,558 | 2,419,609 | 1,348,249 | 889,006 |
| 12 | PERCENT INCREASE | 11.17% | 20.02% | 12.30% | 46.28% | 24.45% | 16.04% | 11.56% | 4.39% | 5.80% |
| 13 | RATE OF RETURN | 8.50% | 8.48% | 24.13% | 8.50% | 9.99% | 8.50% | 8.50% | 8.75% | 8.75% |
| 14 | INDEX | 1.00 | 1.00 | 2.84 | 1.00 | 1.18 | 1.00 | 1.00 | 1.03 | 1.03 |

SUMMARY

| LINE NO. | TOTAL | (250,000 - 499,999) | (500,000 +) | (1,000,000 - 3,999,999) | (4,000,000 - 50,000,000) | (50,000,000 +) | NATURAL GAS | WHOLESALE | SPECIAL | |
|----------|--|---------------------|-------------------|-----------------------------|--------------------------|----------------------------|---------------|-----------|-----------|-----------|
| | | GENERAL SERVICE 4 | GENERAL SERVICE 5 | SMALL INTERRUPTIBLE SERVICE | INTERRUPTIBLE SERVICE | INTERRUPTIBLE LARGE VOLUME | VEHICLE SALES | SERVICE | CONTRACTS | |
| 1 | PRESENT RATES (Projected Test Year) | | | | | | | | | |
| 2 | GAS SALES (due to growth) | 182,561,427 | 7,839,571 | 6,691,956 | 3,568,425 | 4,773,640 | 1,531,163 | 66,369 | 228,759 | 6,555,855 |
| 3 | OTHER OPERATING REVENUE | 8,844,698 | 3,691 | 343,416 | 113,991 | 86,486 | 56,119 | 450 | 330 | 162,623 |
| 4 | TOTAL | 171,406,125 | 7,843,262 | 7,035,372 | 3,682,416 | 4,860,127 | 1,587,282 | 66,819 | 229,089 | 6,718,478 |
| 5 | RATE OF RETURN | 6.42% | 8.69% | 6.18% | 9.85% | 12.53% | 14.94% | -1.93% | 6.87% | 10.67% |
| 6 | INDEX | 1.00 | 1.35 | 0.96 | 1.53 | 1.95 | 2.33 | -0.30 | 1.07 | 1.66 |
| 7 | PROPOSED RATES | | | | | | | | | |
| 8 | GAS SALES | 180,777,977 | 6,952,475 | 7,707,654 | 3,568,414 | 4,773,637 | 1,531,163 | 86,941 | 256,125 | 6,555,851 |
| 9 | OTHER OPERATING REVENUE | 9,780,513 | 3,759 | 343,473 | 114,006 | 86,494 | 56,120 | 458 | 336 | 162,628 |
| 10 | TOTAL | 190,558,490 | 6,956,234 | 8,051,127 | 3,682,420 | 4,860,132 | 1,587,283 | 87,400 | 256,462 | 6,718,478 |
| 11 | TOTAL REVENUE INCREASE | 19,152,365 | (887,028) | 1,015,755 | 4 | 5 | 2 | 20,580 | 27,373 | 0 |
| 12 | PERCENT INCREASE | 11.17% | -11.31% | 14.44% | 0.00% | 0.00% | 0.00% | 30.80% | 11.95% | 0.00% |
| 13 | RATE OF RETURN | 8.50% | 4.25% | 8.50% | 8.51% | 11.19% | 13.60% | 2.62% | 8.50% | 9.33% |
| 14 | INDEX | 1.00 | 0.50 | 1.00 | 1.00 | 1.32 | 1.60 | 0.31 | 1.00 | 1.10 |

RATE DESIGN

| LINE NO. | TOTAL | RESIDENTIAL SERVICE | RESIDENTIAL GENERATOR | COMMERCIAL STREET LIGHTING | COMMERCIAL GENERATOR | (1 - 1,999) SMALL GENERAL SERVICE | (2,000 - 9,999) GENERAL SERVICE 1 | (10,000 - 49,999) GENERAL SERVICE 2 | (50,000 - 249,999) GENERAL SERVICE 3 |
|----------|---------------|---------------------------|-----------------------|----------------------------|----------------------|-----------------------------------|-----------------------------------|-------------------------------------|--------------------------------------|
| 1 | 190,558,490 | 79,820,635 | 190,617 | 171,953 | 356,842 | 6,219,298 | 23,354,163 | 32,028,275 | 16,217,172 |
| 2 | 9,780,513 | 8,031,862 | 18,777 | 1,925 | 24,202 | 318,605 | 407,279 | 185,295 | 25,293 |
| 3 | | | | | | | | | |
| 4 | | (See lines 6-11 below) | \$20.00 | \$0.00 | \$35.00 | \$25.00 | \$35.00 | \$50.00 | \$150.00 |
| 5 | 4,065,537 | 3,675,289 | 8,592 | 756 | 9,504 | 125,113 | 159,942 | 72,768 | 9,931 |
| 6 | | 924,113 | | | | | | | |
| 7 | \$ | 12.00 | | | | | | | |
| 8 | | 1,900,911 | | | | | | | |
| 9 | \$ | 15.00 | | | | | | | |
| 10 | | 850,271 | | | | | | | |
| 11 | \$ | 20.00 | | | | | | | |
| 12 | | 2.50% | 0.00% | 0.00% | 0.00% | 1.25% | 3.33% | 2.86% | 0.00% |
| 13 | 70,181,935 | 55,193,230 | 171,840 | 0 | 332,640 | 3,088,727 | 5,411,558 | 3,534,342 | 1,489,598 |
| 14 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15 | 110,596,042 | 16,595,544 | 0 | 170,027 | 0 | 2,811,966 | 17,535,327 | 28,308,637 | 14,702,280 |
| 16 | 1,081,229,664 | 61,965,936 | 0 | 901,552 | 0 | 8,296,450 | 65,430,833 | 124,454,784 | 74,743,912 |
| 17 | | 0.26781721 | - | 0.18859425 | - | 0.33893602 | 0.26799791 | 0.22746122 | 0.19670205 |
| 18 | | 0.26782 | 0.00000 | 0.18859 | 0.00000 | 0.33894 | 0.26800 | 0.22746 | 0.19670 |
| 19 | 110,596,225 | 16,595,717 | 0 | 170,024 | 0 | 2,811,999 | 17,535,463 | 28,308,485 | 14,702,127 |
| 20 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 21 | 110,596,225 | 16,595,717 | 0 | 170,024 | 0 | 2,811,999 | 17,535,463 | 28,308,485 | 14,702,127 |
| 22 | | | | | | | | | |
| 23 | | \$12.00, \$15.00, \$20.00 | \$20.00 | \$0.00 | \$35.00 | \$25.00 | \$35.00 | \$50.00 | \$150.00 |
| 24 | | | | | | | | | |
| 25 | | 26.782 | 0.000 | 18.859 | 0.000 | 33.894 | 26.800 | 22.746 | 19.670 |
| 26 | | 117,955 | 117,955 | 111,710 | 111,710 | 111,710 | 111,710 | 111,710 | 111,710 |
| 27 | | 144,737 | 117,955 | 130,569 | 111,710 | 145,604 | 138,510 | 134,456 | 131,380 |
| 28 | | | | | | | | | |
| 29 | | \$10.00 | \$17.82 | \$0.00 | \$27.67 | \$20.00 | \$30.00 | \$35.00 | \$45.00 |
| 30 | | | | | | | | | |
| 31 | | 37.667 | 0.000 | 12.829 | 0.000 | 26.955 | 23.045 | 22.267 | 19.533 |
| 32 | | 117,955 | 117,955 | 111,710 | 111,710 | 111,710 | 111,710 | 111,710 | 111,710 |
| 33 | | 155,622 | 117,955 | 124,539 | 111,710 | 138,665 | 134,756 | 133,977 | 131,243 |

RATE DESIGN

| LINE NO. | TOTAL | (250,000 - 499,999) | (500,000 +) | (1,000,000 - 3,999,999) | (4,000,000 - 50,000,000) | (50,000,000 +) | NATURAL GAS | WHOLESALE | SPECIAL |
|----------|---------------|---------------------|-------------------|-----------------------------|--------------------------|----------------------------|---------------|------------|-----------|
| | | GENERAL SERVICE 4 | GENERAL SERVICE 5 | SMALL INTERRUPTIBLE SERVICE | INTERRUPTIBLE SERVICE | INTERRUPTIBLE LARGE VOLUME | VEHICLE SALES | SERVICE | CONTRACTS |
| 1 | 190,558,490 | 6,956,234 | 8,051,127 | 3,682,420 | 4,860,132 | 1,567,283 | 87,400 | 256,462 | 6,718,478 |
| 2 | 9,780,513 | 3,759 | 343,473 | 114,006 | 86,494 | 56,120 | 458 | 336 | 162,628 |
| 3 | | | | | | | | | |
| 4 | | \$250.00 | \$300.00 | \$300.00 | \$475.00 | \$475.00 | \$45.00 | \$150.00 | \$0.00 |
| 5 | 4,065,537 | 1,476 | 1,242 | 312 | 168 | 36 | 180 | 132 | 96 |
| 6 | | | | | | | | | |
| 7 | | | | | | | | | |
| 8 | | | | | | | | | |
| 9 | | | | | | | | | |
| 10 | | | | | | | | | |
| 11 | | | | | | | | | |
| 12 | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 13 | 70,181,935 | 369,000 | 372,600 | 93,600 | 79,800 | 17,100 | 8,100 | 19,800 | 0 |
| 14 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15 | 110,596,042 | 6,583,475 | 7,335,054 | 3,474,814 | 4,693,837 | 1,514,063 | 78,841 | 236,325 | 6,555,851 |
| 16 | 1,081,229,664 | 43,269,635 | 64,790,915 | 48,728,719 | 134,464,513 | 152,002,324 | 428,668 | 1,582,430 | |
| 17 | | 0.15215000 | 0.11321114 | 0.07130937 | 0.03490763 | 0.00996079 | 0.18392122 | 0.14934334 | |
| 18 | | 0.15215 | 0.11321 | 0.07131 | 0.03491 | 0.00996 | 0.18392 | 0.14934 | |
| 19 | 110,596,225 | 6,583,475 | 7,334,980 | 3,474,845 | 4,694,156 | 1,513,943 | 78,841 | 236,320 | 6,555,851 |
| 20 | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 21 | 110,596,225 | 6,583,475 | 7,334,980 | 3,474,845 | 4,694,156 | 1,513,943 | 78,841 | 236,320 | 6,555,851 |
| 22 | | | | | | | | | |
| 23 | | \$250.00 | \$300.00 | \$300.00 | \$475.00 | \$475.00 | \$45.00 | \$150.00 | |
| 24 | | | | | | | | | |
| 25 | | 15.215 | 11.321 | 7.131 | 3.491 | 0.996 | 18.392 | 14.934 | |
| 26 | | 111.710 | 111.710 | 111.710 | 111.710 | 111.710 | 111.710 | 108.854 | |
| 27 | | 126.925 | 123.031 | 118.841 | 115.201 | 112.706 | 130.102 | 123.788 | |
| 28 | | | | | | | | | |
| 29 | | \$85.00 | \$150.00 | \$150.00 | \$225.00 | \$225.00 | \$35.00 | \$100.00 | |
| 30 | | | | | | | | | |
| 31 | | 17.828 | 10.041 | 7.227 | 3.522 | 1.002 | 14.013 | 13.622 | |
| 32 | | 111.710 | 111.710 | 111.710 | 111.710 | 111.710 | 111.710 | 108.854 | |
| 33 | | 129.538 | 121.751 | 118.937 | 115.232 | 112.712 | 125.723 | 122.476 | |

SUMMARY

| <u>LINE NO.</u> | | <u>PRESENT REVENUE</u> | | <u>PROPOSED REVENUE</u> | |
|-----------------|----------------------------------|------------------------|---------------------|-------------------------|---------------------|
| 1 | SERVICE CHARGES - PGS | | | | |
| 2 | CONNECTION CHARGE-RESIDENTIAL | \$35.00 | \$ 1,284,801 | \$50.00 | \$ 1,835,430 |
| 3 | CONNECTION CHARGE-COMMERCIAL | \$75.00 | \$ 182,886 | \$75.00 | \$ 182,886 |
| 4 | RECONNECTION CHARGE-RESIDENTIAL | \$60.00 | \$ 1,059,993 | \$70.00 | \$ 1,236,658 |
| 5 | RECONNECTION CHARGE-COMMERCIAL | \$100.00 | \$ 99,124 | \$100.00 | \$ 99,124 |
| 6 | COLLECTION IN LIEU OF DISCONNECT | \$20.00 | \$ 1,385,569 | \$20.00 | \$ 1,385,569 |
| 7 | CHANGE OF ACCOUNT | \$20.00 | \$ 436,482 | \$28.00 | \$ 611,033 |
| 8 | RETURN CHECK CHARGE | 5% or \$25 | \$ 91,903 | 5% or \$25 | \$ 91,903 |
| 9 | IT ADMINISTRATION CHARGE | \$144.00 | \$ 508,000 | \$144.00 | \$ 508,000 |
| 10 | POOL MANAGER CHARGES | \$142+\$0.91 per acct | \$ 176,356 | \$142+\$0.91 per acct | \$ 174,094 |
| 11 | FORFEITED DISCOUNTS | Varies | \$ 862,217 | Varies | \$ 862,217 |
| 12 | OTHER REVENUE (RENT) | Varies | \$ 367,614 | Varies | \$ 367,614 |
| 13 | TEMPORARY DISCONNECT CHARGE | \$25.00 | \$ 65,755 | \$20.00 | \$ 52,604 |
| 14 | FAILED TRIP CHARGE | \$15.00 | \$ 74,028 | \$25.00 | \$ 123,380 |
| 15 | TOTAL | | <u>\$ 6,594,698</u> | | <u>\$ 7,530,513</u> |

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: FULLY ALLOCATED
 EMBEDDED COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: D. YARDLEY

SUMMARY

| LINE NO. | TOTAL | CUSTOMER | CAPACITY | COMMODITY | REVENUE |
|----------|--|-------------|-------------|-------------|-----------|
| 1 | SUMMARY: | | | | |
| 2 | ATTRITION | - | - | - | - |
| 3 | O&M | 72,124,723 | 52,093,857 | 20,030,867 | - |
| 4 | DEPRECIATION | 41,853,490 | 14,849,491 | 26,904,000 | - |
| 5 | AMORTIZATION OF OTHER GAS PLANT | 1,040,979 | - | 1,040,979 | - |
| 6 | AMORTIZATION OF ENVIRONMENTAL | 840,000 | - | 840,000 | - |
| 7 | AMORTIZATION OF LIMITED TERM INVESTMENT | - | - | - | - |
| 8 | AMORTIZATION OF ACQUISITION ADJUSTMENT | 156,624 | - | 156,624 | - |
| 9 | AMORTIZATION OF CONVERSION COSTS | - | - | - | - |
| 10 | TAXES OTHER THAN INCOME TAXES | 10,831,433 | 3,492,835 | 6,285,915 | 1,052,683 |
| 11 | GAIN ON SALE OF PROPERTY | (480,321) | (480,321) | - | - |
| 12 | RETURN | 47,671,804 | 16,671,013 | 31,000,791 | - |
| 13 | INCOME TAXES | 18,720,164 | 5,847,106 | 10,873,059 | - |
| 14 | REVENUE CREDITED TO COST OF SERVICE | (9,746,215) | (9,746,215) | - | - |
| 15 | TOTAL COST OF SERVICE | 190,558,897 | 92,573,980 | 96,932,234 | 1,052,683 |
| 16 | RATE BASE | 560,844,755 | 186,129,586 | 364,715,169 | - |
| 17 | KNOWN DIRECT & SPECIAL ASSIGNMENTS: | | | | |
| 18 | <u>RATE BASE ITEMS(PLANT-ACC.DEP):</u> | | | | |
| 19 | 381-382 METERS | 52,392,756 | 52,392,756 | - | - |
| 20 | 383-384 HOUSE REGULATORS | 16,073,220 | 16,073,220 | - | - |
| 21 | 385 INDUSTRIAL MEAS. & REG.EQ. | 5,665,905 | 5,665,905 | - | - |
| 22 | 376 MAINS | 318,009,500 | - | 318,009,500 | - |
| 23 | 380 SERVICES | 110,383,151 | 110,383,151 | - | - |
| 24 | 378 MEAS.& REG.STA.EQ.-GEN. | 4,718,680 | - | 4,718,680 | - |
| 25 | <u>O & M ITEMS</u> | | | | |
| 26 | 892 MAINT. OF SERVICES | 630,097 | 630,097 | - | - |
| 27 | 876 MEAS. & REG. STA. EQ. IND. | (4,062) | (4,062) | - | - |
| 28 | 878 METER & HOUSE REG. | 3,093,304 | 3,093,304 | - | - |
| 29 | 890 MAINT. OF MEAS. & REG. STA. EQ.-IND. | 459,123 | 459,123 | - | - |
| 30 | 893 MAINT. OF METERS AND HOUSE REG. | 457,928 | 457,928 | - | - |
| 31 | 874 MAINS AND SERVICES | 6,596,578 | 1,865,592 | 4,730,986 | - |
| 32 | 887 MAINT. OF MAINS | 2,272,844 | - | 2,272,844 | - |
| 33 | 904 UNCOLLECTIBLE ACCOUNTS | 1,573,000 | 1,573,000 | - | - |
| 34 | 911-916 SALES EXPENSE | 5,815,707 | 5,815,707 | - | - |

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: FULLY ALLOCATED EMBEDDED COST
 COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: D. YARDLEY

DEVELOPMENT OF ALLOCATION FACTORS

| LINE NO. | TOTAL | RESIDENTIAL SERVICE | RESIDENTIAL GENERATOR | COMMERCIAL STREET LIGHTING | COMMERCIAL GENERATOR | (1 - 1,999) SMALL GENERAL SERVICE | (2,000 - 9,999) GENERAL SERVICE 1 | (10,000 - 49,999) GENERAL SERVICE 2 | (50,000 - 249,999) GENERAL SERVICE 3 | |
|-----------|---|---------------------|-----------------------|----------------------------|----------------------|-----------------------------------|-----------------------------------|-------------------------------------|--------------------------------------|------------|
| 1 | CUSTOMER COSTS | | | | | | | | | |
| 2 | No. of Customers | 338,795 | 306,275 | 716 | 63 | 792 | 10,426 | 13,328 | 6,064 | 828 |
| 3 | Weighting | | 1.00 | 1.00 | 0.67 | 2.21 | 2.21 | 3.55 | 5.74 | 11.70 |
| 4 | Weighted No. of Customers | 428,404 | 306,275 | 716 | 42 | 1,749 | 23,025 | 47,250 | 34,808 | 9,682 |
| 5 | Allocation Factor | 100.00% | 71.49% | 0.17% | 0.01% | 0.41% | 5.37% | 11.03% | 8.13% | 2.26% |
| 6 | Weighted No. of Customers - (No Direct Assignmen | 427,283 | 306,275 | 716 | 42 | 1,749 | 23,025 | 47,250 | 34,808 | 9,682 |
| 7 | Allocation Factor | 100.00% | 71.68% | 0.17% | 0.01% | 0.41% | 5.39% | 11.06% | 8.15% | 2.27% |
| 8 | CAPACITY COSTS | | | | | | | | | |
| 9 | Peak & Avg. Month Sales Vol.(therms) | 150,893,509 | 17,813,311 | - | 157,301 | - | 1,612,358 | 13,542,238 | 23,947,913 | 13,593,474 |
| 10 | Allocation Factor | 100.00% | 11.87% | 0.00% | 0.10% | 0.00% | 1.07% | 8.97% | 15.87% | 9.01% |
| 11 | Peak & Avg. Month Sales Vol. - No Direct Connect | 113,564,727 | 17,813,311 | - | 157,301 | - | 1,612,358 | 13,542,238 | 23,947,913 | 13,593,474 |
| 12 | Allocation Factor | 100.00% | 15.51% | 0.00% | 0.14% | 0.00% | 1.42% | 11.82% | 21.09% | 11.97% |
| 13 | Small and Medium Customer Peak & Avg. Month Sale | 94,879,716 | 17,813,311 | - | 157,301 | - | 1,612,358 | 13,542,238 | 23,947,913 | 13,593,474 |
| 14 | Allocation Factor | 100.00% | 18.56% | 0.00% | 0.17% | 0.00% | 1.70% | 14.27% | 25.24% | 14.33% |
| 15 | Small Customer Peak & Avg. Month Sales Vol.(therm | 78,264,507 | 17,813,311 | - | 157,301 | - | 1,612,358 | 13,542,238 | 23,947,913 | 13,593,474 |
| 16 | Allocation Factor | 100.00% | 22.50% | 0.00% | 0.20% | 0.00% | 2.06% | 17.30% | 30.60% | 17.37% |
| 17 | Industrial Measuring and Regulating | 5,665,905 | - | - | - | - | - | - | - | - |
| 18 | Allocation Factor | 100.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 19 | Existing Revenues (After Reclassification) | 162,561,427 | 59,391,044 | 153,109 | 115,660 | 262,976 | 5,046,880 | 20,534,618 | 30,498,072 | 15,303,329 |
| 20 | Allocation Factor | 100.00% | 36.53% | 0.09% | 0.07% | 0.16% | 3.10% | 12.63% | 18.76% | 9.41% |
| 21 | Sales Expense | 5,815,707 | 2,326,283 | - | 9,094 | - | 83,888 | 660,017 | 1,255,407 | 753,961 |
| 22 | Allocation Factor | 100.00% | 40.00% | 0.00% | 0.16% | 0.00% | 1.44% | 11.35% | 21.59% | 12.96% |
| 23 | COMMODITY COSTS | | | | | | | | | |
| 24 | Annual Therms (After Reclassification) | 1,061,229,664 | 61,965,936 | - | 901,552 | - | 8,296,450 | 65,430,833 | 124,454,784 | 74,743,912 |
| 25 | Allocation Factors | 100.00% | 5.73% | 0.00% | 0.08% | 0.00% | 0.77% | 6.05% | 11.51% | 6.91% |
| 26 | REVENUE-RELATED COSTS | | | | | | | | | |
| 27 | Revenue Assessments | 904,020 | 359,242 | 612 | 850 | 1,606 | 29,508 | 114,751 | 157,949 | 80,275 |
| 28 | Allocation Factors | 100.00% | 39.74% | 0.07% | 0.09% | 0.18% | 3.26% | 12.89% | 17.47% | 8.88% |

SUPPORTING SCHEDULES: E-4, E-7

DEVELOPMENT OF ALLOCATION FACTORS

| LINE NO. | TOTAL | (250,000 - 499,999) GENERAL SERVICE 4 | (500,000 +) GENERAL SERVICE 5 | (1,000,000 - 3,999,999) SMALL INTERRUPTIBLE SERVICE | (4,000,000 - 50,000,000) INTERRUPTIBLE SERVICE | (50,000,000 +) INTERRUPTIBLE LARGE VOLUME | NATURAL GAS VEHICLE SALES | WHOLESALE SERVICE | SPECIAL CONTRACTS | |
|---------------------------------|---|---|-------------------------------------|---|--|---|------------------------------|----------------------|----------------------|-------------|
| 1 CUSTOMER COSTS | | | | | | | | | | |
| 2 | No. of Customers | 338,795 | 123 | 104 | 26 | 14 | 3 | 15 | 11 | 8 |
| 3 | Weighting | | 14.10 | 16.00 | 16.00 | 25.56 | 33.42 | 12.50 | 12.50 | 33.42 |
| 4 | Weighted No. of Customers | 428,404 | 1,735 | 1,656 | 418 | 358 | 100 | 187 | 137 | 267 |
| 5 | Allocation Factor | 100.00% | 0.40% | 0.39% | 0.10% | 0.08% | 0.02% | 0.04% | 0.03% | 0.06% |
| 6 | Weighted No. of Customers - (No Direct Assignmen | 427,263 | 1,735 | 1,656 | - | - | - | - | - | - |
| 7 | Allocation Factor | 100.00% | 0.41% | 0.39% | 0.00% | 0.00% | 0.00% | 0.04% | 0.03% | 0.00% |
| 8 CAPACITY COSTS | | | | | | | | | | |
| 9 | Peak & Avg. Month Sales Vol.(therms) | 150,893,509 | 7,494,403 | 11,490,343 | 5,124,868 | 14,265,720 | 14,267,526 | 71,897 | 231,614 | 27,480,548 |
| 10 | Allocation Factor | 100.00% | 4.97% | 7.61% | 3.40% | 9.45% | 9.46% | 0.05% | 0.15% | 18.21% |
| 11 | Peak & Avg. Month Sales Vol. - No Direct Connect | 113,564,727 | 7,494,403 | 11,490,343 | 5,124,868 | 9,443,420 | 0 | 71,897 | 231,614 | 9,241,581 |
| 12 | Allocation Factor | 100.00% | 6.60% | 10.12% | 4.51% | 8.32% | 0.00% | 0.06% | 0.20% | 8.14% |
| 13 | Small and Medium Customer Peak & Avg. Month Sale | 94,879,716 | 7,494,403 | 11,490,343 | 5,124,868 | 0.00% | 0.00% | 71,897 | 231,614 | 0.00% |
| 14 | Allocation Factor | 100.00% | 7.90% | 12.11% | 5.40% | 0.00% | 0.00% | 0.08% | 0.24% | 0.00% |
| 15 | Small Customer Peak & Avg. Month Sales Vol.(therm | 78,264,507 | 7,494,403 | 0.00% | 0.00% | 0.00% | 0.00% | 71,897 | 231,614 | 0.00% |
| 16 | Allocation Factor | 100.00% | 9.58% | 0.00% | 0.00% | 0.00% | 0.00% | 0.09% | 0.30% | 0.00% |
| 17 | Industrial Measuring and Regulating | 5,865,905 | - | 995,333 | 443,934 | 818,022 | 788,152 | - | - | 2,620,464 |
| 18 | Allocation Factor | 100.00% | 0.00% | 17.57% | 7.64% | 14.44% | 13.91% | 0.00% | 0.00% | 46.25% |
| 19 | Existing Revenues (After Reclassification) | 162,561,427 | 7,839,571 | 6,691,956 | 3,568,425 | 4,773,640 | 1,531,163 | 66,369 | 228,759 | 6,555,855 |
| 20 | Allocation Factor | 100.00% | 4.82% | 4.12% | 2.20% | 2.94% | 0.94% | 0.04% | 0.14% | 4.03% |
| 21 | Sales Expense | 5,815,707 | 436,472 | 46,887 | 35,248 | 97,265 | 109,951 | 310 | 1,145 | - |
| 22 | Allocation Factor | 100.00% | 7.51% | 0.81% | 0.61% | 1.67% | 1.89% | 0.01% | 0.02% | 0.00% |
| 23 COMMODITY COSTS | | | | | | | | | | |
| 24 | Annual Therms (After Reclassification) | 1,081,229,864 | 43,269,635 | 64,790,915 | 48,728,719 | 134,464,513 | 152,002,324 | 428,688 | 1,582,430 | 300,168,992 |
| 25 | Allocation Factors | 100.00% | 4.00% | 5.99% | 4.51% | 12.44% | 14.06% | 0.04% | 0.15% | 27.76% |
| 26 REVENUE-RELATED COSTS | | | | | | | | | | |
| 27 | Revenue Assessments | 904,020 | 40,842 | 38,544 | 17,838 | 22,040 | 6,311 | 538 | 1,281 | 31,835 |
| 28 | Allocation Factors | 100.00% | 4.52% | 4.26% | 1.97% | 2.44% | 0.70% | 0.06% | 0.14% | 3.52% |

SUPPORTING SCHEDULES: E-4, E-7

RECAP SCHEDULES: H-2 p.4-9

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: FULLY ALLOCATED EMBEDDED COST
 COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
 PROJECTED TEST YEAR: 12/31/08
 WITNESS: D. YARDLEY

ALLOCATION OF RATE BASE TO CUSTOMER CLASSES

| LINE NO. | TOTAL | RESIDENTIAL SERVICE | RESIDENTIAL GENERATOR | COMMERCIAL STREET LIGHTING | COMMERCIAL GENERATOR | (1 - 1,999) SMALL GENERAL SERVICE | (2,000 - 9,999) GENERAL SERVICE 1 | (10,000 - 49,999) GENERAL SERVICE 2 | (50,000 - 249,999) GENERAL SERVICE 3 |
|----------|----------------------------------|---------------------|-----------------------|----------------------------|----------------------|-----------------------------------|-----------------------------------|-------------------------------------|--------------------------------------|
| 1 | Rate Base | | | | | | | | |
| 2 | Customer | | | | | | | | |
| 3 | Meters | 50,872,401 | 36,486,871 | 85,251 | 4,994 | 208,251 | 2,741,471 | 5,625,879 | 4,144,480 |
| 4 | Meters - Direct | 1,520,355 | - | - | - | - | - | - | - |
| 5 | House Regulators | 18,073,220 | 11,521,769 | 26,935 | 1,578 | 85,797 | 868,172 | 1,777,506 | 1,309,456 |
| 6 | Industrial Meas. & Reg. Sta. Eq. | 5,665,905 | - | - | - | - | - | - | - |
| 7 | Services | 110,177,750 | 78,979,734 | 184,634 | 10,816 | 451,024 | 5,937,386 | 12,184,342 | 364,224 |
| 8 | Services - Direct | 205,401 | - | - | - | - | - | - | - |
| 9 | All Other | 11,614,534 | 8,303,465 | 19,412 | 1,137 | 47,419 | 624,230 | 1,281,006 | 943,693 |
| 10 | Total | 196,129,566 | 135,270,638 | 316,232 | 18,526 | 772,491 | 10,169,256 | 20,888,733 | 15,373,607 |
| 11 | Capacity | | | | | | | | |
| 12 | Industrial Meas. & Reg. Sta. Eq. | - | - | - | - | - | - | - | - |
| 13 | Meas. & Reg. Sta. Eq. - Gen. | 4,718,680 | 731,843 | - | - | - | - | - | - |
| 14 | Mains - Large Diameter | 64,259,530 | 9,966,326 | - | 6,536 | - | 66,994 | 562,688 | 995,050 |
| 15 | Mains - Medium Diameter | 131,246,184 | 24,364,321 | - | 89,007 | - | 912,338 | 7,662,747 | 13,550,701 |
| 16 | Mains - Small Diameter | 113,201,914 | 25,475,923 | - | 217,582 | - | 2,230,359 | 18,732,843 | 33,126,913 |
| 17 | Mains - Direct Assignment | 9,301,872 | - | - | 227,520 | - | 2,332,117 | 19,587,513 | 34,638,301 |
| 18 | General Plant | 13,060,251 | 1,524,481 | - | 13,615 | - | 139,554 | 1,172,118 | 2,072,758 |
| 19 | All Other | 28,926,757 | 3,376,527 | - | 30,155 | - | 309,084 | 2,596,089 | 4,590,890 |
| 20 | Total | 364,715,189 | 85,439,421 | - | 584,425 | - | 5,990,456 | 50,313,998 | 88,974,612 |
| 21 | Commodity | | | | | | | | |
| 22 | All Other | - | - | - | - | - | - | - | - |
| 23 | Total | - | - | - | - | - | - | - | - |
| 24 | TOTAL | 560,844,765 | 200,710,269 | 316,232 | 602,950 | 772,491 | 16,159,714 | 71,182,731 | 104,348,218 |
| 25 | Customer Related Rate Base | 100.00% | 68.97% | 0.16% | 0.01% | 0.39% | 5.18% | 10.84% | 7.84% |
| 26 | Capacity Related Rate Base | 100.00% | 17.94% | 0.00% | 0.16% | 0.00% | 1.64% | 13.80% | 24.40% |
| 27 | Commodity Related Rate Base | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

ALLOCATION OF RATE BASE TO CUSTOMER CLASSES

| LINE NO. | TOTAL | (250,000 - 499,999) GENERAL SERVICE 4 | (500,000 +) GENERAL SERVICE 5 | (1,000,000 - 3,999,999) SMALL INTERRUPTIBLE SERVICE | (4,000,000 - 50,000,000) INTERRUPTIBLE SERVICE | (50,000,000 +) INTERRUPTIBLE LARGE VOLUME | NATURAL GAS VEHICLE SALES | WHOLESALE SERVICE | SPECIAL CONTRACTS | |
|----------|----------------------------------|--|----------------------------------|--|---|--|---------------------------|-------------------|-------------------|-------------------|
| 1 | Rate Base | | | | | | | | | |
| 2 | Customer | | | | | | | | | |
| 3 | Meters | | | | | | | | | |
| 4 | Meters - Direct | 50,872,401 | 206,528 | 197,205 | - | - | 22,319 | 18,367 | - | |
| 5 | House Regulators | 1,520,355 | - | - | 242,574 | 173,389 | - | - | - | |
| 6 | Industrial Meas. & Reg. Sta. Eq. | 18,073,220 | 65,253 | 62,307 | - | - | 7,052 | - | 749,359 | |
| 7 | Services | 5,665,905 | - | 995,333 | 443,934 | 818,022 | - | 5,171 | - | |
| 8 | Services - Direct | 110,177,750 | 447,292 | 427,101 | - | - | 788,152 | - | 2,820,484 | |
| 9 | All Other | 205,401 | - | - | 150,223 | 45,585 | 48,338 | 35,448 | - | |
| 10 | Total | 11,614,534 | 47,026 | 44,903 | 11,280 | 9,700 | 5,082 | 3,727 | 5,062 | |
| | | 196,129,566 | 768,100 | 1,726,850 | 848,011 | 1,046,676 | 1,150,454 | 82,790 | 7,249 | |
| 11 | Capacity | | | | | | | | | |
| 12 | Industrial Meas. & Reg. Sta. Eq. | | | | | | | | | |
| 13 | Meas. & Reg. Sta. Eq. - Gen. | 4,718,880 | 311,397 | 477,430 | - | - | - | - | - | |
| 14 | Mains - Large Diameter | 64,259,530 | 4,240,638 | 6,501,702 | 212,941 | 392,380 | 0 | 9,624 | 383,993 | |
| 15 | Mains - Medium Diameter | 131,246,184 | 10,366,935 | 15,894,478 | 2,899,857 | 5,343,470 | 0 | 40,883 | 131,057 | |
| 16 | Mains - Small Diameter | 113,201,914 | 10,839,918 | - | 7,089,177 | - | 99,455 | 320,389 | 5,228,267 | |
| 17 | Mains - Direct Assignment | 9,301,872 | - | - | - | - | 103,993 | 335,007 | - | |
| 18 | General Plant | 13,060,251 | 648,681 | 994,521 | 168,817 | 2,848,634 | 155,859 | - | - | |
| 19 | All Other | 28,826,757 | 1,438,701 | 2,202,735 | 443,571 | 1,234,738 | 1,234,894 | - | 6,128,462 | |
| 20 | Total | 364,715,189 | 27,844,249 | 26,070,867 | 11,796,816 | 12,554,004 | 4,125,982 | 267,124 | 2,376,518 | |
| 21 | Commodity | | | | | | | | | |
| 22 | All Other | - | - | - | - | - | - | 860,524 | 19,388,347 | |
| 23 | Total | - | - | - | - | - | - | - | - | |
| 24 | TOTAL | 560,844,755 | 28,810,349 | 27,797,717 | 12,644,827 | 13,800,680 | 5,276,436 | 349,914 | 921,237 | 22,770,481 |
| 25 | Customer Related Rate Base | 100.00% | 0.39% | 0.88% | 0.43% | 0.53% | 0.58% | 0.04% | 0.03% | 1.72% |
| 26 | Capacity Related Rate Base | 100.00% | 7.63% | 7.15% | 3.23% | 3.44% | 1.13% | 0.07% | 0.24% | 5.32% |
| 27 | Commodity Related Rate Base | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

ALLOCATION OF EXPENSES TO CUSTOMER CLASSES

| LINE NO. | TOTAL | RESIDENTIAL SERVICE | RESIDENTIAL GENERATOR | COMMERCIAL STREET LIGHTING | COMMERCIAL GENERATOR | (1 - 1,899) SMALL GENERAL SERVICE | (2,000 - 9,999) GENERAL SERVICE 1 | (10,000 - 49,999) GENERAL SERVICE 2 | (50,000 - 249,999) GENERAL SERVICE 3 | |
|----------|--|---------------------|-----------------------|----------------------------|----------------------|-----------------------------------|-----------------------------------|-------------------------------------|--------------------------------------|------------------|
| 1 | OPERATIONS AND MAINTENANCE EXPENSE: | | | | | | | | | |
| 2 | Customer | | | | | | | | | |
| 3 | 878 Meters and House Regulators | 3,093,304 | 2,217,373 | 5,184 | 304 | 12,663 | 166,896 | 342,082 | 252,006 | 70,095 |
| 4 | 893 Maint. of Meters & House Reg. | 457,928 | 328,257 | 767 | 45 | 1,875 | 24,877 | 50,841 | 37,307 | 10,377 |
| 5 | 878, 890 Ind Meas and Regulating | 455,081 | - | - | - | - | - | - | - | - |
| 6 | 874 Mains & Services | 1,865,582 | 1,334,824 | 3,121 | 183 | 7,623 | 100,348 | 205,928 | 151,703 | 42,196 |
| 7 | 892 Maint. of Services | 630,097 | 450,832 | 1,054 | 62 | 2,575 | 33,892 | 69,552 | 51,237 | 14,252 |
| 8 | 904 Uncollectible Accounts | 1,573,000 | 574,688 | 1,482 | 1,119 | 2,545 | 48,835 | 198,700 | 295,110 | 148,080 |
| 9 | 911-916 Sales Expense | 5,815,707 | 2,326,283 | - | 9,094 | - | 83,888 | 680,017 | 1,255,407 | 753,961 |
| 10 | All Other | 38,203,188 | 27,312,214 | 63,850 | 3,740 | 155,972 | 2,053,251 | 4,213,556 | 3,104,049 | 883,388 |
| 11 | Total | 52,093,857 | 34,544,472 | 75,457 | 14,547 | 183,251 | 2,511,388 | 5,740,477 | 5,146,818 | 1,902,348 |
| 12 | Capacity | | | | | | | | | |
| 13 | 876 Measuring & Reg. Sta. Eq.- I | - | - | - | - | - | - | - | - | - |
| 14 | 890 Maint. of Meas. & Reg. Sta. Eq.-I | - | - | - | - | - | - | - | - | - |
| 15 | 874 Mains and Services | 4,730,986 | 889,735 | - | 7,946 | - | 81,448 | 684,085 | 1,209,726 | 686,873 |
| 16 | 887 Maint. of Mains | 2,272,844 | 427,443 | - | 3,817 | - | 39,128 | 328,646 | 581,172 | 329,889 |
| 17 | All Other | 13,027,037 | 2,020,427 | - | 18,044 | - | 184,854 | 1,553,433 | 2,747,071 | 1,559,311 |
| 18 | Total | 20,030,867 | 3,337,605 | - | 29,807 | - | 305,531 | 2,566,163 | 4,537,970 | 2,575,873 |
| 19 | Commodity | | | | | | | | | |
| 20 | Account # | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 21 | All Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 22 | Total | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 23 | TOTAL O&M | 72,124,723 | 37,882,076 | 75,457 | 44,354 | 183,251 | 2,816,919 | 8,306,641 | 9,684,788 | 4,478,221 |
| 24 | DEPRECIATION EXPENSE: | | | | | | | | | |
| 25 | Customer | 14,949,491 | 10,310,685 | 24,104 | 1,412 | 58,881 | 775,127 | 1,590,688 | 1,171,815 | 325,939 |
| 26 | Capacity | 26,904,000 | 4,827,279 | 0 | 43,111 | 0 | 441,899 | 3,711,520 | 6,563,403 | 3,725,563 |
| 27 | Total | 41,853,490 | 15,137,964 | 24,104 | 44,523 | 58,881 | 1,217,025 | 5,302,188 | 7,735,219 | 4,051,502 |
| 28 | AMORT. OF LEASEHOLD / OTHER | | | | | | | | | |
| 29 | Capacity | 1,040,979 | 161,451 | 0 | 1,442 | 0 | 14,780 | 124,133 | 219,516 | 124,603 |
| 30 | AMORT. OF ENVIRONMENTAL | | | | | | | | | |
| 31 | Capacity | 640,000 | 89,261 | 0 | 886 | 0 | 9,087 | 76,318 | 134,960 | 76,807 |
| 32 | AMORT. OF ACQUISITION ADJ.: | | | | | | | | | |
| 33 | Customer | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 34 | Capacity | 156,824 | 24,292 | 0 | 217 | 0 | 2,224 | 18,677 | 33,028 | 16,748 |
| 35 | Total | 156,824 | 24,292 | 0 | 217 | 0 | 2,224 | 18,677 | 33,028 | 16,748 |
| 36 | AMORT. OF CONVERSION COSTS: | | | | | | | | | |
| 37 | Commodity | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

ALLOCATION OF EXPENSES TO CUSTOMER CLASSES

| LINE NO. | TOTAL | (250,000 - 499,999) GENERAL SERVICE 4 | (500,000 +) GENERAL SERVICE 5 | (1,000,000 - 3,999,999)(4,000,000 - 50,000,000) SMALL INTERRUPTIBLE SERVICE | INTERRUPTIBLE SERVICE | (50,000,000 +) INTERRUPTIBLE LARGE VOLUME | NATURAL GAS VEHICLE SALES | WHOLESALE SERVICE | SPECIAL CONTRACTS | |
|----------|--|---|-------------------------------------|--|--------------------------|---|------------------------------|----------------------|----------------------|-----------|
| 1 | OPERATIONS AND MAINTENANCE EXPENSE: | | | | | | | | | |
| 2 | Customer | | | | | | | | | |
| 3 | 876 Meters and House Regulators | 3,093,304 | 12,558 | 11,991 | - | - | - | 1,357 | 995 | - |
| 4 | 893 Maint. of Meters & House Reg. | 457,928 | 1,859 | 1,775 | - | - | - | - | - | - |
| 5 | 876, 890 Ind Meas and Regulating | 455,061 | - | - | - | - | - | - | - | - |
| 6 | 874 Mains & Services | 1,865,592 | 7,580 | 7,218 | 50,461 | 72,872 | 84,031 | 201 | 147 | - |
| 7 | 892 Maint. of Services | 830,097 | 2,553 | 2,438 | 2,539 | 770 | - | - | - | 247,897 |
| 8 | 904 Uncollectible Accounts | 1,573,000 | 75,858 | 84,754 | 856 | 260 | 77 | 817 | 599 | 86 |
| 9 | 911-916 Sales Expense | 5,815,707 | 438,472 | 46,887 | 34,529 | 46,191 | 26 | 276 | 202 | 28 |
| 10 | All Other | 38,203,186 | 154,881 | 147,899 | 35,248 | 97,265 | 14,816 | 842 | 2,214 | 63,437 |
| 11 | Total | 52,093,857 | 691,542 | 282,742 | 37,103 | 31,907 | 8,941 | 310 | 1,145 | - |
| 12 | Capacity | | | | | | | | | |
| 13 | 876 Measuring & Reg. Sta. Eq.- I | - | - | - | 160,738 | 249,266 | 217,841 | 20,319 | 17,561 | 23,842 |
| 14 | 890 Maint. of Meas. & Reg. Sta. Eq.-I | - | - | - | - | - | - | - | - | 335,081 |
| 15 | 874 Mains and Services | 4,730,986 | 378,579 | 333,185 | 151,117 | 121,873 | 2,320 | - | - | - |
| 16 | 867 Maint. of Mains | 2,272,844 | 181,876 | 160,068 | 72,599 | 58,550 | 3,632 | 11,700 | 188,967 | - |
| 17 | All Other | 13,027,037 | 859,655 | 1,318,060 | 587,875 | 1,083,257 | 1,115 | 1,745 | 5,621 | 81,175 |
| 18 | Total | 20,030,867 | 1,420,139 | 1,811,313 | 811,591 | 1,263,680 | 3,435 | 13,824 | 43,889 | 1,060,105 |
| 19 | Commodity | | | | | | | | | |
| 20 | Account # | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,310,247 |
| 21 | All Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 22 | Total | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 23 | TOTAL O&M | 72,124,723 | 2,111,681 | 2,094,054 | 972,329 | 1,512,945 | 221,276 | 33,943 | 61,450 | 1,845,338 |
| 24 | DEPRECIATION EXPENSE: | | | | | | | | | |
| 25 | Customer | | | | | | | | | |
| 26 | Capacity | 14,948,491 | 58,394 | 131,625 | 64,638 | 79,780 | 87,691 | 6,310 | 4,628 | 257,795 |
| 27 | Total | 28,904,000 | 2,053,991 | 1,923,174 | 870,217 | 926,073 | 304,362 | 19,705 | 63,478 | 1,430,223 |
| 28 | AMORT. OF LEASEHOLD / OTHER | | | | | | | | | |
| 29 | Capacity | 1,040,979 | 68,697 | 105,325 | 46,977 | 86,562 | 0 | 659 | 2,123 | 64,712 |
| 30 | AMORT. OF ENVIRONMENTAL | | | | | | | | | |
| 31 | Capacity | 840,000 | 42,235 | 84,754 | 28,881 | 53,219 | 0 | 405 | 1,305 | 52,081 |
| 32 | AMORT. OF ACQUISITION ADJ.: | | | | | | | | | |
| 33 | Customer | | | | | | | | | |
| 34 | Capacity | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 35 | Total | 156,824 | 10,336 | 15,847 | 7,068 | 13,024 | 0 | 99 | 319 | 12,746 |
| 36 | AMORT. OF CONVERSION COSTS: | | | | | | | | | |
| 37 | Commodity | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSES

| LINE NO. | TOTAL | RESIDENTIAL SERVICE | RESIDENTIAL GENERATOR | COMMERCIAL STREET LIGHTING | COMMERCIAL GENERATOR | (1 - 1,999) SMALL GENERAL SERVICE | (2,000 - 9,999) GENERAL SERVICE 1 | (10,000 - 49,999) GENERAL SERVICE 2 | (50,000 - 249,999) GENERAL SERVICE 3 | |
|----------|---------------------------------------|---------------------|-----------------------|----------------------------|----------------------|-----------------------------------|-----------------------------------|-------------------------------------|--------------------------------------|------------|
| 1 | TAXES OTHER THAN INCOME TAXES: | | | | | | | | | |
| 2 | Customer | 3,492,835 | 2,409,013 | 5,632 | 330 | 13,757 | 181,102 | 371,647 | 273,786 | 78,153 |
| 3 | Capacity | 6,285,615 | 1,127,857 | - | 10,073 | - | 103,246 | 867,189 | 1,533,489 | 870,450 |
| 4 | Subtotal | 9,778,750 | 3,536,870 | 5,632 | 10,403 | 13,757 | 284,349 | 1,238,816 | 1,807,275 | 946,603 |
| 5 | Revenue | 1,052,683 | 418,318 | 713 | 990 | 1,870 | 34,360 | 133,621 | 183,923 | 93,476 |
| 6 | Total | 10,831,433 | 3,955,188 | 6,345 | 11,393 | 15,627 | 318,709 | 1,372,437 | 1,991,198 | 1,040,079 |
| 7 | GAIN ON SALE OF PROPERTY | | | | | | | | | |
| 8 | Customer | (480,321) | (434,217) | (1,015) | (89) | (1,123) | (14,781) | (18,895) | (8,597) | (1,173) |
| 9 | Capacity | - | - | - | - | - | - | - | - | - |
| 10 | Commodity | - | - | - | - | - | - | - | - | - |
| 11 | Total | (480,321) | (434,217) | (1,015) | (89) | (1,123) | (14,781) | (18,895) | (8,597) | (1,173) |
| 12 | RETURN (NOI) | | | | | | | | | |
| 13 | Customer | 16,671,013 | 11,498,021 | 26,880 | 1,575 | 65,662 | 864,387 | 1,773,842 | 1,306,757 | 363,473 |
| 14 | Capacity | 31,000,791 | 5,562,351 | - | 49,676 | - | 509,189 | 4,276,690 | 7,562,842 | 4,292,871 |
| 15 | Commodity | - | - | - | - | - | - | - | - | - |
| 16 | Total | 47,671,804 | 17,060,372 | 26,880 | 51,251 | 65,662 | 1,373,576 | 6,050,532 | 8,869,599 | 4,656,344 |
| 17 | INCOME TAXES | | | | | | | | | |
| 18 | Customer | 5,847,106 | 4,032,757 | 9,428 | 552 | 25,030 | 303,171 | 622,148 | 458,325 | 127,483 |
| 19 | Capacity | 10,873,059 | 1,950,910 | - | 17,423 | - | 178,590 | 1,499,984 | 2,652,552 | 1,505,660 |
| 20 | Commodity | - | - | - | - | - | - | - | - | - |
| 21 | Total | 16,720,164 | 5,983,667 | 9,428 | 17,975 | 25,030 | 481,761 | 2,122,133 | 3,110,878 | 1,633,142 |
| 22 | REVENUE CREDITED TO COS: | | | | | | | | | |
| 23 | Customer | (9,780,513) | (8,031,882) | (18,777) | (1,925) | (24,202) | (318,605) | (407,279) | (185,285) | (25,293) |
| 24 | TOTAL COST OF SERVICE: | | | | | | | | | |
| 25 | Customer | 82,793,467 | 54,326,869 | 121,798 | 16,401 | 319,256 | 4,301,786 | 9,672,609 | 8,163,609 | 2,768,930 |
| 26 | Capacity | 96,932,234 | 17,091,006 | - | 152,636 | - | 1,564,545 | 13,140,654 | 23,237,761 | 13,190,373 |
| 27 | Commodity | - | - | - | - | - | - | - | - | - |
| 28 | Subtotal | 179,725,701 | 71,419,875 | 121,798 | 169,037 | 319,256 | 5,866,333 | 22,813,263 | 31,401,369 | 15,959,303 |
| 29 | Revenue | 1,052,683 | 418,318 | 713 | 990 | 1,870 | 34,360 | 133,621 | 183,923 | 93,476 |
| 30 | Total | 180,778,384 | 71,838,193 | 122,421 | 170,027 | 321,126 | 5,900,693 | 22,946,884 | 31,585,292 | 16,052,779 |

ALLOCATION OF COST OF SERVICE TO CUSTOMER CLASSES

| LINE NO. | TOTAL | (250,000 - 499,999) GENERAL SERVICE 4 | (500,000 +) GENERAL SERVICE 5 | (1,000,000 - 3,999,999) SMALL INTERRUPTIBLE SERVICE | (4,000,000 - 50,000,000) INTERRUPTIBLE SERVICE | (50,000,000 +) INTERRUPTIBLE LARGE VOLUME | NATURAL GAS VEHICLE SALES | WHOLESALE SERVICE | SPECIAL CONTRACTS | |
|----------|---------------------------------------|---|-------------------------------------|---|--|---|------------------------------|----------------------|----------------------|-----------|
| 1 | TAXES OTHER THAN INCOME TAXES: | | | | | | | | | |
| 2 | Customer | 3,492,835 | 13,643 | 30,753 | 15,102 | 18,640 | 20,488 | 1,474 | 1,081 | 60,232 |
| 3 | Capacity | 6,285,915 | 479,899 | 449,335 | 203,320 | 216,370 | 71,112 | 4,604 | 14,831 | 334,151 |
| 4 | Subtotal | 9,778,750 | 493,543 | 480,088 | 218,422 | 235,010 | 91,600 | 6,078 | 15,912 | 394,383 |
| 5 | Revenue | 1,052,683 | 47,559 | 44,882 | 20,771 | 25,864 | 7,348 | 626 | 1,481 | 37,070 |
| 6 | Total | 10,831,433 | 541,102 | 524,970 | 239,193 | 260,874 | 98,949 | 6,704 | 17,404 | 431,462 |
| 7 | GAIN ON SALE OF PROPERTY | | | | | | | | | |
| 8 | Customer | (480,321) | (174) | (147) | (37) | (20) | (4) | (21) | (18) | (11) |
| 9 | Capacity | - | - | - | - | - | - | - | - | - |
| 10 | Commodity | - | - | - | - | - | - | - | - | - |
| 11 | Total | (480,321) | (174) | (147) | (37) | (20) | (4) | (21) | (18) | (11) |
| 12 | RETURN (NOI) | | | | | | | | | |
| 13 | Customer | 16,671,013 | 65,119 | 146,782 | 72,081 | 88,967 | 97,789 | 7,037 | 5,161 | 287,481 |
| 14 | Capacity | 31,000,791 | 2,366,781 | 2,216,024 | 1,002,729 | 1,067,090 | 350,708 | 22,706 | 73,145 | 1,648,009 |
| 15 | Commodity | - | - | - | - | - | - | - | - | - |
| 16 | Total | 47,671,804 | 2,431,880 | 2,362,806 | 1,074,810 | 1,156,058 | 448,497 | 29,743 | 78,305 | 1,935,491 |
| 17 | INCOME TAXES | | | | | | | | | |
| 18 | Customer | 5,847,108 | 22,839 | 51,482 | 25,261 | 31,204 | 34,298 | 2,468 | 1,810 | 100,830 |
| 19 | Capacity | 10,873,059 | 830,106 | 777,237 | 351,692 | 374,266 | 123,006 | 7,964 | 25,654 | 578,014 |
| 20 | Commodity | - | - | - | - | - | - | - | - | - |
| 21 | Total | 16,720,167 | 852,945 | 828,719 | 376,953 | 405,470 | 157,304 | 10,432 | 27,464 | 678,844 |
| 22 | REVENUE CREDITED TO COS: | | | | | | | | | |
| 23 | Customer | (9,780,513) | (3,759) | (343,473) | (114,006) | (86,494) | (56,120) | (458) | (336) | (162,628) |
| 24 | TOTAL COST OF SERVICE: | | | | | | | | | |
| 25 | Customer | 82,793,467 | 847,804 | 299,763 | 223,798 | 381,343 | 401,982 | 37,130 | 29,888 | 878,789 |
| 26 | Capacity | 96,932,234 | 7,272,164 | 7,383,006 | 3,322,475 | 4,000,284 | 852,623 | 69,765 | 224,746 | 5,450,194 |
| 27 | Commodity | - | - | - | - | - | - | - | - | - |
| 28 | Subtotal | 179,725,701 | 8,119,768 | 7,682,771 | 3,546,273 | 4,381,627 | 1,254,605 | 106,895 | 254,634 | 6,328,983 |
| 29 | Revenue | 1,052,683 | 47,559 | 44,882 | 20,771 | 25,664 | 7,348 | 626 | 1,481 | 37,070 |
| 30 | Total | 180,778,384 | 8,167,327 | 7,707,654 | 3,567,044 | 4,407,291 | 1,261,953 | 107,521 | 256,115 | 6,366,053 |

ALLOCATED COST OF SERVICE SUMMARY

| LINE NO. | SUMMARY | TOTAL | RESIDENTIAL SERVICE | RESIDENTIAL GENERATOR | COMMERCIAL STREET LIGHTING | COMMERCIAL GENERATOR | (1 - 1,999) SMALL GENERAL SERVICE | (2,000 - 9,999) GENERAL SERVICE 1 | (10,000 - 49,999) GENERAL SERVICE 2 | (50,000 - 249,999) GENERAL SERVICE 3 |
|----------|--|---------------|---------------------|-----------------------|----------------------------|----------------------|-----------------------------------|-----------------------------------|-------------------------------------|--------------------------------------|
| 1 | RB | 560,844,755 | 200,710,259 | 316,232 | 602,950 | 772,491 | 16,159,714 | 71,182,731 | 104,348,219 | 54,780,517 |
| 2 | ATTRITION | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3 | O&M | 72,124,723 | 37,882,076 | 75,457 | 44,354 | 183,251 | 2,816,919 | 8,306,841 | 9,684,788 | 4,478,221 |
| 4 | DEPRECIATION | 41,853,490 | 15,137,964 | 24,104 | 44,523 | 58,881 | 1,217,025 | 5,302,188 | 7,735,219 | 4,051,502 |
| 5 | AMORTIZATION EXPENSES | 1,837,803 | 285,003 | 0 | 2,545 | 0 | 26,090 | 219,128 | 387,504 | 219,957 |
| 6 | TAXES OTHER THAN INCOME - OTHER | 9,778,750 | 3,536,870 | 5,632 | 10,403 | 13,757 | 284,349 | 1,238,816 | 1,807,275 | 946,603 |
| 7 | TAXES OTHER THAN INCOME - REV. RELATED | 1,052,683 | 418,318 | 713 | 990 | 1,870 | 34,360 | 133,621 | 183,923 | 93,476 |
| 8 | GAIN ON SALE OF PROPERTY | (480,321) | (434,217) | (1,015) | (89) | (1,123) | (14,781) | (18,895) | (8,597) | (1,173) |
| 9 | RETURN | 47,871,804 | 17,060,372 | 26,880 | 51,251 | 65,662 | 1,373,578 | 6,050,532 | 8,889,599 | 4,858,344 |
| 10 | INCOME TAXES TOTAL | 16,720,164 | 5,983,667 | 9,428 | 17,975 | 23,030 | 481,781 | 2,122,133 | 3,110,876 | 1,833,142 |
| 11 | REVENUE CREDITED TO COS: | (9,780,513) | (8,031,862) | (18,777) | (1,825) | (24,202) | (318,605) | (407,279) | (185,296) | (25,293) |
| 12 | TOTAL COST - CUSTOMER | 82,793,467 | 54,328,889 | 121,708 | 16,401 | 319,256 | 4,301,788 | 9,672,809 | 8,163,809 | 2,788,930 |
| 13 | TOTAL COST - CAPACITY | 96,932,234 | 17,091,006 | 0 | 152,836 | 0 | 1,564,545 | 13,140,854 | 23,237,761 | 13,190,373 |
| 14 | TOTAL COST - COMMODITY | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15 | TOTAL COST - REVENUE | 1,052,683 | 418,318 | 713 | 990 | 1,870 | 34,360 | 133,621 | 183,923 | 93,476 |
| 16 | NO. OF CUSTOMERS | 338,795 | 306,275 | 716 | 63 | 792 | 10,426 | 13,328 | 8,064 | 828 |
| 17 | PEAK MONTH - JANUARY SALES | 85,557,629 | 12,401,125 | 0 | 82,171 | 0 | 944,291 | 7,920,164 | 13,764,298 | 7,371,755 |
| 18 | ANNUAL SALES | 1,081,229,664 | 61,965,936 | 0 | 901,552 | 0 | 8,296,450 | 65,430,833 | 124,454,784 | 74,743,912 |

SUPPORTING SCHEDULES: H-2 p.2-9

ALLOCATED COST OF SERVICE SUMMARY

| LINE NO. | SUMMARY | TOTAL | (250,000 - 499,999) | (500,000 +) | (1,000,000 - 3,999,999) | (4,000,000 - 50,000,000) | (50,000,000 +) | NATURAL GAS VEHICLE SALES | WHOLESALE SERVICE | SPECIAL CONTRACTS |
|----------|--|---------------|----------------------|----------------------|--------------------------------|--------------------------|-------------------------------|------------------------------|----------------------|----------------------|
| | | | GENERAL SERVICE 4 | GENERAL SERVICE 5 | SMALL INTERRUPTIBLE SERVICE | INTERRUPTIBLE SERVICE | INTERRUPTIBLE LARGE VOLUME | | | |
| 1 | RB | 560,844,755 | 25,610,349 | 27,797,717 | 12,644,827 | 13,600,680 | 5,276,436 | 349,914 | 921,237 | 22,770,481 |
| 2 | ATTRITION | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| 3 | O&M | 72,124,723 | 2,111,681 | 2,094,054 | 972,329 | 1,512,945 | 221,276 | 33,943 | 61,450 | 1,645,338 |
| 4 | DEPRECIATION | 41,853,490 | 2,112,385 | 2,054,798 | 934,855 | 1,005,853 | 392,052 | 26,015 | 68,106 | 1,688,018 |
| 5 | AMORTIZATION EXPENSES | 1,837,603 | 121,268 | 185,928 | 82,928 | 152,805 | 0 | 1,183 | 3,748 | 149,539 |
| 6 | TAXES OTHER THAN INCOME - OTHER | 9,778,750 | 493,543 | 480,088 | 218,422 | 235,010 | 91,600 | 6,078 | 15,812 | 384,383 |
| 7 | TAXES OTHER THAN INCOME - REV. RELATED | 1,052,683 | 47,559 | 44,882 | 20,771 | 25,664 | 7,348 | 626 | 1,491 | 37,070 |
| 8 | GAIN ON SALE OF PROPERTY | (480,321) | (174) | (147) | (37) | (20) | (4) | (21) | (16) | (11) |
| 9 | RETURN | 47,671,804 | 2,431,880 | 2,362,808 | 1,074,810 | 1,158,058 | 448,497 | 29,743 | 78,305 | 1,935,491 |
| 10 | INCOME TAXES TOTAL | 16,720,164 | 852,945 | 828,718 | 378,973 | 405,470 | 157,304 | 10,432 | 27,464 | 678,844 |
| 11 | REVENUE CREDITED TO COS: | (9,780,513) | -3,759 | -343,473 | -114,006 | -86,494 | -56,120 | -458 | -336 | (182,628) |
| 12 | TOTAL COST - CUSTOMER | 82,793,467 | 847,604 | 299,763 | 223,798 | 381,343 | 401,982 | 37,130 | 29,888 | 878,789 |
| 13 | TOTAL COST - CAPACITY | 96,932,234 | 7,272,164 | 7,363,008 | 3,322,475 | 4,000,284 | 852,623 | 89,765 | 224,746 | 5,450,194 |
| 14 | TOTAL COST - COMMODITY | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| 15 | TOTAL COST - REVENUE | 1,052,683 | 47,559 | 44,882 | 20,771 | 25,664 | 7,348 | 626 | 1,491 | 37,070 |
| 16 | NO. OF CUSTOMERS | 338,795 | 123 | 104 | 26 | 14 | 3 | 15 | 11 | 8 |
| 17 | PEAK MONTH - JANUARY SALES | 85,557,629 | 3,888,600 | 6,027,183 | 4,256,557 | 12,241,374 | 6,402,662 | 36,175 | 99,745 | 10,121,528 |
| 18 | ANNUAL SALES | 1,081,229,664 | 43,269,835 | 64,790,915 | 48,728,719 | 134,464,513 | 152,002,324 | 428,668 | 1,582,430 | 300,168,992 |

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: PROVIDE A FULLY ALLOCATED EMBEDDED
 COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: D. YARDLEY

CLASSIFICATION OF RATE BASE - GROSS PLANT INVESTMENT

| LINE NO. | | TOTAL | CUSTOMER | CAPACITY | COMMODITY | REVENUE | CLASSIFIER |
|----------|-----------------------------------|---------------|-------------|-------------|-----------|---------|----------------------------|
| 1 | LOCAL STORAGE PLANT | - | | | | | |
| 2 | INTANGIBLE PLANT: | 15,050,317 | | 15,050,317 | | | 100% capacity |
| 3 | DISTRIBUTION PLANT: | | | | | | |
| 4 | 374 Land and Land Rights | 5,328,591 | | 5,328,591 | | | 100% capacity |
| 5 | 375 Structures and Improvements | 18,462,846 | | 18,462,846 | | | 100% capacity |
| 6 | 376 Mains | 548,561,861 | | 548,561,861 | | | 100% capacity |
| 7 | 377 Comp.Sta.Eq. | - | | | | | |
| 8 | 378 Meas.& Reg.Sta.Eq.-Gen | 6,509,176 | | 6,509,176 | | | 100% capacity |
| 9 | 379 Meas.& Reg.Sta.Eq.-CG | 9,306,051 | | 9,306,051 | | | 100% capacity |
| 10 | 380 Services | 216,316,951 | 216,316,951 | | | | 100% customer |
| 11 | 381-382 Meters | 78,721,614 | 78,721,614 | | | | 100% customer |
| 12 | 383-384 House Regulators | 25,809,638 | 25,809,638 | | | | 100% customer |
| 13 | 385 Industrial Meas. & Reg.Eq. | 9,887,388 | 9,887,388 | | | | 100% customer |
| 14 | 386 Property on Customer Premises | - | | | | | |
| 15 | 387 Other Equipment | 4,035,628 | 1,452,519 | 2,583,109 | | | Accts 374-386 |
| 16 | Total Distribution Plant | 922,939,744 | 332,188,110 | 590,751,634 | | | |
| 17 | GENERAL PLANT: | 48,873,806 | 24,436,903 | 24,436,903 | | | 50% customer, 50% capacity |
| 18 | PLANT ACQUISITIONS: | 2,301,671 | | 2,301,671 | | | 100% capacity |
| 19 | GAS PLANT FOR FUTURE USE: | - | | | | | |
| 20 | CWIP: | 18,249,444 | 9,124,722 | 9,124,722 | | | 50% customer, 50% capacity |
| 21 | TOTAL PLANT | 1,007,414,983 | 365,749,735 | 641,665,247 | | | |

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: PROVIDE A FULLY ALLOCATED EMBEDDED
 COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: D. YARDLEY

CLASSIFICATION OF RATE BASE - ACCUMULATED RESERVE FOR DEPRECIATION

| LINE NO. | | TOTAL | CUSTOMER | CAPACITY | COMMODITY | REVENUE | CLASSIFIER |
|----------|-----------------------------------|---------------|---------------|---------------|-----------|---------|----------------------------|
| 1 | LOCAL STORAGE PLANT: | - | - | - | - | - | |
| 2 | INTANGIBLE PLANT: | (12,876,171) | | (12,876,171) | | | Related Plant Account |
| 3 | | | | | | | |
| 4 | DISTRIBUTION PLANT: | | | | | | |
| 5 | 374 Land and Land Rights | (3,245,506) | | (3,245,506) | | | Related Plant Account |
| 6 | 375 Structures and Improvements | (3,878,799) | | (3,878,799) | | | Related Plant Account |
| 7 | 376 Mains | (230,552,361) | | (230,552,361) | | | Related Plant Account |
| 8 | 377 Compressor Sta. Eq. | - | | - | | | |
| 9 | 378 Meas.& Reg.Sta. Eq.-Gen | (1,790,496) | | (1,790,496) | | | Related Plant Account |
| 10 | 379 Meas.& Reg.Sta. Eq.-CG | (2,997,388) | | (2,997,388) | | | Related Plant Account |
| 11 | 380 Services | (105,933,800) | (105,933,800) | | | | Related Plant Account |
| 12 | 381-382 Meters | (26,328,859) | (26,328,859) | | | | Related Plant Account |
| 13 | 383-384 House Regulators | (9,736,418) | (9,736,418) | | | | Related Plant Account |
| 14 | 385 Indust.Meas.& Reg.Sta.Eq. | (4,221,483) | (4,221,483) | | | | Related Plant Account |
| 15 | 386 Property on Customer Premises | - | | - | | | |
| 16 | 387 Other Equipment | (1,203,885) | (433,307) | (770,578) | | | Related Plant Account |
| 17 | Total A.D. on Dist. Plant | (389,888,993) | (146,653,866) | (243,235,127) | | | |
| 18 | GENERAL PLANT: | (22,753,304) | (11,376,652) | (11,376,652) | | | 50% customer, 50% capacity |
| 19 | RWIP: | 1,862,907 | 670,505 | 1,192,402 | | | Distribution Plant |
| 20 | AMORT. ACQ. ADJUSTMENT | (3,504,168) | | (3,504,168) | | | 100% capacity |
| 21 | AMORT. OTHER UTILITY PLANT | - | | - | | | |
| 22 | PRODUCTION PLANT | - | | - | | | |
| 23 | CUST. ADV. FOR CONSTRUCTION | (7,916,127) | (3,958,063) | (3,958,063) | | | 50% customer 50% capacity |
| 24 | TOTAL ACCUMULATED DEPRECIATION | (435,075,857) | (161,318,077) | (273,757,780) | | | |
| 25 | NET PLANT (Plant less Accum.Dep.) | 572,339,126 | 204,431,659 | 367,907,467 | | | |
| 27 | plus:WORKING CAPITAL | (11,494,371) | (8,302,092) | (3,192,279) | | | O&M Expense |
| 28 | equals:TOTAL RATE BASE | 560,844,755 | 196,129,566 | 364,715,189 | | | |

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: PROVIDE A FULLY ALLOCATED EMBEDDED
 COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: D. YARDLEY

CLASSIFICATION OF O&M EXPENSES

| LINE NO. | | TOTAL | CUSTOMER | CAPACITY | COMMODITY | REVENUE | CLASSIFIER |
|----------|--|------------|------------|------------|-----------|---------|------------------------|
| 1 | OPERATIONS AND MAINTENANCE EXPENSES | | | | | | |
| 2 | LOCAL STORAGE PLANT: | | | | | | |
| 3 | PRODUCTION PLANT | | | | | | |
| 4 | DISTRIBUTION: | | | | | | |
| 5 | 870 Operation Supervision & Eng. | 361,376 | 210,048 | 151,328 | | | Accts 871-879 |
| 6 | 871 Dist.Load Dispatch | 369,911 | | 369,911 | | | 100% capacity |
| 7 | 872 Compr.Sta.Lab. & Ex. | 1,884 | | 1,884 | | | 100% capacity |
| 8 | 873 Compr.Sta.Fuel & Power | - | | | | | |
| 9 | 874 Mains and Services | 6,596,578 | 1,865,592 | 4,730,986 | | | Accts 376, 380 |
| 10 | 875 Meas. & Reg. Sta.Eq.-Gen | 176,063 | | 176,063 | | | Acct 378 |
| 11 | 876 Meas. & Reg. Sta.Eq.-Ind. | (4,062) | (4,062) | - | | | Acct 385 |
| 12 | 877 Meas. & Reg. Sta.Eq.-CG | 78,729 | | 78,729 | | | Acct 379 |
| 13 | 878 Meter and House Reg. | 3,093,304 | 3,093,304 | - | | | Accts 381-384 |
| 14 | 879 Customer Instal. | 2,481,648 | 2,481,648 | | | | 100% Customer |
| 15 | 880 Other Expenses | 771,647 | 771,647 | 755,378 | | | Accts 870-879, 881-894 |
| 16 | 881 Rents | 154,116 | | 154,116 | | | 100% capacity |
| 17 | 885 Maintenance Supervision | - | | | | | |
| 18 | 886 Maint. of Struct. and Improv. | 222,230 | | 222,230 | | | Acct 375 |
| 19 | 887 Maintenance of Mains | 2,272,844 | | 2,272,844 | | | Acct 376 |
| 20 | 888 Maint. of Comp.Sta.Eq. | - | | | | | |
| 21 | 889 Maint. of Meas.& Reg. Sta.Eq.-Gen | 269,226 | | 269,226 | | | Acct 378 |
| 22 | 890 Maint. of Meas.& Reg. Sta.Eq.-Ind. | 459,123 | 459,123 | - | | | Acct 385 |
| 23 | 891 Maint. of Meas.& Reg.Sta.Eq.-CG | 538,437 | | 538,437 | | | Acct 379 |
| 24 | 892 Maintenance of Services | 630,097 | 630,097 | | | | Acct 380 |
| 25 | 893 Maint. of Meters and House Reg. | 457,928 | 457,928 | | | | Accts 381-383 |
| 26 | 894 Maint. of Other Equipment | 92,473 | 29,499 | 62,973 | | | Accts 885-894 |
| 27 | Total Distribution Expenses | 19,778,930 | 9,994,825 | 9,784,106 | | | |
| 28 | CUSTOMER ACCOUNTS: | | | | | | |
| 29 | 901 Supervision | - | - | | | | |
| 30 | 902 Meter-Reading Expense | 2,583,749 | 2,583,749 | | | | 100% customer |
| 31 | 903 Records and Collection Exp. | 5,613,877 | 5,613,877 | | | | 100% customer |
| 32 | 904 Uncollectible Accounts | 1,573,000 | 1,573,000 | | | | 100% customer |
| 33 | 905 Misc. Expenses | - | | | | | 100% customer |
| 34 | Total Customer Accounts | 9,770,626 | 9,770,626 | | | | |
| 35 | 907-910 Customer Serv.& Info. Exp. | - | - | | | | |
| 36 | 911-916 Sales Expense | 5,815,707 | 5,815,707 | | | | 100% customer |
| 37 | 932 Maint. Of General Plant | 169,725 | 84,862 | 84,862 | | | General Plant |
| 38 | 920-931 Administration & General | 26,427,837 | 26,427,837 | 10,161,898 | | | O&M excl. A&G |
| 39 | TOTAL O&M EXPENSE | 72,124,723 | 52,093,857 | 20,030,867 | | | |

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: PROVIDE A FULLY ALLOCATED EMBEDDED
 COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: D. YARDLEY

CLASSIFICATION OF DEPRECIATION AND TAX EXPENSE AND
 DERIVATION OF COST OF SERVICE BY COST CLASSIFICATION

| LINE NO. | | TOTAL | CUSTOMER | CAPACITY | COMMODITY | REVENUE | CLASSIFIER |
|----------|--|-------------|-------------|------------|-----------|-----------|------------------|
| 1 | DEPRECIATION AND AMORTIZATION EXPENSE: | | | | | | |
| 2 | Depreciation Expense | 41,953,490 | 14,949,491 | 26,904,000 | | | Net Plant |
| 3 | Amort. Of Environmental | 640,000 | | 640,000 | | | 100% capacity |
| 4 | Amort. Of Conversion Costs | - | | - | | | 100% capacity |
| 5 | Amort. Of Acquisition Adj. | 156,624 | | 156,624 | | | Intangible plant |
| 6 | Amort. Of Lease Improvements/Other | 1,040,979 | - | 1,040,979 | | | 100% capacity |
| 7 | | | | | | | |
| 8 | Total Deprec. and Amort. Expense | 43,691,093 | 14,949,491 | 28,741,602 | | | |
| 9 | TAXES OTHER THAN INCOME TAXES: | | | | | | |
| 10 | Revenue Related | 1,052,683 | | | | 1,052,683 | 100% revenue |
| 11 | Other | 9,778,750 | 3,492,835 | 6,285,915 | | | net plant |
| 12 | Total Taxes other than Income Taxes | 10,831,433 | 3,492,835 | 6,285,915 | | 1,052,683 | |
| 13 | GAIN ON SALE OF PROPERTY | (480,321) | (480,321) | | | | 100% customer |
| 14 | RETURN (REQUIRED NOI) | 16,673,804 | 16,671,013 | 31,000,791 | - | | Rate Base |
| 15 | INCOME TAXES | (9,746,215) | 5,847,106 | 10,873,059 | - | | Return |
| 16 | TOTAL OVERALL COST OF SERVICE | 190,558,897 | 92,573,980 | 96,932,234 | - | 1,052,683 | |
| 17 | REVENUE CREDIT TO COS | (9,746,215) | (9,746,215) | - | - | - | 100% customer |

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: PEOPLES GAS SYSTEM
 DOCKET NO.: 080318-GU

EXPLANATION: PROVIDE A FULLY ALLOCATED EMBEDDED
 COST OF SERVICE STUDY

TYPE OF DATA SHOWN:
 PROJECTED TEST YEAR: 12/31/09
 WITNESS: D. YARDLEY

(SUMMARY)

| LINE NO. | | TOTAL | CUSTOMER | CAPACITY | COMMODITY | REVENUE |
|----------|--|-------------|-------------|-------------|-----------|-----------|
| 1 | SUMMARY: | | | | | |
| 2 | ATTRITION | - | - | - | - | - |
| 3 | O&M | 72,124,723 | 52,093,857 | 20,030,867 | - | - |
| 4 | DEPRECIATION | 41,853,490 | 14,949,491 | 26,904,000 | - | - |
| 5 | AMORTIZATION OF OTHER GAS PLANT | 1,040,979 | - | 1,040,979 | - | - |
| 6 | AMORTIZATION OF ENVIRONMENTAL | 640,000 | - | 640,000 | - | - |
| 7 | AMORTIZATION OF LIMITED TERM INVESTM | - | - | - | - | - |
| 8 | AMORTIZATION OF ACQUISITION ADJUSTME | 156,624 | - | 156,624 | - | - |
| 9 | AMORTIZATION OF CONVERSION COSTS | - | - | - | - | - |
| 10 | TOTAL TAXES OTHER THAN INCOME | 10,831,433 | 3,492,835 | 6,285,915 | - | 1,052,683 |
| 11 | GAIN ON SALE OF PROPERTY | (480,321) | (480,321) | - | - | - |
| 12 | RETURN | 47,671,804 | 16,671,013 | 31,000,791 | - | - |
| 13 | INCOME TAXES | 16,720,164 | 5,847,106 | 10,873,059 | - | - |
| 14 | REVENUES CREDITED TO COST OF SERVIC | (9,746,215) | (9,746,215) | - | - | - |
| 15 | TOTAL COST | 190,558,897 | 92,573,980 | 96,932,234 | - | 1,052,683 |
| 16 | RATE BASE | 560,844,755 | 196,129,566 | 364,715,189 | - | - |
| 17 | KNOWN DIRECT & SPECIAL ASSIGNMENTS: | | | | | |
| 18 | <u>RATE BASE ITEMS(PLANT-ACC.DEP):</u> | | | | | |
| 19 | 381-382 METERS | 52,392,756 | 52,392,756 | - | - | - |
| 20 | 383-384 HOUSE REGULATORS | 16,073,220 | 16,073,220 | - | - | - |
| 21 | 385 INDUSTRIAL MEAS.& REG.EQ. | 5,665,905 | 5,665,905 | - | - | - |
| 22 | 376 MAINS | 318,009,500 | - | 318,009,500 | - | - |
| 23 | 380 SERVICES | 110,383,151 | 110,383,151 | - | - | - |
| 24 | 378 MEAS.& REG.STA.EQ.-GEN. | 4,718,680 | - | 4,718,680 | - | - |
| 25 | <u>O & M ITEMS</u> | | | | | |
| 26 | 892 MAINT. OF SERVICES | 630,097 | 630,097 | - | - | - |
| 27 | 876 MEAS.& REG.STA.EQ.IND. | (4,062) | (4,062) | - | - | - |
| 28 | 878 METER & HOUSE REG. | 3,093,304 | 3,093,304 | - | - | - |
| 29 | 890 MAINT.OF MEAS.& REG.STA.EQ.-IND. | 459,123 | 459,123 | - | - | - |
| 30 | 893 MAINT.OF METERS AND HOUSE REG. | 457,928 | 457,928 | - | - | - |
| 31 | 874 MAINS AND SERVICES | 6,596,578 | 1,865,592 | 4,730,986 | - | - |
| 32 | 887 MAINT. OF MAINS | 2,272,844 | - | 2,272,844 | - | - |
| 33 | 904 UNCOLLECTIBLE ACCOUNTS | 1,573,000 | 1,573,000 | - | - | - |
| 34 | 911-916 SALES EXPENSE | 5,815,707 | 5,815,707 | - | - | - |