



FILED 6/2/2025
DOCUMENT NO. 04147-2025
FPSC - COMMISSION CLERK

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

June 2, 2025

BY E-PORTAL

Mr. Adam Teitzman, Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Docket No. 20250058-GU – Petition for approval of natural gas transportation service agreement between Florida City Gas and Miami-Dade County through Miami-Dade Water and Sewer Department.

Dear Mr. Teitzman:

Enclosed for filing, please find Florida City Gas's Responses to Staff's First Set of Data Requests. Certain items are deemed confidential and are therefore redacted. Confidential versions will be submitted under separate cover with a request for confidentiality.

As always, thank you for your assistance in connection with this filing. If you have any questions whatsoever, please do not hesitate to let me know.

Sincerely,

A handwritten signature in black ink, appearing to read 'Beth Keating', with a large, stylized flourish extending to the right.

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

ENCL

CC:// (GCL - Sandy)

DOCKET NO. 20250058-GU: Petition for approval of natural gas transportation service agreement between Florida City Gas and Miami-Dade County through Miami-Dade Water and Sewer Department.

FLORIDA CITY GAS'S RESPONSES TO STAFF'S FIRST SET OF DATA REQUESTS

- 1. Please provide a copy of Miami-Dade County's documentation of its alternative energy source or an economic natural gas bypass alternative.**

Company Response

Please refer to Exhibit "C" from Docket No. 20130089-GU (Document No. 02129-2013). The bypass assumptions today are the same. We have however updated the cost using the Consumer Price Index for all urban consumers (CPI-U) since 2013. Please see Attachment "A" attached to this filing which shows the bypass cost updated.

- 2. Please provide cost support data to demonstrate that service under the proposed contract will not impose additional costs on FCG's other rate classes, including, at a minimum, that the rate shall not be set lower than the incremental cost of service plus some additional amount as a reasonable return on investment.**

Company Response

Please refer to Attachment "B" for the cost calculation updated with the CPI-U since the last contract date in 2013. The updated rates bring benefits to the FCG body of rate payers with the corresponding reduction on the monthly bills for the Competitive Rate Adjustment (CRA) rate adjustment.

- 3. Please confirm the start date of the term for the proposed agreement.**

Company Response

The agreement will become effective on the date this Commission approves the agreement. Upon approval, however, the new rates will be deemed effective as of January 1 2024; therefore FCG will bill retroactively the difference between the new and prior rates, consistent with Paragraph 1 a. of the Agreement.

- 4. Please provide an un-redacted version of Confidential Exhibits A and D to the joint petition in Docket No. 20130089-GU (Document No. 02129-2013).**

Company Response

Please refer to Attachment “C” for the unredacted contract as filed 12/20/2013, which is the finalized, approved version of exhibit A to the 2013 Petition, as well as Exhibit D from that 2013 filing.

5. Please provide documentation to demonstrate that the new negotiated rates proposed in the agreement reflect an adjustment in inflationary factors.

Company Response

Please refer to Attachment “A” for the calculations adjusted by the inflationary factors.

6. Article VII, subsection 3 of the 2014 TSA contains a provision allowing for the rate of natural gas transported to Miami-Dade County’s plants by FCG to be increased each year by the annual United States Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U), beginning in 2018. Please explain if FCG increased the rate for natural gas transportation by the CPI-U during the term of the 2014 TSA. If so, which years?

Company Response

Yes, the rate was increased since 2018 with corresponding CPI-U. Please refer to answer to question 7.

7. Please provide the natural gas transportation rates for service for the period January 1, 2018 through December 31, 2023 as a result of any Annual Price Increase, as stated in Article VII, subsection 3 of the 2014 TSA.

Company Response

Please refer to the following table for the transportation rates for the period January 1, 2018 through December 31, 2023.

Alex. Orr	2017 Rates	2018 Rates	2019 Rates	2020 Rates	2021 Rates	2022 Rates	2023 Rates
If annual usage is: 1 to 3,449,999							
If annual usage is: 3,450,000 to 4,199,999							
If annual usage is: 4,200,000 and higher							
Hialeah							
If annual usage is: 1 to 2,299,999							
If annual usage is: 2,300,000 to 2,649,999							
If annual usage is: 2,650,000 and higher							

8. Did Article VII, subsection 3 of the 2014 TSA provide FCG with a sufficient mechanism to reflect changing inflationary factors? Please explain.

Company Response

The mechanism was not sufficient to reflect changing inflationary factors or increased costs on a yearly basis. The current TSA that the Company is requesting approval contains a minimum inflationary rate per year should the Consumer Price Index not adequately provide enough of an increase to rates.

9. **Attachment B to the proposed 2025 TSA states that rates shall be increased by a minimum of 0.75 percent or by the result of the increase, if any, to the CPI-U, whichever is greater. Please explain how FCG determined the annual increase of a minimum of 0.75 percent.**

Company Response

The minimum increase of 0.75 percent is simply the lowest Consumer Price Index for all urban consumers registered in the last ten years.

10. **Please refer to Tariff Sheet No. 59, Special Condition No. 3 of Load Enhancement Service, which states, "If an agreement is not reached by the end of the term, the agreement will convert to the applicable General Services tariff (based on volume) until a new contract has been approved by the FPSC and executed by the parties." Paragraph 6 of the petition states that since the expiration of the 2014 TSA on December 31, 2023, FCG has continued to serve Miami-Dade on a month-to-month basis under the old contract while the parties negotiated a new contract. Please explain whether Miami-Dade is being served under the applicable General Services tariff or under the previous transportation service agreement.**

Company Response

Upon the expiration of the agreement, the Company served Miami-Dade under the previous transportation service agreement while the terms of the new agreement were negotiated in good faith. Once this Commission approves the proposed agreement FCG will invoice the new rates (which are higher than the rates from the expired agreement) retroactively as of January 2024.

11. **Have the parties considered a provision to the Effective Date and Term of the proposed transportation service agreement allowing for the agreement to continue on a month-to month basis until a new contract has been negotiated? Please explain.**

Company Response

FCG prefers a firm expiration date for the proposed agreement to motivate the parties to reach a new agreement upon the expiration of the proposed agreement without undue delay. Although the negotiation of this proposed agreement was complicated and lengthy, if there were an automatic month-to-month extension of the last agreement, it may have taken even longer.

ATTACHMENT A

GPI Inputs

	Month	Year	CPI - All Urban	CPI - Utility
Reference Date	4	2013	234.01	101.35
New TSA Date	9	2023	310.28	158.87

CPI Adjustments	32.6%	56.7%	<< from 2013 base
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Note: O&M is adjusted based on All Urban CPI. Capital is adjusted based on Utility CPI.

Financing Inputs

Interest Rate	5.00%			A. Orr Pmt	Hialeah Pmt
Financing Term (yrs)	15	Monthly	\$	9,352	\$ 13,979
Payment Frequency	Monthly	Annual	\$	112,223	\$ 167,744

Capital and O&M Assumptions

	2013	2023
Alex Orr Capital	\$ 760,000	\$ 1,191,298
Alex Orr O&M	\$ 18,000	\$ 23,867
Hialeah Capital	\$ 1,136,000	\$ 1,780,677
Hialeah O&M	\$ 30,000	\$ 39,778

Summary Information

	Alex Orr	Hialeah
Annual Finance Pmt	\$ 112,223	\$ 167,744
Annual O&M	\$ 23,867	\$ 39,778
Annual Payment Total	\$ 136,090	\$ 207,523
Cost per Therm	\$ 0.0419	\$ 0.1169

Tariff Rate Annual Non-Dup Cost for Service

2024 Special Contract Analysis By-Pass Cost v Tariff Rates

	Annual Volume	Customer Chg	Demand Chg	Distribution Chg	ECCR	CRA	S.A.F.E		Total Per Therm	Bypass Cost Per Therm	Bypass Cost Discount from Tariff	Bypass Annual Cost	Bypass Annual Cost Discount
Hialeah		\$615 / month	\$719 * DCQ	\$14073 / Therm	\$01919 / Therm	\$00392 / Therm	\$091 / Month			(See Hialeah 2013 Tab)			
GS-1250	1,775,484	\$7,500	\$41,970	\$249,864	\$34,427	N/A	\$11.76	\$333,772	\$0.18745	\$0.1169	37.83%	207,523	(116,249)
Alex Orr		\$915 / month	\$719 * DCQ	\$23316 / Therm	\$02337 / Therm	\$00392 / Therm	\$091 / Month	Pre-Tax Total	Total Per Therm				
GS-120	774,832	\$4,500	\$18,316	\$219,554	\$28,144	N/A	\$11.76	\$265,525	\$0.34269				
Alex Orr JR		\$615 / month	\$719 * DCQ	\$14073 / Therm	\$01919 / Therm	\$00392 / Therm	\$091 / Month	Pre-Tax Total	Total Per Therm				
GS-1250	2,470,666	\$7,500	\$58,402	\$347,697	\$47,906	N/A	\$11.76	\$461,517	\$0.18660				
Combined Alex Orr		\$915 / month	\$719 * DCQ	\$17489 / Therm	\$02181 / Therm	\$00392 / Therm	\$091 / Month	Pre-Tax Total	Total Per Therm	Bypass Cost Per Therm (See Orr 2013 Tab)	Discount from Tariff		
GS-120 / 1250	3,245,488	12,000	76,718	\$567,250	71,050	N/A	24	727,042	\$0.22400	\$0.0419	81.28%	196,090	(590,952)
Totals All	5,020,972							\$1,060,814	\$0.2113	\$0.0601	Total Discount All 67.6%	\$349,613	(717,701)

Hialeah Account				
	Revised Cost Per Therm Range	Discount from Tariff	Discount Rate Cost	Discount \$ v. Tariff
Tier 3	\$0.1265	32.71%	\$224,599	-\$103,173
Tier 2	\$0.1365	27.35%	\$242,954	-\$51,418
Tier 1	\$0.1465	22.07%	\$260,108	-\$73,653

Combined Alexander Orr				
	Revised Cost Per Therm Range	Discount from Tariff	Discount Rate Cost	Discount
Tier 3	\$0.0620	72.92%	\$201,220	-\$525,822
Tier 2	\$0.0820	63.40%	\$266,180	-\$460,512
Tier 1	\$0.1002	55.27%	\$325,198	-\$401,844

Combined Accounts Analysis				
Tier 3	\$0.0848	59.86%	\$425,819	-\$634,595
Tier 2	\$0.1013	52.07%	\$508,484	-\$552,330
Tier 1	\$0.1166	44.82%	\$585,306	-\$475,503
AVG	\$0.1009	52.25%	\$506,536	-\$534,278

2024 Agreement Recommended Rates

Plant Volume / Rate	Orr (combined)		Hialeah	
	Volume	Rate	Volume	Rate
Tier 1	3.42 million* to less than 3.73 million therms		1.08 million* to less than 1.57 million therms	
Tier 2	3.73 million therms to 3.98 million therms		1.57 million therms to 1.78 million therms	
Tier 3	3.98 million therms and higher		1.78 million therms and higher	

Estimated Bypass Costs w/15 Year Amortization on Capital (Based Upon MDWSD Data)

	A	B	C	D
			Orr	Hialeah
1				
2	Capital Costs			
3	FGT Tie In		\$ 427,000	\$ 427,000
4	Engineering Design			
5	Environmental Consultant & Contamination Disposal			
6	Mains			
7	Valves & Fittings		\$ 110,000	\$ 480,000
8	Permitting		\$ 200,000	\$ 175,000
9	SCADA Equipment			
10	Odorizer, Tank & Odorant			
11	Corrosion			
12	Asphalt Patching			
13	Sod			
14	Sand			
15	Sidewalk Replacement			
16	Labor		\$23,000	\$54,000
17	Contingency (15% of direct)			
18	Total Capital Costs		\$ 760,000	\$ 1,136,000
19				
20	Cost of Debt			
21	Financing Costs		\$ 183,726	\$ 274,622
22				
23	Operating Costs			
24	One-Time Start Up Costs			
25	Prepare Operations Planning Manual			
26	Prepare Emergency Plant Manual (site specific)			
27	Prepare DIMP Plan			
28	Initial Training & Setup of Operations			
29	Establish Public Awareness Program			
30	Total One-Time Start Up Costs			
31				
32	Annual Expenses			
33	Participate in locate requests / one call		\$ 270,000	\$ 450,000
34	Cathodic protection testing & documentation			
35	Updates to Operations Planning & Emergency Planning			
36	Leak Survey			
37	Maintenance of records per code			
38	Internal inspection & rebuild of pressure regulators & relief valves			
39	Inspect & lubricate manual valves			
40	Maintenance of Odorant Tank			
41	Maintain and check measurement equipment			
42	Repair & maintain mains			
43	Repair & maintain regulator station			
44	Investigate leaks			
45	Total Ongoing Expenses		\$ 270,000	\$ 450,000
46				
47	Financing costs (see above)		\$ 183,726	\$ 274,622
48				
49	Depreciation Expense			
50				
51	Total Ongoing Annual Expenses		\$ 453,726	\$ 724,622
52				
53	Total First Year Expense (Ongoing plus Start-Up)		\$ 1,213,726	\$ 1,860,622
54				
55	Historic Average Annual Volume		52,035,000	40,918,665
56				
57	Bypass Cost Per Therm		\$ 0.0233	\$ 0.0455
58				

Florida City Gas
Cost of Service Analysis
2023 TSA MDWASD

Attachment B

Description	Alexander Orr	Hialeah
(a)	(b)	(c)
Plant in Service	\$ 1,118,072	\$ 38,354
Accumulated Prov.	(1,118,072)	(38,354)
Net Plant	\$ -	\$ -
Appr. Rate of Return	6.44%	6.44%
Return	\$ -	\$ -
Interest Exp.	\$ -	\$ -
Net Income after Taxes	\$ -	\$ -
Effective Tax Rate	0.2535	0.2535
Income Taxes	\$ -	\$ -
O&M Updates with CPI-U	\$ 91,227	\$ 73,902
Reg. Assessment Fee @ .5%	\$ 497	\$ 359
Depreciation	\$ -	\$ -
Taxes Other	\$ -	\$ -
Total Expenses	\$ 91,724	\$ 74,261
Total Cost of Service	\$ 91,724	\$ 74,261
<u>New Volumes for Tiers 2-3</u>		
Volumes (therms) Low	3,420,000	1,080,000
Volumes (therms) Mid	3,730,000	1,570,000
Volumes (therms) High	3,980,000	1,780,000
<u>Incremental Costs</u>		
Rate - Tier 1	\$ 0.0268	\$ 0.0688
Rate - Tier 2	\$ 0.0246	\$ 0.0473
Rate - Tier 3	\$ 0.0230	\$ 0.0417
<u>2024 TSA Rates</u>		
Rate - Tier 1		
Rate - Tier 2		
Rate - Tier 3		
<u>Difference</u>		
Rate - Tier 1		
Rate - Tier 2		
Rate - Tier 3		

ATTACHMENT C

**NATURAL GAS TRANSPORTATION SERVICE AGREEMENT
BETWEEN
FLORIDA CITY GAS
AND
MIAMI-DADE COUNTY**

Account Nos. 211-0756225-011, 211-0756239-011,
211-0754412-011

THIS AGREEMENT made and entered into as of this 4th day of Dec., 2013, by and between Pivotal Utility Holdings, Inc. d/b/a Florida City Gas, a New Jersey corporation, hereinafter referred to as "Company", and MIAMI-DADE COUNTY, a political subdivision of the State of Florida, hereinafter referred to as "Customer" (collectively, with Company, the "Parties").

WITNESSETH:

WHEREAS, Company's Natural Gas Tariff ("Tariff") establishes transportation service to be provided pursuant to the Load Enhancement Service Rate Schedule having certain specific terms of applicability;

WHEREAS, Customer has requested that Company continue to render natural gas transportation service to Customer in accordance with the terms and conditions of this Agreement and Company has agreed to transport Customer's gas;

WHEREAS, Customer has a verifiable and documented bypass alternative;

WHEREAS, this Agreement is subject to the approval of the Florida Public Service Commission ("Commission") before the parties may execute this Agreement; and

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements set forth herein, the Parties agree as follows:

ARTICLE 1

TERM OF AGREEMENT

1. Subject to all other provisions, conditions, and limitations hereof, this Agreement shall become effective as of billings rendered on or after January 1, 2014, upon the Commission's issuance of a final order making this Agreement effective (the "Effective Date") and the parties' execution pursuant to the terms herein. This Agreement shall continue in full force and effect through December 31, 2023, as set forth herein at which time the Agreement shall terminate (hereinafter, the "Term"). Upon written authorization by Customer, Company shall promptly file this Agreement and any related documentation with the Commission within ten (10) business days of such authorization in order to obtain the necessary Commission approvals. Company shall include Customer in any Commission filings or communications associated with the Commission's review and approval of this Agreement.

2. Company agrees, upon written request from Customer received by Company not less than one hundred eighty days (180) days prior to the termination date of this Agreement, to review the terms and conditions of the Agreement for the purpose of negotiating a successor agreement. Any successor agreement is contingent upon the Company and Customer mutually agreeing in writing to the terms and conditions for a successor term and the Commission approving such successor agreement. If this Agreement is not approved and made effective by the Commission subject to terms and conditions satisfactory to the Parties, this Agreement shall not become effective, and the parties will continue to negotiate a new agreement.

ARTICLE II

APPLICABILITY OF TARIFF

1. Based upon governing applicability provisions, the Parties hereby confirm that

Customer qualifies for the Load Enhancement Service Rate Schedule.

2. Except to the extent expressly modified by the terms of this Agreement, all service rendered by Company under this Agreement shall be provided pursuant to the terms and conditions of Company's Tariff, which is incorporated fully herein by reference, as filed with and approved by the Florida Public Service Commission from time to time.

3. The rates for transportation of natural gas to Customer's listed facilities shall be as set forth in Article VII of this Agreement.

ARTICLE III

POINTS OF RECEIPT AND DELIVERY

1. Customer shall arrange for the delivery of all gas to be transported by Company hereunder to take place at those interconnections between Company and Florida Gas Transmission Company ("FGT") heretofore determined Point(s) of Receipt in Miami, Florida and Hialeah, Florida. All such gas received by Company shall be redelivered to Customer at those interconnections between the distribution system of Company and the facilities of Customer heretofore determined Point(s) of Delivery.

ARTICLE IV

OBLIGATIONS AND REPRESENTATIONS OF CUSTOMER

1. Customer represents and Company acknowledges that it meets all qualifications for Load Enhancement Service.

2. Customer agrees to comply with all terms and conditions of this Agreement and the Company's Tariff, as approved by the Florida Public Service Commission, which terms and conditions are incorporated fully herein by reference and the applicable Rate Schedule as the

same may be amended or modified from time to time.

3. Customer warrants that it will, at the time of delivery of gas to Company for transportation hereunder, have good and merchantable title to the gas free and clear of all liens, encumbrances, and adverse claims. Customer agrees to provide Company with any documentation which may be requested in writing by Company to evidence Customer's title to the gas transported. Company reserves the right, without penalty or liability, to refuse transportation of any gas in the event Customer fails to provide such documentation upon Company's written request.

4. Customer warrants that all gas delivered to Company for transportation hereunder shall be of a merchantable quality and shall conform to the quality requirements set forth in the tariff of FGT as filed with and approved by the Federal Energy Regulatory Commission.

ARTICLE V

QUANTITY

1. Customer and Company agree that as of the Effective Date of this Agreement, the maximum annual contract quantity of gas ("MACQ") that Company is obligated to deliver to Customer under this Agreement in any contract year is:

Alexander Orr Water Treatment Plant (or "Orr" Plant)
6800 S.W. 87th Avenue
Miami, FL 33173
Account # 211-0756225-011
Account # 211-0756239-011
4,200,000 therms

Hialeah Lime Recalcination Facility (or "Hialeah" Plant)
700 W. 2nd Avenue
Hialeah, FL 33010
Account # 211-0754412-011
3,300,000 therms

2. Company may, from time to time, make deliveries to Customer in excess of the above stated MACQs. However, if Customer desires to increase the MACQ for any facility, Customer will provide Company with a written request. Within ninety (90) days of the date of such request, Company shall provide Customer with proposed terms and conditions under which Company will be willing to increase MACQ. Such terms shall include, but not be limited to, Customer's willingness to pay, if necessary, an appropriate contribution to the cost of construction of additional facilities.

3. Customer hereby agrees to tender on a take or pay basis for transportation on Company's systems, during each annual period, a volume of gas equal to or greater than the minimum annual volume of 3,100,000 therms per year at the Orr plant (combining the volumes for the two meters), and 1,900,000 therms per year at the Hialeah plant. These take or pay minimums for each plant shall be temporarily suspended when Customer advises Company of a service outage at a specific plant of more than ninety (90) days, and the take or pay minimums shall be adjusted accordingly for that plant on a pro rata basis for the period of such outage.

4. The maximum daily contract quantity of gas ("MDCQ") Customer may have delivered to Company at the Points of Receipt, in the aggregate, for transportation by Company hereunder shall be 24,500 therms. During the Term of this Agreement, Customer may increase the MDCQ and/or the maximum deliveries designated herein for each Point of Receipt only with the prior consent of Company, and only upon such prior notice as Company may require under the circumstances.

ARTICLE VI

PARAMETERS OF SERVICE

1. Company does not warrant that transportation service will be available hereunder at all times and under all conditions.

2. Upon the effective date of any legislative, regulatory, judicial, or other legal action that materially affects any material terms of this Agreement, or the ability of Company or Customer to perform any material terms of this Agreement (hereinafter, the "Regulatory Change"), Company or Customer may, on thirty (30) days' written notice to the other require that such terms be renegotiated, and the Parties shall renegotiate in good faith such mutually acceptable new terms as may be required only to address the Regulatory Change. Any such modified terms shall be submitted as an amendment to the Commission for approval prior to execution by the parties, and the amended provisions shall be substituted in place of those previously in effect and shall become effective under this Agreement as of the effective date of the Commission approval unless the parties agree or the Commission orders a different date. In the event a Regulatory Change amendment is not renegotiated within ninety (90) days after such notice, the dispute may be referred to the Commission by either Party for its resolution. This paragraph does not permit a party to unilaterally seek or otherwise petition the Commission for a change in rates. Notwithstanding any Regulatory Change or any increase in rates by the Commission for a large volume customer receiving service under the GS-1250k Rate Schedule or under the Load Enhancement Service Rate Schedule, the rates in Article VII of this Agreement shall not change during the term of this Agreement except for the amount of the CPI-U increases provided in Article VII of this Agreement.

ARTICLE VII

RATES AND CHARGES FOR SERVICE

1. For the Term of this Agreement, Customer shall pay Company each month the following transportation charges for services rendered under this Agreement. The rates set forth below are subject to the tax and other adjustment terms of Company's Tariff, as applicable to the Customer.

2. The applicable natural gas transportation rates for service to Customer by Company for the period January 1, 2014, through December 31, 2017, under this Agreement shall be as follows (for purposes of this Agreement, the volumes delivered through the two meters at Orr shall be combined cumulatively for the purpose of determining the applicable monthly rate and total annual therms for Orr):

Plant	Orr		Hialeah	
Volume/Rate	Volume	Rate	Volume	Rate
Tier 1	3.10 million therms* to less than 3.45 million therms	\$0.0284	1.90 million therms* to less than 2.30 million therms	\$0.0350
Tier 2	3.45 million therms to less than 4.20 million therms	\$0.0227	2.30 million therms to less than 2.65 million therms	\$0.0281
Tier 3	4.20 million therms and higher	\$0.0185	2.65 million therms and higher	\$0.0245

* This is the take or pay minimum billable volume for this plant except as may be adjusted.

3. Annual Price Increase. Beginning January 1, 2018, and continuing through December 31, 2023, the rate for natural gas transported to the Customer's Orr and Hialeah plants by Company shall be increased effective January 1 for each year by the annual United States Bureau of Labor Statistics Consumer Price Index for All Urban Consumers ("CPI-U") as

reported in January of each such year for the prior twelve (12) calendar months (i.e., January 1 to December 31). For any year subject to a price increase (2018-2023), if the CPI-U for the prior year is equal to or less than zero, the rate shall not be increased or decreased but shall continue for that year unchanged from the rate of the prior year.

4. For service beginning January 1, 2014, Customer will notify Company of its estimated transport volumes for Orr and Hialeah no later than ten (10) days prior to the beginning of each quarter. Company will bill Customer monthly based on the applicable rate for the estimated volumes at Orr and Hialeah provided by Customer.

5. Company will perform an annual true-up of Customer's monthly billings for Orr and Hialeah within forty-five (45) days following the conclusion of the calendar year so that Customer's final rate per therm matches the corresponding rate per therm at each plant respectively, based upon the total annual volumes at each plant, and which may require a refund to or a supplemental payment from Customer based upon actual volumes or failure to meet the take or pay minimum.

6. There shall be no additional charge over the rates specified in this Article for each therm transported to each facility in excess of MACQ as set forth in Article V in any contract year, provided that any transportation service in excess of the MACQ figures set forth above in any contract year do not require Company to construct additional facilities to provide such service to Customer. The terms and conditions with respect to any increase in the MACQ and construction of associated additional facilities are subject to the terms of Paragraph 2 of Article V of this Agreement.

ARTICLE VIII
MEASUREMENT

1. Company agrees to install and maintain facilities necessary to deliver and accurately measure the gas to Customer at the Points of Delivery.
2. Quantities of gas delivered to Company's distribution system at the Points of Receipt for the account of Customer shall be measured by FGT. All charges billed to Customer hereunder shall be based on the measurements made at the Points of Delivery. Measurement shall include temperature-correcting devices installed and maintained by Company to ensure proper billing of gas, corrected to 60 degrees Fahrenheit, at no cost to Customer.
3. Customer may, with the prior written consent of Company, which shall not be unreasonably withheld, and at no cost to Company, install check-measuring devices at the Points of Delivery.

ARTICLE IX
FULL REQUIREMENTS

1. It is understood and agreed that Company's rendering of gas transportation service under the terms and conditions of this Agreement is in consideration of Customer's agreement to utilize exclusively such services for all pipeline-transported natural gas consumed at Customer's facilities as listed in Article V herein, from the Effective Date hereof and during the Term of this Agreement and any renewals thereof. Accordingly, Customer agrees that Customer will not, for the Term of this Agreement, and any renewals thereof, displace any service provided under this Agreement with service from any third party.

ARTICLE X

FACILITIES

1. All facilities required to provide service under this Agreement shall be designed, constructed, installed, operated, maintained, and owned by Company.

ARTICLE XI

NOMINATIONS AND NOTICE

1. Customer, or its agent supplier, shall make all nominations of service (advice regarding the next month's anticipated consumption) on Company's system hereunder on the appropriate form provided by Company. Customer, or its agent, shall submit any new nomination for service a minimum of ten (10) working days prior to the commencement of the transportation service and shall submit a request for a change to an existing nomination a minimum of three (3) working days prior to the date the change is to become effective.

2. Customer or its agent, not Company, shall be responsible for making all transportation agreements and nominations to all third parties upstream of Company's Points of Receipt. Customer may use a broker for this purpose. If Customer utilizes a broker to make such transportation arrangements and nominations on the interstate system upstream of Company's system, Customer shall identify the broker initially and upon a change.

3. All nominations and adjustments to nominations shall be directed to:

Mr. Phil Buchanan
Manager of Gas Operations
AGL Resources
10 Peachtree Place NE, Suite 800
Atlanta, GA 30309
Office: 404-584-4161
Cell: 404-379-3929

Any service inquiries or correspondence regarding the administration of nominations shall be directed to:

Ms. Carolyn Bermudez
Florida City Gas
955 E. 25th Street
Hialeah, FL 33013
Office: (305) 835-3606
Cell: 786-218-0861
Fax: 305-691-7335

OR

Mr. Marc Seagrave
Director New Business Development
Florida City Gas-AGL Resources
955 E. 25th Street
Hialeah, FL 33013
Office: 305-835-3651
Fax: 305-691-7335

4. All payments shall be directed to:

Florida City Gas
Location 1190
P.O. Box 5720
Atlanta, GA 31107-0720

5. To the extent any form of notice, other than notice related to nominations or administration of nominations, must be provided to either Party, notice should be sent to the following persons:

For Miami-Dade Water and Sewer Department:

Mr. Ralph Terrero, Assistant Director
Water and Sewer Department
3071 SW 38th Avenue
Miami, Florida 33146
Phone: 786-552-8112
Fax: 786-552-8639

With a copy to:

Office of the County Attorney
Stephen P. Clark Center
111 Northwest First Street, Suite 2800
Miami, Florida 33128-1993

For Florida City Gas:

Ms. Carolyn Bermudez
Florida City Gas
955 E. 25th Street
Hialeah, FL 33013
Cell: 786-218-0861
Fax: 305-691-7335

With a copy to:

General Counsel
AGL Resources Inc.
Ten Peachtree Place
Atlanta, GA 30309

ARTICLE XII

FORCE MAJEURE

1. Neither Company, nor Customer or its agents, shall be liable for damages to the other for any act, omission, or circumstance occasioned by or in consequence of any acts of God; strikes; lockouts; acts of the public enemy; wars; blockades; insurrections; riots; epidemics; landslides; lightning; earthquakes; fires; storms; floods; washouts; arrests and restraints of rules and people; civil disturbances; explosions; temporary failure of gas supply; temporary failure of firm transportation arrangements; the binding order of any court or governmental authority, which has been resisted in good faith by all reasonable legal means; acts of third parties; or any other cause, whether of the kind herein enumerated or otherwise, not within the control of the

Party, and which by the exercise of due diligence such Party is unable to prevent or overcome.

2. Such cause or contingencies affecting the performance by Company, Third Party Supplier, or Customer, however, shall not relieve Company or Customer of liability in the event of its concurrent negligence, or in the event of its failure to use due diligence to remedy the situation and remove the cause in an adequate manner and with all reasonable dispatch, nor shall such causes or contingencies affecting performance relieve either party from its obligations to make payments of amounts then due hereunder in respect of gas theretofore delivered. In any event, the liability of Customer for damages shall be limited as provided in Section 768.28, Florida Statutes.

ARTICLE XIII

MISCELLANEOUS

1. The captions in this Agreement are for the convenience of the Parties in identification of the provisions hereof and shall not constitute a part of the Agreement, nor be considered interpretive thereof.

2. This Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties; provided, however, neither Party may make an assignment hereunder without having first obtained the prior written consent of the other Party. Such consent shall not be unreasonably withheld. If either Party does not provide such consent within sixty (60) days after receipt of the other Party's notification of assignment, failure to reply shall be deemed as consent. Any notification of assignment or consent to assignment shall be made by registered mail and provided to the individuals identified in Paragraph 5 of Article XI of this Agreement.

3. The interpretation and performance of this Agreement shall be governed by the

laws of the State of Florida. Venue for any civil action arising out of this Agreement shall be Miami-Dade County, Florida.

4. This Agreement shall be subject to all of the rules and regulations of any duly constituted federal or state regulatory authorities having jurisdiction hereof. Company and Customer shall comply at all times with applicable federal, state, municipal, and other laws, ordinances, and regulations.

5. This Agreement contains the entire understanding of the Parties with respect to the matters contained herein and may be modified only in writing duly executed by authorized representatives of the Parties.

6. Unless expressly set forth herein or in the Company's Tariff, except for either party's gross negligence or willful misconduct, under no circumstances shall either party hereto be liable to the other party for any indirect, incidental, consequential, special or punitive damages for lost profits or costs of procurement of substitute goods (including, without limitation, cover), regardless of the form of action, whether in contract, warranty, strict liability or tort, even if such party has been advised of the possibility of such damages. The terms of this paragraph shall survive termination of this Agreement.

7. After Commission approval, this Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which taken together will constitute one and the same instrument.

In witness whereof, MIAMI-DADE COUNTY and PIVOTAL UTILITY HOLDINGS, INC. D/B/A FLORIDA CITY GAS, by and through their duly authorized officers, have executed this Agreement as of the date first written above.

(SEAL)

PIVOTAL UTILITY HOLDINGS, INC.
D/B/A FLORIDA CITY GAS

By: Jesse W. Killings
Jesse Killings, VP Operations, FCG

By: _____
Deputy Clerk

ATTEST:

MIAMI-DADE COUNTY, a political
subdivision of the State of Florida

Harvey Ruvin

By its Board of County Commissioners

Clerk of the Board:

By: [Signature]
Deputy Clerk

By: [Signature]
COUNTY MAYOR

Approved as to form and
Legal sufficiency.

By: [Signature]
Assistant County Attorney

Exhibit D
Page 1 of 27
1. Current Rate-Cost Compare

[illegible]

Florida City Gas
Cost of Service Analysis
2014 TSA MDWASD

Exhibit D
Page 2 of 27
2. Column Headings

Column	Explanation-Basis
A	Tiers for Orr and Hialeah
B	2011 TSA volumes for each tier for Orr and Hialeah
C	FCG's costs as report to PSC in the settlement; Staff Reco page 25
D	Staff's calculation of cost based upon the adjustments it made to the settlement for 2013; Staff Reco page 26
E	These are the current rates in the 2011 TSA as approved by the PSC
F	PSC Staff's calculation of the margin in \$ using Staff's costs; Column E-D
G	PSC Staff's calculation of the margin in % using Staff's costs; Column E-D
H	FCG's calculation of the margin in \$ using FCG's costs; Column E-C
I	FCG's calculation of the margin in % using FCG's costs; Column E-C

Exhibit D
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3. Proposed Rate Design

[illegible]

Florida City Gas
Cost of Service Analysis
2014 TSA MDWASD

Exhibit D
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4. 2012 Costs

	A	B	C	D	E	F
1	Description	Alexander Orr		Hialeah		Source
2	(a)	(b)		(c)		(d)
3						
4	Plant in Service	\$ 1,118,074		\$ 38,354		Revised Staff 83 NBV
5	Accumulated Prov.	(1,445,356)		(29,376)		Revised Staff 83 NBV & updated
6	Net Plant	\$ (327,282)		\$ 8,979		Line 4 + Line 5
7						
8	Appr. Rate of Return	7.36%		7.36%		Approved Rate PSC-04-0128-PPA-GU
9						
10	Return	-		661		Line 6 x Line 8
11	Interest Exp.	-		(259)		Weighted debt cost of 2.89% from PSC-04-0128-PPA-GU
12	Net Income after Taxes	\$ -		\$ 401		
13						
14	Effective Tax Rate	0.3763		0.3763		5.5% State and 34% Federal
15						
16	Income Taxes	\$ -		\$ 242		
17						
18	O&M	\$ 68,799		\$ 55,733		Incremental O&M for each plant
19	Reg. Assessment	\$ 497		\$ 359		Regulatory Assessment Fee @ .5%
20	Depreciation	-		1,151		Effective rate of 3%
21	Taxes Other	-		171		1.90% effective property tax rate
22	Total Expenses	\$ 69,296		\$ 57,655		Sum of Lines 16 through 21
23						
24	Total Cost of Service	\$ 69,296		\$ 58,316		Line 10 + 22
25						

Florida City Gas
Cost of Service Analysis
2014 TSA MDWASD

Exhibit D
Page 5 of 27
4. 2012 Costs

	A	B	C	D	E	F
26	<u>New Volumes for Tiers 2-3</u>					Total Volumes
27	Volumes (therms) Low	3,100,000		1,900,000		5,000,000
28	Volumes (therms) Mid	3,450,000		2,300,000		5,750,000
29	Volumes (therms) High	4,200,000		2,650,000		6,850,000
30						
31	<u>Incremental Costs</u>					
32	Rate - Tier 1	\$ 0.0224		\$ 0.0307	Line 24 / Line 27	
33	Rate - Tier 2	\$ 0.0201		\$ 0.0254	Line 24 / Line 28	
34	Rate - Tier 3	\$ 0.0165		\$ 0.0220	Line 24 / Line 29	
35						
36	<u>2014 TSA Rates</u>					
37	Rate - Tier 1	\$ 0.0284		\$ 0.0350		
38	Rate - Tier 2	\$ 0.0227		\$ 0.0281		
39	Rate - Tier 3	\$ 0.0185		\$ 0.0245		
40						
41	<u>Difference</u>					
42	Rate - Tier 1	\$ 0.0060		\$ 0.0043	Line 37 - Line 32	
43	Rate - Tier 2	\$ 0.0026		\$ 0.0027	Line 38 - Line 33	
44	Rate - Tier 3	\$ 0.0020		\$ 0.0025	Line 39 - Line 34	
45						

Florida City Gas
Cost of Service Analysis
2014 TSA MDWASD

Exhibit D
Page 6 of 27
5. 2013 Costs

	A	B	C	D	E	F
1	Description	Alexander Orr		Hialeah		Source
2	(a)	(b)		(c)		(d)
3						
4	Plant in Service	\$ 1,118,074		\$ 38,354		Revised Staff 83 NBV
5	Accumulated Prov.	(1,478,898)		(30,526)		Revised Staff 83 NBV & updated
6	Net Plant	\$ (360,824)		\$ 7,828		Line 4 + Line 5
7						
8	Appr. Rate of Return	7.36%		7.36%		Approved Rate PSC-04-0128-PPA-GU
9						
10	Return	-		576		Line 6 x Line 8
11	Interest Exp.	-		(226)		Weighted debt cost of 2.89% from PSC-04-0128-PPA-GU
12	Net Income after Taxes	\$ -		\$ 350		
13						
14	Effective Tax Rate	0.3763		0.3763		5.5% State and 34% Federal
15						
16	Income Taxes	\$ -		\$ 211		
17						
18	O&M	\$ 70,175		\$ 56,848		Incremental O&M for each plant
19	Reg. Assessment	\$ 497		\$ 359		Regulatory Assessment Fee @ .5%
20	Depreciation	-		1,151		Effective rate of 3%
21	Taxes Other	-		149		1.90% effective property tax rate
22	Total Expenses	\$ 70,672		\$ 58,717		Sum of Lines 16 through 21
23						
24	Total Cost of Service	\$ 70,672		\$ 59,293		Line 10 + 22
25						

Florida City Gas
Cost of Service Analysis
2014 TSA MDWASD

Exhibit D
Page 7 of 27
5. 2013 Costs

	A	B	C	D	E	F
26	<u>New Volumes for Tiers 2-3</u>					Total Volumes
27	Volumes (therms) Low	3,100,000		1,900,000		5,000,000
28	Volumes (therms) Mid	3,450,000		2,300,000		5,750,000
29	Volumes (therms) High	4,200,000		2,650,000		6,850,000
30						
31	<u>Incremental Costs</u>					
32	Rate - Tier 1	\$ 0.0228		\$ 0.0312	Line 24 / Line 27	
33	Rate - Tier 2	\$ 0.0205		\$ 0.0258	Line 24 / Line 28	
34	Rate - Tier 3	\$ 0.0168		\$ 0.0224	Line 24 / Line 29	
35						
36	<u>2014 TSA Rates</u>					
37	Rate - Tier 1	\$ 0.0284		\$ 0.0350		
38	Rate - Tier 2	\$ 0.0227		\$ 0.0281		
39	Rate - Tier 3	\$ 0.0185		\$ 0.0245		
40						
41	<u>Difference</u>					
42	Rate - Tier 1	\$ 0.0056		\$ 0.0038	Line 37 - Line 32	
43	Rate - Tier 2	\$ 0.0022		\$ 0.0023	Line 38 - Line 33	
44	Rate - Tier 3	\$ 0.0017		\$ 0.0021	Line 39 - Line 34	
45						

Florida City Gas
Cost of Service Analysis
2014 TSA MDWASD

Exhibit D
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6. 2014 Costs, Year1

	A	B	C	D	E	F
1	Description	Alexander Orr		Hialeah		Source
2	(a)	(b)		(c)		(d)
3						
4	Plant in Service	\$ 1,118,074		\$ 38,354		Revised Staff 83 NBV
5	Accumulated Prov.	(1,512,440)		(31,677)		Revised Staff 83 NBV & updated
6	Net Plant	\$ (394,366)		\$ 6,678		Line 4 + Line 5
7						
8	Appr. Rate of Return	7.36%		7.36%		Approved Rate PSC-04-0128-PPA-GU
9						
10	Return	-		491		Line 6 x Line 8
11	Interest Exp.	-		(193)		Weighted debt cost of 2.89% from PSC-04-0128-PPA-GU
12	Net Income after Taxes	\$ -		\$ 298		
13						
14	Effective Tax Rate	0.3763		0.3763		5.5% State and 34% Federal
15						
16	Income Taxes	\$ -		\$ 180		
17						
18	O&M	\$ 71,578		\$ 57,985		Incremental O&M for each plant
19	Reg. Assessment	\$ 497		\$ 359		Regulatory Assessment Fee @ .5%
20	Depreciation	-		1,151		Effective rate of 3%
21	Taxes Other	-		127		1.90% effective property tax rate
22	Total Expenses	\$ 72,075		\$ 59,801		Sum of Lines 16 through 21
23						
24	Total Cost of Service	\$ 72,075		\$ 60,293		Line 10 + 22
25						

Florida City Gas
Cost of Service Analysis
2014 TSA MDWASD

Exhibit D
Page 9 of 27
6. 2014 Costs, Year1

	A	B	C	D	E	F
26	<u>New Volumes for Tiers 2-3</u>					Total Volumes
27	Volumes (therms) Low	3,100,000		1,900,000		5,000,000
28	Volumes (therms) Mid	3,450,000		2,300,000		5,750,000
29	Volumes (therms) High	4,200,000		2,650,000		6,850,000
30						
31	<u>Incremental Costs</u>					
32	Rate - Tier 1	\$ 0.0233		\$ 0.0317		Line 24 / Line 27
33	Rate - Tier 2	\$ 0.0209		\$ 0.0262		Line 24 / Line 28
34	Rate - Tier 3	\$ 0.0172		\$ 0.0228		Line 24 / Line 29
35						
36	<u>2014 TSA Rates</u>					
37	Rate - Tier 1	\$ 0.0284		\$ 0.0350		
38	Rate - Tier 2	\$ 0.0227		\$ 0.0281		
39	Rate - Tier 3	\$ 0.0185		\$ 0.0245		
40						
41	<u>Difference</u>		Margin		Margin	
42	Rate - Tier 1	\$ 0.0051	17.96%	\$ 0.0033	9.43%	Line 37 - Line 32
43	Rate - Tier 2	\$ 0.0018	7.93%	\$ 0.0019	6.76%	Line 38 - Line 33
44	Rate - Tier 3	\$ 0.0013	7.03%	\$ 0.0017	6.94%	Line 39 - Line 34
45						

Florida City Gas
Cost of Service Analysis
2014 TSA MDWASD

Exhibit D
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7. 2015 Costs, Year2

	A	B	C	D	E	F
1	Description	Alexander Orr		Hialeah		Source
2	(a)	(b)		(c)		(d)
3						
4	Plant in Service	\$ 1,118,074		\$ 38,354		Revised Staff 83 NBV
5	Accumulated Prov.	(1,545,982)		(32,827)		Revised Staff 83 NBV & updated
6	Net Plant	\$ (427,909)		\$ 5,527		Line 4 + Line 5
7						
8	Appr. Rate of Return	7.36%		7.36%		Approved Rate PSC-04-0128-PPA-GU
9						
10	Return	-		407		Line 6 x Line 8
11	Interest Exp.	-		(160)		Weighted debt cost of 2.89% from PSC-04-0128-PPA-GU
12	Net Income after Taxes	\$ -		\$ 247		
13						
14	Effective Tax Rate	0.3763		0.3763		5.5% State and 34% Federal
15						
16	Income Taxes	\$ -		\$ 149		
17						
18	O&M	\$ 73,010		\$ 59,144		Incremental O&M for each plant
19	Reg. Assessment	\$ 497		\$ 359		Regulatory Assessment Fee @ .5%
20	Depreciation	-		1,151		Effective rate of 3%
21	Taxes Other	-		105		1.90% effective property tax rate
22	Total Expenses	\$ 73,507		\$ 60,908		Sum of Lines 16 through 21
23						
24	Total Cost of Service	\$ 73,507		\$ 61,315		Line 10 + 22
25						

Florida City Gas
Cost of Service Analysis
2014 TSA MDWASD

Exhibit D
Page 11 of 27
7. 2015 Costs, Year2

	A	B	C	D	E	F
26	New Volumes for Tiers 2-3					Total Volumes
27	Volumes (therms) Low	3,100,000		1,900,000		5,000,000
28	Volumes (therms) Mid	3,450,000		2,300,000		5,750,000
29	Volumes (therms) High	4,200,000		2,650,000		6,850,000
30						
31	Incremental Costs					
32	Rate - Tier 1	\$ 0.0237		\$ 0.0323		Line 24 / Line 27
33	Rate - Tier 2	\$ 0.0213		\$ 0.0267		Line 24 / Line 28
34	Rate - Tier 3	\$ 0.0175		\$ 0.0231		Line 24 / Line 29
35						
36	2014 TSA Rates					
37	Rate - Tier 1	\$ 0.0284		\$ 0.0350		
38	Rate - Tier 2	\$ 0.0227		\$ 0.0281		
39	Rate - Tier 3	\$ 0.0185		\$ 0.0245		
40						
41	Difference		Margin		Margin	
42	Rate - Tier 1	\$ 0.0047	16.55%	\$ 0.0027	7.71%	Line 37 - Line 32
43	Rate - Tier 2	\$ 0.0014	6.17%	\$ 0.0014	4.98%	Line 38 - Line 33
44	Rate - Tier 3	\$ 0.0010	5.41%	\$ 0.0014	5.71%	Line 39 - Line 34
45						

Florida City Gas
Cost of Service Analysis
2014 TSA MDWASD

Exhibit D
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8. 2016 Costs, Year3

	A	B	C	D	E	F
1	Description	Alexander Orr		Hialeah		Source
2	(a)	(b)		(c)		(d)
3						
4	Plant in Service	\$ 1,118,074		\$ 38,354		Revised Staff 83 NBV
5	Accumulated Prov.	(1,579,525)		(33,978)		Revised Staff 83 NBV & updated
6	Net Plant	\$ (461,451)		\$ 4,376		Line 4 + Line 5
7						
8	Appr. Rate of Return	7.36%		7.36%		Approved Rate PSC-04-0128-PPA-GU
9						
10	Return	-		322		Line 6 x Line 8
11	Interest Exp.	-		(126)		Weighted debt cost of 2.89% from PSC-04-0128-PPA-GU
12	Net Income after Taxes	\$ -		\$ 196		
13						
14	Effective Tax Rate	0.3763		0.3763		5.5% State and 34% Federal
15						
16	Income Taxes	\$ -		\$ 118		
17						
18	O&M	\$ 74,470		\$ 60,327		Incremental O&M for each plant
19	Reg. Assessment	\$ 497		\$ 359		Regulatory Assessment Fee @ .5%
20	Depreciation	-		1,151		Effective rate of 3%
21	Taxes Other	-		83		1.90% effective property tax rate
22	Total Expenses	\$ 74,967		\$ 62,038		Sum of Lines 16 through 21
23						
24	Total Cost of Service	\$ 74,967		\$ 62,360		Line 10 + 22
25						

Florida City Gas
Cost of Service Analysis
2014 TSA MDWASD

Exhibit D
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8. 2016 Costs, Year3

	A	B	C	D	E	F
26	New Volumes for Tiers 2-3					Total Volumes
27	Volumes (therms) Low	3,100,000		1,900,000		5,000,000
28	Volumes (therms) Mid	3,450,000		2,300,000		5,750,000
29	Volumes (therms) High	4,200,000		2,650,000		6,850,000
30						
31	Incremental Costs					
32	Rate - Tier 1	\$ 0.0242		\$ 0.0328		Line 24 / Line 27
33	Rate - Tier 2	\$ 0.0217		\$ 0.0271		Line 24 / Line 28
34	Rate - Tier 3	\$ 0.0178		\$ 0.0235		Line 24 / Line 29
35						
36	2014 TSA Rates					
37	Rate - Tier 1	\$ 0.0284		\$ 0.0350		
38	Rate - Tier 2	\$ 0.0227		\$ 0.0281		
39	Rate - Tier 3	\$ 0.0185		\$ 0.0245		
40						
41	Difference		Margin		Margin	
42	Rate - Tier 1	\$ 0.0042	14.79%	\$ 0.0022	6.29%	Line 37 - Line 32
43	Rate - Tier 2	\$ 0.0010	4.41%	\$ 0.0010	3.56%	Line 38 - Line 33
44	Rate - Tier 3	\$ 0.0007	3.78%	\$ 0.0010	4.08%	Line 39 - Line 34
45						

Florida City Gas
Cost of Service Analysis
2014 TSA MDWASD

Exhibit D
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9. 2017 Costs, Year4

	A	B	C	D	E	F
1	Description	Alexander Orr		Hialeah		Source
2	(a)	(b)		(c)		(d)
3						
4	Plant in Service	\$ 1,118,074		\$ 38,354		Revised Staff 83 NBV
5	Accumulated Prov.	(1,613,067)		(35,129)		Revised Staff 83 NBV & updated
6	Net Plant	\$ (494,993)		\$ 3,226		Line 4 + Line 5
7						
8	Appr. Rate of Return	7.36%		7.36%		Approved Rate PSC-04-0128-PPA-GU
9						
10	Return	-		237		Line 6 x Line 8
11	Interest Exp.	-		(93)		Weighted debt cost of 2.89% from PSC-04-0128-PPA-GU
12	Net Income after Taxes	\$ -		\$ 144		
13						
14	Effective Tax Rate	0.3763		0.3763		5.5% State and 34% Federal
15						
16	Income Taxes	\$ -		\$ 87		
17						
18	O&M	\$ 75,960		\$ 61,534		Incremental O&M for each plant
19	Reg. Assessment	\$ 497		\$ 359		Regulatory Assessment Fee @ .5%
20	Depreciation	-		1,151		Effective rate of 3%
21	Taxes Other	-		61		1.90% effective property tax rate
22	Total Expenses	\$ 76,457		\$ 63,192		Sum of Lines 16 through 21
23						
24	Total Cost of Service	\$ 76,457		\$ 63,429		Line 10 + 22
25						

Florida City Gas
Cost of Service Analysis
2014 TSA MDWASD

Exhibit D
Page 15 of 27
9. 2017 Costs, Year4

	A	B	C	D	E	F
26	New Volumes for Tiers 2-3					Total Volumes
27	Volumes (therms) Low	3,100,000		1,900,000		5,000,000
28	Volumes (therms) Mid	3,450,000		2,300,000		5,750,000
29	Volumes (therms) High	4,200,000		2,650,000		6,850,000
30						
31	Incremental Costs					
32	Rate - Tier 1	\$ 0.0247		\$ 0.0334		Line 24 / Line 27
33	Rate - Tier 2	\$ 0.0222		\$ 0.0276		Line 24 / Line 28
34	Rate - Tier 3	\$ 0.0182		\$ 0.0239		Line 24 / Line 29
35						
36	2014 TSA Rates					
37	Rate - Tier 1	\$ 0.0284		\$ 0.0350		
38	Rate - Tier 2	\$ 0.0227		\$ 0.0281		
39	Rate - Tier 3	\$ 0.0185		\$ 0.0250		
40						
41	Difference		Margin		Margin	
42	Rate - Tier 1	\$ 0.0037	13.03%	\$ 0.0016	4.57%	Line 37 - Line 32
43	Rate - Tier 2	\$ 0.0005	2.20%	\$ 0.0005	1.78%	Line 38 - Line 33
44	Rate - Tier 3	\$ 0.0003	1.62%	\$ 0.0011	4.45%	Line 39 - Line 34
45						

Florida City Gas
Cost of Service Analysis
2014 TSA MDWASD

Exhibit D
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10. 2018 Costs, Year5

	A	B	C	D	E	F
1	Description	Alexander Orr		Hialeah		Source
2	(a)	(b)		(c)		(d)
3						
4	Plant in Service	\$ 1,118,074		\$ 38,354		Revised Staff 83 NBV
5	Accumulated Prov.	(1,646,609)		(36,279)		Revised Staff 83 NBV & updated
6	Net Plant	\$ (528,535)		\$ 2,075		Line 4 + Line 5
7						
8	Appr. Rate of Return	7.36%		7.36%		Approved Rate PSC-04-0128-PPA-GU
9						
10	Return	-		153		Line 6 x Line 8
11	Interest Exp.	-		(60)		Weighted debt cost of 2.89% from PSC-04-0128-PPA-GU
12	Net Income after Taxes	\$ -		\$ 93		
13						
14	Effective Tax Rate	0.3763		0.3763		5.5% State and 34% Federal
15						
16	Income Taxes	\$ -		\$ 56		
17						
18	O&M	\$ 77,479		\$ 62,764		Incremental O&M for each plant
19	Reg. Assessment	\$ 497		\$ 359		Regulatory Assessment Fee @ .5%
20	Depreciation	-		1,151		Effective rate of 3%
21	Taxes Other	-		39		1.90% effective property tax rate
22	Total Expenses	\$ 77,976		\$ 64,369		Sum of Lines 16 through 21
23						
24	Total Cost of Service	\$ 77,976		\$ 64,522		Line 10 + 22
25						

Florida City Gas
Cost of Service Analysis
2014 TSA MDWASD

Exhibit D
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10. 2018 Costs, Year5

	A	B	C	D	E	F
26	<u>New Volumes for Tiers 2-3</u>					Total Volumes
27	Volumes (therms) Low	3,100,000		1,900,000		5,000,000
28	Volumes (therms) Mid	3,450,000		2,300,000		5,750,000
29	Volumes (therms) High	4,200,000		2,650,000		6,850,000
30						
31	<u>Incremental Costs</u>					
32	Rate - Tier 1	\$ 0.0252		\$ 0.0340		Line 24 / Line 27
33	Rate - Tier 2	\$ 0.0226		\$ 0.0281		Line 24 / Line 28
34	Rate - Tier 3	\$ 0.0186		\$ 0.0243		Line 24 / Line 29
35						
36	<u>2014 TSA Rates</u>					
37	Rate - Tier 1	\$ 0.0284		\$ 0.0350		
38	Rate - Tier 2	\$ 0.0227		\$ 0.0281		
39	Rate - Tier 3	\$ 0.0185		\$ 0.0245		
40						
41	<u>Difference</u>		Margin		Margin	
42	Rate - Tier 1	\$ 0.0032	11.27%	\$ 0.0010	2.86%	Line 37 - Line 32
43	Rate - Tier 2	\$ 0.0001	0.44%	\$ 0.0000	0.00%	Line 38 - Line 33
44	Rate - Tier 3	\$ (0.0001)	-0.54%	\$ 0.0002	0.82%	Line 39 - Line 34
45						
46						
47	<u>2014 TSA Rates w/ CPI Adj for Yr5</u>					
48	Rate - Tier 1	\$ 0.0290		\$ 0.0357		
49	Rate - Tier 2	\$ 0.0232		\$ 0.0287		
50	Rate - Tier 3	\$ 0.0189		\$ 0.0250		
51						
52	<u>Difference</u>		Margin		Margin	
53	Rate - Tier 1	\$ 0.0038	13.27%	\$ 0.0017	4.86%	
54	Rate - Tier 2	\$ 0.0006	2.44%	\$ 0.0006	2.00%	
55	Rate - Tier 3	\$ 0.0003	1.46%	\$ 0.0007	2.82%	

Florida City Gas
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Exhibit D
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11. 2019 Costs, Year6

	A	B	C	D	E	F
1	Description	Alexander Orr		Hialeah		Source
2	(a)	(b)		(c)		(d)
3						
4	Plant in Service	\$ 1,118,074		\$ 38,354		Revised Staff 83 NBV
5	Accumulated Prov.	(1,680,151)		(37,430)		Revised Staff 83 NBV & updated
6	Net Plant	\$ (562,077)		\$ 924		Line 4 + Line 5
7						
8	Appr. Rate of Return	7.36%		7.36%		Approved Rate PSC-04-0128-PPA-GU
9						
10	Return	-		68		Line 6 x Line 8
11	Interest Exp.	-		(27)		Weighted debt cost of 2.89% from PSC-04-0128-PPA-GU
12	Net Income after Taxes	\$ -		\$ 41		
13						
14	Effective Tax Rate	0.3763		0.3763		5.5% State and 34% Federal
15						
16	Income Taxes	\$ -		\$ 25		
17						
18	O&M	\$ 79,028		\$ 64,020		Incremental O&M for each plant
19	Reg. Assessment	\$ 497		\$ 359		Regulatory Assessment Fee @ .5%
20	Depreciation	-		1,151		Effective rate of 3%
21	Taxes Other	-		18		1.90% effective property tax rate
22	Total Expenses	\$ 79,525		\$ 65,572		Sum of Lines 16 through 21
23						
24	Total Cost of Service	\$ 79,525		\$ 65,640		Line 10 + 22
25						
26	<u>New Volumes for Tiers 2-3</u>					Total Volumes
27	Volumes (therms) Low	3,100,000		1,900,000		5,000,000
28	Volumes (therms) Mid	3,450,000		2,300,000		5,750,000
29	Volumes (therms) High	4,200,000		2,650,000		6,850,000
30						
31	<u>Incremental Costs</u>					
32	Rate - Tier 1	\$ 0.0257		\$ 0.0345		Line 24 / Line 27
33	Rate - Tier 2	\$ 0.0231		\$ 0.0285		Line 24 / Line 28
34	Rate - Tier 3	\$ 0.0189		\$ 0.0248		Line 24 / Line 29
35						

Florida City Gas
Cost of Service Analysis
2014 TSA MDWASD

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11. 2019 Costs, Year6

	A	B	C	D	E	F
36	2014 TSA Rates					
37	Rate - Tier 1	\$ 0.0284		\$ 0.0350		
38	Rate - Tier 2	\$ 0.0227		\$ 0.0281		
39	Rate - Tier 3	\$ 0.0185		\$ 0.0245		
40						
41	Difference		Margin		Margin	
42	Rate - Tier 1	\$ 0.0027	9.51%	\$ 0.0005	1.43%	Line 37 - Line 32
43	Rate - Tier 2	\$ (0.0004)	-1.76%	\$ (0.0004)	-1.42%	Line 38 - Line 33
44	Rate - Tier 3	\$ (0.0004)	-2.16%	\$ (0.0003)	-1.22%	Line 39 - Line 34
45						
46						
47	2014 TSA Rates w/ CPI Adj for Yr5					
48	Rate - Tier 1	\$ 0.0290		\$ 0.0357		
49	Rate - Tier 2	\$ 0.0232		\$ 0.0287		
50	Rate - Tier 3	\$ 0.0189		\$ 0.0250		
51						
52	Difference		Margin		Margin	
53	Rate - Tier 1	\$ 0.0033	11.51%	\$ 0.0012	3.43%	
54	Rate - Tier 2	\$ 0.0001	0.24%	\$ 0.0002	0.58%	
55	Rate - Tier 3	\$ (0.0000)	-0.16%	\$ 0.0002	0.78%	
56						
57	Yr5 TSA Rates w/ CPI Adj for Yr6					
58	Rate - Tier 1	\$ 0.0295		\$ 0.0364		
59	Rate - Tier 2	\$ 0.0236		\$ 0.0292		
60	Rate - Tier 3	\$ 0.0192		\$ 0.0255		
61						
62	Difference		Margin		Margin	
63	Rate - Tier 1	\$ 0.0038	13.55%	\$ 0.0019	5.47%	
64	Rate - Tier 2	\$ 0.0005	2.28%	\$ 0.0007	2.62%	
65	Rate - Tier 3	\$ 0.0003	1.88%	\$ 0.0007	2.82%	

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12. 2020 Costs, Year7

	A	B	C	D	E	F
1	Description	Alexander Orr		Hialeah		Source
2	(a)	(b)		(c)		(d)
3						
4	Plant in Service	\$ 1,118,074		\$ 38,354		Revised Staff 83 NBV
5	Accumulated Prov.	(1,713,693)		(38,581)		Revised Staff 83 NBV & updated
6	Net Plant	\$ (595,620)		\$ (226)		Line 4 + Line 5
7						
8	Appr. Rate of Return	7.36%		7.36%		Approved Rate PSC-04-0128-PPA-GU
9						
10	Return	-		-		Line 6 x Line 8
11	Interest Exp.	-		-		Weighted debt cost of 2.89% from PSC-04-0128-PPA-GU
12	Net Income after Taxes	\$ -		\$ -		
13						
14	Effective Tax Rate	0.3763		0.3763		5.5% State and 34% Federal
15						
16	Income Taxes	\$ -		\$ -		
17						
18	O&M	\$ 80,609		\$ 65,300		Incremental O&M for each plant
19	Reg. Assessment	\$ 497		\$ 359		Regulatory Assessment Fee @ .5%
20	Depreciation	-		924		Effective rate of 3% - DEPR REMAINDER
21	Taxes Other	-		-		1.90% effective property tax rate
22	Total Expenses	\$ 81,106		\$ 66,583		Sum of Lines 16 through 21
23						
24	Total Cost of Service	\$ 81,106		\$ 66,583		Line 10 + 22
25						
26	New Volumes for Tiers 2-3					Total Volumes
27	Volumes (therms) Low	3,100,000		1,900,000		5,000,000
28	Volumes (therms) Mid	3,450,000		2,300,000		5,750,000
29	Volumes (therms) High	4,200,000		2,650,000		6,850,000
30						
31	Incremental Costs					
32	Rate - Tier 1	\$ 0.0262		\$ 0.0350		Line 24 / Line 27
33	Rate - Tier 2	\$ 0.0235		\$ 0.0289		Line 24 / Line 28
34	Rate - Tier 3	\$ 0.0193		\$ 0.0251		Line 24 / Line 29
35						

Florida City Gas
Cost of Service Analysis
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12. 2020 Costs, Year7

	A	B	C	D	E	F
36	<u>2014 TSA Rates</u>					
37	Rate - Tier 1	\$ 0.0284		\$ 0.0350		
38	Rate - Tier 2	\$ 0.0227		\$ 0.0281		
39	Rate - Tier 3	\$ 0.0185		\$ 0.0245		
40						
41	<u>Difference</u>		<u>Margin</u>		<u>Margin</u>	
42	Rate - Tier 1	\$ 0.0022	7.75%	\$ -	0.00%	Line 37 - Line 32
43	Rate - Tier 2	\$ (0.0008)	-3.52%	\$ (0.0008)	-2.85%	Line 38 - Line 33
44	Rate - Tier 3	\$ (0.0008)	-4.32%	\$ (0.0006)	-2.45%	Line 39 - Line 34
45						
46						
47	<u>Yr5 TSA Rates w/ CPI Adj for Yr6</u>					
48	Rate - Tier 1	\$ 0.0295		\$ 0.0364		
49	Rate - Tier 2	\$ 0.0236		\$ 0.0292		
50	Rate - Tier 3	\$ 0.0192		\$ 0.0255		
51						
52	<u>Difference</u>		<u>Margin</u>		<u>Margin</u>	
53	Rate - Tier 1	\$ 0.0033	11.79%	\$ 0.0014	4.04%	
54	Rate - Tier 2	\$ 0.0001	0.52%	\$ 0.0003	1.19%	
55	Rate - Tier 3	\$ (0.0001)	-0.28%	\$ 0.0004	1.59%	
56						
57	<u>Yr6 TSA Rates w/ CPI Adj for Yr7</u>					
58	Rate - Tier 1	\$ 0.0301		\$ 0.0371		
59	Rate - Tier 2	\$ 0.0241		\$ 0.0298		
60	Rate - Tier 3	\$ 0.0196		\$ 0.0260		
61						
62	<u>Difference</u>		<u>Margin</u>		<u>Margin</u>	
63	Rate - Tier 1	\$ 0.0039	13.87%	\$ 0.0021	6.12%	
64	Rate - Tier 2	\$ 0.0006	2.60%	\$ 0.0009	3.27%	
65	Rate - Tier 3	\$ 0.0003	1.80%	\$ 0.0009	3.67%	

Florida City Gas
Cost of Service Analysis
2014 TSA MDWASD

Exhibit D
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13. 2021 Costs, Year8

	A	B	C	D	E	F
1	Description	Alexander Orr		Hialeah		Source
2	(a)	(b)		(c)		(d)
3						
4	Plant in Service	\$ 1,118,074		\$ 38,354		Revised Staff 83 NBV
5	Accumulated Prov.	(1,747,236)		(39,731)		Revised Staff 83 NBV & updated
6	Net Plant	\$ (629,162)		\$ (1,377)		Line 4 + Line 5
7						
8	Appr. Rate of Return	7.36%		7.36%		Approved Rate PSC-04-0128-PPA-GU
9						
10	Return	-		-		Line 6 x Line 8
11	Interest Exp.	-		-		Weighted debt cost of 2.89% from PSC-04-0128-PPA-GU
12	Net Income after Taxes	\$ -		\$ -		
13						
14	Effective Tax Rate	0.3763		0.3763		5.5% State and 34% Federal
15						
16	Income Taxes	\$ -		\$ -		
17						
18	O&M	\$ 82,221		\$ 66,606		Incremental O&M for each plant
19	Reg. Assessment	\$ 497		\$ 359		Regulatory Assessment Fee @ .5%
20	Depreciation	-		-		Effective rate of 3%
21	Taxes Other	-		-		1.90% effective property tax rate
22	Total Expenses	\$ 82,718		\$ 66,965		Sum of Lines 16 through 21
23						
24	Total Cost of Service	\$ 82,718		\$ 66,965		Line 10 + 22
25						
26	New Volumes for Tiers 2-3					Total Volumes
27	Volumes (therms) Low	3,100,000		1,900,000		5,000,000
28	Volumes (therms) Mid	3,450,000		2,300,000		5,750,000
29	Volumes (therms) High	4,200,000		2,650,000		6,850,000
30						
31	Incremental Costs					
32	Rate - Tier 1	\$ 0.0267		\$ 0.0352		Line 24 / Line 27
33	Rate - Tier 2	\$ 0.0240		\$ 0.0291		Line 24 / Line 28
34	Rate - Tier 3	\$ 0.0197		\$ 0.0253		Line 24 / Line 29
35						

Florida City Gas
Cost of Service Analysis
2014 TSA MDWASD

Exhibit D
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13. 2021 Costs, Year8

	A	B	C	D	E	F
36	<u>2014 TSA Rates</u>					
37	Rate - Tier 1	\$ 0.0284		\$ 0.0350		
38	Rate - Tier 2	\$ 0.0227		\$ 0.0281		
39	Rate - Tier 3	\$ 0.0185		\$ 0.0245		
40						
41	<u>Difference</u>		<u>Margin</u>		<u>Margin</u>	
42	Rate - Tier 1	\$ 0.0017	5.99%	\$ (0.0002)	-0.57%	Line 37 - Line 32
43	Rate - Tier 2	\$ (0.0013)	-5.73%	\$ (0.0010)	-3.56%	Line 38 - Line 33
44	Rate - Tier 3	\$ (0.0012)	-6.49%	\$ (0.0008)	-3.27%	Line 39 - Line 34
45						
46						
47	<u>Yr6 TSA Rates w/ CPI Adj for Yr7</u>					
48	Rate - Tier 1	\$ 0.0301		\$ 0.0371		
49	Rate - Tier 2	\$ 0.0241		\$ 0.0298		
50	Rate - Tier 3	\$ 0.0196		\$ 0.0260		
51						
52	<u>Difference</u>		<u>Margin</u>		<u>Margin</u>	
53	Rate - Tier 1	\$ 0.0034	12.11%	\$ 0.0019	5.55%	
54	Rate - Tier 2	\$ 0.0001	0.39%	\$ 0.0007	2.56%	
55	Rate - Tier 3	\$ (0.0001)	-0.37%	\$ 0.0007	2.86%	
56						
57	<u>Yr7 TSA Rates w/ CPI Adj for Yr8</u>					
58	Rate - Tier 1	\$ 0.0307		\$ 0.0379		
59	Rate - Tier 2	\$ 0.0246		\$ 0.0304		
60	Rate - Tier 3	\$ 0.0200		\$ 0.0265		
61						
62	<u>Difference</u>		<u>Margin</u>		<u>Margin</u>	
63	Rate - Tier 1	\$ 0.0040	14.23%	\$ 0.0027	7.67%	
64	Rate - Tier 2	\$ 0.0006	2.52%	\$ 0.0013	4.68%	
65	Rate - Tier 3	\$ 0.0003	1.76%	\$ 0.0012	4.98%	

Florida City Gas
Cost of Service Analysis
2014 TSA MDWASD

Exhibit D
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14. 2022 Costs, Year9

	A	B	C	D	E	F
1	Description	Alexander Orr		Hialeah		Source
2	(a)	(b)		(c)		(d)
3						
4	Plant in Service	\$ 1,118,074		\$ 38,354		Revised Staff 83 NBV
5	Accumulated Prov.	(1,780,778)		(40,882)		Revised Staff 83 NBV & updated
6	Net Plant	\$ (662,704)		\$ (2,528)		Line 4 + Line 5
7						
8	Appr. Rate of Return	7.36%		7.36%		Approved Rate PSC-04-0128-PPA-GU
9						
10	Return	-		-		Line 6 x Line 8
11	Interest Exp.	-		-		Weighted debt cost of 2.89% from PSC-04-0128-PPA-GU
12	Net Income after Taxes	\$ -		\$ -		
13						
14	Effective Tax Rate	0.3763		0.3763		5.5% State and 34% Federal
15						
16	Income Taxes	\$ -		\$ -		
17						
18	O&M	\$ 83,866		\$ 67,938		Incremental O&M for each plant
19	Reg. Assessment	\$ 497		\$ 359		Regulatory Assessment Fee @ .5%
20	Depreciation	-		-		Effective rate of 3%
21	Taxes Other	-		-		1.90% effective property tax rate
22	Total Expenses	\$ 84,363		\$ 68,297		Sum of Lines 16 through 21
23						
24	Total Cost of Service	\$ 84,363		\$ 68,297		Line 10 + 22
25						
26	New Volumes for Tiers 2-3					Total Volumes
27	Volumes (therms) Low	3,100,000		1,900,000		5,000,000
28	Volumes (therms) Mid	3,450,000		2,300,000		5,750,000
29	Volumes (therms) High	4,200,000		2,650,000		6,850,000
30						
31	Incremental Costs					
32	Rate - Tier 1	\$ 0.0272		\$ 0.0359		Line 24 / Line 27
33	Rate - Tier 2	\$ 0.0245		\$ 0.0297		Line 24 / Line 28
34	Rate - Tier 3	\$ 0.0201		\$ 0.0258		Line 24 / Line 29
35						

Florida City Gas
Cost of Service Analysis
2014 TSA MDWASD

Exhibit D
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14. 2022 Costs, Year9

	A	B	C	D	E	F
36	<u>2014 TSA Rates</u>					
37	Rate - Tier 1	\$ 0.0284		\$ 0.0350		
38	Rate - Tier 2	\$ 0.0227		\$ 0.0281		
39	Rate - Tier 3	\$ 0.0185		\$ 0.0245		
40						
41	<u>Difference</u>		<u>Margin</u>		<u>Margin</u>	
42	Rate - Tier 1	\$ 0.0012	4.23%	\$ (0.0009)	-2.57%	Line 37 - Line 32
43	Rate - Tier 2	\$ (0.0018)	-7.93%	\$ (0.0016)	-5.69%	Line 38 - Line 33
44	Rate - Tier 3	\$ (0.0016)	-8.65%	\$ (0.0013)	-5.31%	Line 39 - Line 34
45						
46						
47	<u>Yr7 TSA Rates w/ CPI Adj for Yr8</u>					
48	Rate - Tier 1	\$ 0.0307		\$ 0.0379		
49	Rate - Tier 2	\$ 0.0246		\$ 0.0304		
50	Rate - Tier 3	\$ 0.0200		\$ 0.0265		
51						
52	<u>Difference</u>		<u>Margin</u>		<u>Margin</u>	
53	Rate - Tier 1	\$ 0.0035	12.47%	\$ 0.0020	5.67%	
54	Rate - Tier 2	\$ 0.0001	0.31%	\$ 0.0007	2.55%	
55	Rate - Tier 3	\$ (0.0001)	-0.41%	\$ 0.0007	2.94%	
56						
57	<u>Yr8 TSA Rates w/ CPI Adj for Yr9</u>					
58	Rate - Tier 1	\$ 0.0314		\$ 0.0386		
59	Rate - Tier 2	\$ 0.0251		\$ 0.0310		
60	Rate - Tier 3	\$ 0.0204		\$ 0.0270		
61						
62	<u>Difference</u>		<u>Margin</u>		<u>Margin</u>	
63	Rate - Tier 1	\$ 0.0042	14.63%	\$ 0.0027	7.84%	
64	Rate - Tier 2	\$ 0.0006	2.48%	\$ 0.0013	4.71%	
65	Rate - Tier 3	\$ 0.0003	1.76%	\$ 0.0012	5.10%	

Florida City Gas
Cost of Service Analysis
2014 TSA MDWASD

Exhibit D
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15. 2023 Costs, Year10

	A	B	C	D	E	F
1	Description	Alexander Orr		Hialeah		Source
2	(a)	(b)		(c)		(d)
3						
4	Plant in Service	\$ 1,118,074		\$ 38,354		Revised Staff 83 NBV
5	Accumulated Prov.	(1,814,320)		(42,032)		Revised Staff 83 NBV & updated
6	Net Plant	\$ (696,246)		\$ (3,678)		Line 4 + Line 5
7						
8	Appr. Rate of Return	7.36%		7.36%		Approved Rate PSC-04-0128-PPA-GU
9						
10	Return	-		-		Line 6 x Line 8
11	Interest Exp.	-		-		Weighted debt cost of 2.89% from PSC-04-0128-PPA-GU
12	Net Income after Taxes	\$ -		\$ -		
13						
14	Effective Tax Rate	0.3763		0.3763		5.5% State and 34% Federal
15						
16	Income Taxes	\$ -		\$ -		
17						
18	O&M	\$ 85,543		\$ 69,297		Incremental O&M for each plant
19	Reg. Assessment	\$ 497		\$ 359		Regulatory Assessment Fee @ .5%
20	Depreciation	-		-		Effective rate of 3%
21	Taxes Other	-		-		1.90% effective property tax rate
22	Total Expenses	\$ 86,040		\$ 69,656		Sum of Lines 16 through 21
23						
24	Total Cost of Service	\$ 86,040		\$ 69,656		Line 10 + 22
25						
26	<u>New Volumes for Tiers 2-3</u>					Total Volumes
27	Volumes (therms) Low	3,100,000		1,900,000		5,000,000
28	Volumes (therms) Mid	3,450,000		2,300,000		5,750,000
29	Volumes (therms) High	4,200,000		2,650,000		6,850,000
30						
31	<u>Incremental Costs</u>					
32	Rate - Tier 1	\$ 0.0278		\$ 0.0367		Line 24 / Line 27
33	Rate - Tier 2	\$ 0.0249		\$ 0.0303		Line 24 / Line 28
34	Rate - Tier 3	\$ 0.0205		\$ 0.0263		Line 24 / Line 29
35						

Florida City Gas
Cost of Service Analysis
2014 TSA MDWASD

Exhibit D
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15. 2023 Costs, Year10

	A	B	C	D	E	F
36	2014 TSA Rates					
37	Rate - Tier 1	\$ 0.0284		\$ 0.0350		
38	Rate - Tier 2	\$ 0.0227		\$ 0.0281		
39	Rate - Tier 3	\$ 0.0185		\$ 0.0245		
40						
41	Difference		Margin		Margin	
42	Rate - Tier 1	\$ 0.0006	2.11%	\$ (0.0017)	-4.86%	Line 37 - Line 32
43	Rate - Tier 2	\$ (0.0022)	-9.69%	\$ (0.0022)	-7.83%	Line 38 - Line 33
44	Rate - Tier 3	\$ (0.0020)	-10.81%	\$ (0.0018)	-7.35%	Line 39 - Line 34
45						
46						
47	Yr8 TSA Rates w/ CPI Adj for Yr9					
48	Rate - Tier 1	\$ 0.0314		\$ 0.0386		
49	Rate - Tier 2	\$ 0.0251		\$ 0.0310		
50	Rate - Tier 3	\$ 0.0204		\$ 0.0270		
51						
52	Difference		Margin		Margin	
53	Rate - Tier 1	\$ 0.0036	12.52%	\$ 0.0019	5.55%	
54	Rate - Tier 2	\$ 0.0002	0.72%	\$ 0.0007	2.58%	
55	Rate - Tier 3	\$ (0.0001)	-0.40%	\$ 0.0007	3.06%	
56						
57	Yr9 TSA Rates w/ CPI Adj for Yr10					
58	Rate - Tier 1	\$ 0.0320		\$ 0.0394		
59	Rate - Tier 2	\$ 0.0256		\$ 0.0316		
60	Rate - Tier 3	\$ 0.0208		\$ 0.0276		
61						
62	Difference		Margin		Margin	
63	Rate - Tier 1	\$ 0.0042	14.73%	\$ 0.0027	7.76%	
64	Rate - Tier 2	\$ 0.0007	2.92%	\$ 0.0013	4.79%	
65	Rate - Tier 3	\$ 0.0003	1.81%	\$ 0.0013	5.27%	