

RECEIVED-FPSC

13 NOV 12 PM 3:54

COMMISSION
CLERK

Writer's Direct Dial Number: (850) 521-1706
Writer's E-Mail Address: bkeating@gunster.com

November 12, 2013

BY HAND DELIVERY

Ms. Ann Cole, Clerk
Office of the Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 130258-GU - Petition for approval of tariff sheets reflecting gas service to customers in the City of Ft. Meade, by Florida Public Utilities Company.

Dear Ms. Cole:

Enclosed, please find the original and seven (7) copies of Florida Public Utilities Company's Original Volume No. 1, Natural Gas Tariff, Florida Public Utilities Company-Fort Meade **Corrected** Original Sheet Nos. 17, 18, 19 and 35.

As always, thank you for your assistance with this filing. Please do not hesitate to contact me if you have any questions whatsoever.

Sincerely,



Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

MEK

COM	_____
AFD	_____
APA	_____
ECO	<u> 6 </u>
ENG	_____
GCL	<u> 1 </u>
IDM	_____
TEL	_____
CLK	_____

RULES AND REGULATIONS (Continued)

B. Advance in Aid of Construction (Continued)

- (1) At the end of the first year following the in-service date of an extension of facilities, the Company may recalculate the MACC using its actual capital investment costs and the actual transportation revenues derived from the extension. If the recalculated MACC using actual costs and revenues exceeds the original estimated MACC, the Company may refund to the Depositor the difference between the Original Advance and the Advance required, if any, resulting from the recalculation of the MACC.
- (2) For each additional Consumer taking service at any point on a main installed as part of a distribution facilities extension within a period of five (5) years from the in-service date of the extension, the Company may refund to the Depositor an amount by which the MACC of each additional Customer exceeds the capital investment costs of connecting such Consumer, provided that an additional main extension shall not have been necessary to serve such additional Consumer.
- (3) The aggregate refund to any Depositor made through the above provision shall not exceed the original Advance of such Depositor.
- (4) The distribution facilities extension shall at all times be the property of the Company and any un-refunded portion of the Advance at the end of five (5) years may be credited to the Company's distribution main plant account.

C. Area Extension Program

Where the estimated capital investment for an extension of distribution facilities exceeds the MACC, the Company may, at its reasonable discretion, proceed with the extension and establish an Area Extension Program (AEP) charge to recover the capital investment costs in excess of the MACC, as provided below.

- (1) Initial AEP Charge
The Company shall calculate the cost difference between the MACC and the estimated capital investment costs (such cost difference to include the Company's allowed cost of capital) required to extend the distribution facilities to serve the prospective Consumer(s) (the "AEP Recovery Amount"). The AEP Recovery Amount shall be divided by the number of Consumer premises projected to be served at the end of year five (5) following the in-service date of the extension. The Company shall determine a reasonable Amortization Period over which the AEP Recovery Amount shall be collected from each premise. The Amortization period shall apply individually to each premise and shall not exceed 120 Billing Months. For the purposes of AEP cost recovery, a Billing Month shall mean a month in which Company renders a billing statement to an active Consumer account for a premise served by an AEP extension of facilities.

RULES AND REGULATIONS (Continued)

(Continued from Sheet No. 17)

In the event a premise becomes inactive, the Amortization Period shall be suspended until the premise is reactivated. The AEP Recovery Amount shall be divided by the number of months in the Amortization Period to establish a monthly AEP Charge. The AEP Charge shall be billed to each Consumer premise activating service within the initial five (5) year period following the in service date of the extension.

(2) Recalculated AEP Charge and True-Up

At the end of year five (5) following the in-service date of an extension of facilities for which an AEP Charge has been established, the Company shall calculate the cost difference between the original MACC, based on estimated costs and revenues, and a recalculated MACC using the Company's actual capital investment costs (such costs to include the Company's allowed cost of capital) and the actual transportation revenues derived from the extension through the end of year five (5) (the "Recalculated AEP Recovery Amount"). In recalculating the MACC, the Company shall include any actual revenue received from Consumers or other entities, other than AEP Charge revenues, for the specific purpose of contributing to the recovery of the Company's capital investment cost for the extension. In recalculating the MACC, the Company shall assume that any additional capital investment required for the extension subsequent to year five (5) will be supported by the Company's base rates and charges. The actual transportation revenues derived from the extension in year five (5) shall be assumed to be the annual revenues for the remaining life of the extension, for the purpose of recalculating the MACC. A Recalculated AEP Charge for the remaining Amortization Period shall be determined as follows:

- a. The Recalculated AEP Recovery Amount shall be divided by the actual number of Consumer premises for which gas service has been activated at the end of year five (5) following the in-service date of the extension. The Recalculated AEP Recovery Amount shall be divided by the number of months in the original Amortization Period for the AEP extension to establish a monthly Recalculated AEP Charge for each Consumer premise. The Recalculated AEP Charge shall be billed to each Consumer premise that received gas service during the five (5) year period following the in-service date of an AEP extension of facilities over the remaining months of the Amortization Period applicable to the premise.

(Continued to Sheet No.19)

RULES AND REGULATIONS (Continued)

Recalculated AEP Charge and True-Up (Continued)

At the end of year five (5) following the in-service date of an extension of facilities for which an AEP Charge has been established, the Company shall calculate the cost difference between the original MACC, based on estimated costs and revenues, and a recalculated MACC using the Company's actual capital investment costs (such costs to include the Company's allowed cost of capital) and the actual transportation revenues derived from the extension through the end of year five (5), (the "Recalculated AEP Recovery Amount"). In recalculating the MACC, the Company shall include any actual revenue received from Consumers or other entities, other than AEP Charge revenues, for the specific purpose of contributing to the recovery of the Company's capital investment cost for the extension. In recalculating the MACC, the Company shall assume that any additional capital investment required for the extension subsequent to year five (5) will be supported by the Company's base rates and charges. The actual transportation revenues derived from the extension in year five (5) shall be assumed to be the annual revenues for the remaining life of the extension, for the purpose of recalculating the MACC. A Recalculated AEP Charge for the remaining Amortization Period shall be determined as follows:

- b. The Recalculated AEP Recovery Amount shall be divided by the actual number of Consumer premises for which gas service has been activated at the end of year five (5) following the in-service date of the extension. The Recalculated AEP Recovery Amount shall be divided by the number of months in the original Amortization Period for the AEP extension to establish a monthly Recalculated AEP Charge for each Consumer premise. The Recalculated AEP Charge shall be billed to each Consumer premise that received gas service during the five (5) year period following the in-service date of an AEP extension of facilities over the remaining months of the Amortization Period applicable to the premise.
- c. For each Consumer premise that received gas service during the five (5) year period following the in-service date of an AEP extension of facilities, the Company shall determine the total AEP Recovery Amount collected from the initial AEP Charge during the Billing Months. Such amount shall be compared to the AEP Recovery Amount that would have been recovered for each premise if the Recalculated AEP Charge had been in effect over the respective Billing Months for each premise (the "True-up Amount".) A charge or credit for the True-up Amount shall be rendered by the Company to each premise within sixty (60) days of the end of the five (5) year period following the in-service date of an AEP extension of facilities, Where a True-up Amount results in a charge to Consumers, the Company may extend the payment period to recover the True-up Amount.
- d. Neither the initial AEP Charge or the Recalculated AEP Charge shall be billed to any Consumer premise that activates gas service from an AEP extension of facilities subsequent to the end of the five (5) year period following the in-service date of an AEP extension of facilities.
- e. Revenues from the AEP Charge shall be credited against the Company's distribution main plant account, except that the Company shall retain, as a return on its capital investment, a portion of such revenues equal to its allowed cost of capital.

D. Facilities

Facilities used to determine the estimated necessary cost of construction (maximum capital investment) shall include the estimated installed cost of required gas main lines, gas service lines, gas control devices, gas pressure regulating devices and gas metering devices.

Facilities shall not be extended on this basis to provide temporary service, service of a doubtful permanence, or which due to size, location or unusual characteristics of load would adversely affect the Company's ability to serve its existing customers.

*RATE SCHEDULE GS-1
GENERAL SERVICE-1*

Availability

Available within the service areas of the Company.

Applicability

Applicable to any non-residential customer (except any Premise at which the only gas-consuming appliance or equipment is a standby electric generator).

Character of Service

Natural gas or its equivalent having a nominal heat content of 1,000 BTU per cubic foot.

Monthly Rate

Customer Charge: \$ 17.50 per meter per month

Energy Charge:
Non-Fuel 55.700 cents per therm

Minimum Bill:

The minimum monthly bill shall consist of the above Customer Charge.

Terms of Payment

Bills are rendered net and are due and payable within twenty (20) days from date of mailing or delivery by the Company.

Billing Adjustments

See sheets beginning with Sheet No. 60.

Terms and Conditions

Service under this rate schedule is subject to the Company's Rules and Regulations applicable to gas service.