

April 3, 2015

Mr. Scott Schlossman
Gainesville Regional Utilities
PO Box 147051 Station A110
Gainesville, FL 32614-7051

Dear Mr. Schlossman:

Enclosed is the draft natural gas rate study prepared for Gainesville Regional Utilities (GRU) for the test year ending September 30, 2016.

Based on this study, revenue from present natural gas rates is \$51,161 more than utility costs for fiscal year 2016. This difference represents (.45%) of revenue at present rates. Baker Tilly calculated the revenue required using the utility basis with a 8.99% return on utility net investment rate base.

As detailed on page 11, the 8.99% rate of return corresponds to a 33.79% return on equity. In recent decisions, the Florida Public Service Commission authorized returns on equity of 10.5% for investor owned utilities. An equivalent return on equity for Gainesville Regional Utilities is around 6.5%. A lower return for GRU is equivalent to a higher return for an investor owned utility because GRU does not pay income tax. Baker Tilly estimates that income tax reduces the return on rate base by one third for an investor owned utility.

The higher return on equity is needed for GRU's natural gas utility to maintain adequate cash flow and meet the debt service obligations, including the manufactured gas plant debt. The rate of return is higher for natural gas than other GRU services because the value of plant in service is lower relative to the revenue required.

Baker Tilly finds that overall revenue at present rates is reasonably close to the calculated cost of service. However, small differences exist between revenue at present rates and the calculated cost of service for individual customer classes. Ideally, GRU should perform a number of rate studies over time while making small rate changes in the direction of the cost of service.

Please call me at 608 240 2361 or email russ.hissom@bakertilly.com to discuss anything contained in the study. Thank you for the opportunity to work with you on this project. We appreciate the effort GRU staff put into making information available for this study.

Sincerely,

BAKER TILLY VIRCHOW KRAUSE, LLP



Russell A. Hissom, CPA, Partner

Enclosures

GAINESVILLE REGIONAL UTILITIES

FORECASTED NATURAL GAS REVENUE REQUIREMENT, COST OF SERVICE, AND RATE DESIGN

Prepared as of
April 3, 2015

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GAINESVILLE REGIONAL UTILITIES

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ACCOUNTANTS' COMPILATION REPORT

Gainesville Regional Utilities
Gainesville, Florida

We have compiled the accompanying forecasted schedules as identified in the table of contents of the Gainesville Regional Utilities for the years ending September 30, 2015 and 2016, in accordance with applicable guidelines for a compilation of a financial forecast established by the American Institute of Certified Public Accountants attestation standards.

The accompanying schedules present, to the best of management's knowledge and belief, the results of natural gas operations of the Gainesville Regional Utilities for the forecast period. This report was prepared to help GRU establish natural gas rates and should not be used for any other purposes. It is not intended to be a forecast of financial position, changes in net assets, or cash flows in accordance with generally accepted accounting principles.

As disclosed in the Summary of Significant Accounting Policies, in some instances, these forecasted schedules include departures from generally accepted accounting principles. The effect of those departures has not been determined.

A compilation is limited to presenting, in the form of a forecast, information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying statements or assumptions. Furthermore, there will usually be differences between the forecast and actual results since some assumptions inevitably will not materialize and unanticipated events and circumstances may occur, and the variations may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

We have also compiled the summarized historical financial information presented with the forecast for comparative purposes which was taken from the audited financial statements for the years ended September 30, 2013 through September 30, 2014. We have not audited these financial statements.

Management is responsible for the preparation and fair presentation of the historical information and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the historical financial information.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of historical information without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial information.

This report is intended solely for the information and use of Gainesville Regional Utility management and is not intended to be, and should not be, used by anyone other than the specified parties.

Baker Tilly Virchow Krause, LLP
Madison, Wisconsin
April 3, 2015

GAINESVILLE REGIONAL UTILITIES

EXECUTIVE SUMMARY

INTRODUCTION

The Gainesville Regional Utilities retained Baker Tilly Virchow Krause, LLP (Baker Tilly) to forecast the revenue requirement for fiscal year 2016, analyze cost of service, and design natural gas rates.

Baker Tilly used the utility basis to develop the revenue requirement and used the commodity-demand approach to analyze the cost of service. The utility basis differs from the method GRU used in the past to calculate revenue requirement, but it produces a revenue requirement relatively close to revenue at present rates. The major steps in this analysis are summarized below.

REVENUE REQUIREMENT

Baker Tilly forecasted costs, sales, and revenues for fiscal year 2016. Baker Tilly based the forecast on GRU's budget for fiscal year 2016 and historical trends.

	Forecasted Revenue Requirement
Revenue from Rates	\$ 11,353,953
Purchased Gas Adjustment (incl Embedded)	11,490,189
Manufactured Gas Adjustment	1,166,083
	<hr/> 24,009,225
Expenses	
Operation and Maintenance - Fuel	10,703,430
Other Operations and Maintenance	5,925,315
Depreciation	3,465,662
Transfer to the General Fund	2,442,652
Return on Rate Base	3,889,850
Less Other Revenues	<hr/> (2,467,845)
	23,959,064
Rate Increase Required	<hr/> <hr/> \$ (51,161)

The small variance between revenue at present rates and the calculated revenue required indicates that the overall level of rates is appropriate given GRU's costs.

GAINESVILLE REGIONAL UTILITIES

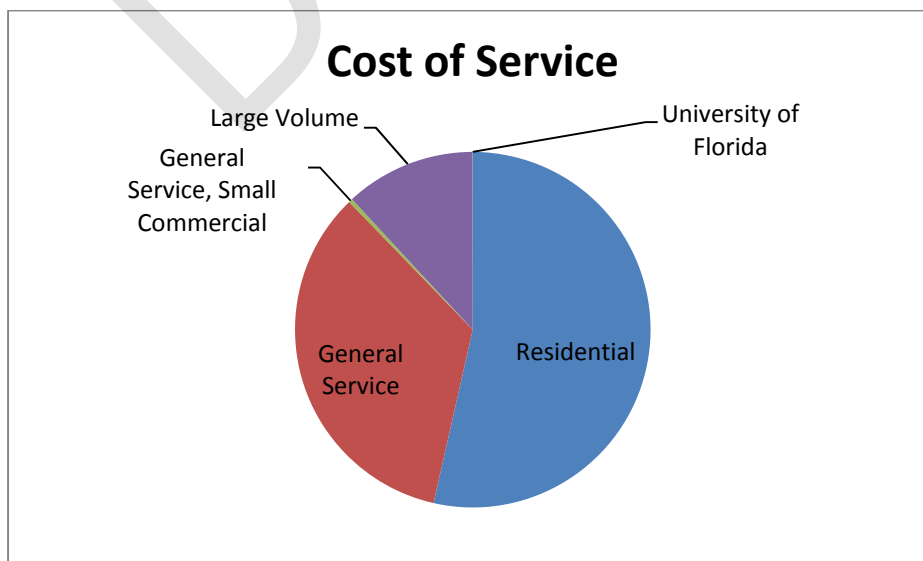
EXECUTIVE SUMMARY (cont.)

COST OF SERVICE

After identifying the revenue needed, Baker Tilly allocated responsibility for the revenue to the customer classes. This process is called a cost of service study. Descriptions of the allocators used in the cost of service study can be found in the Summary of Significant Assumptions below. The following table presents the cost of service by class and compares it to present rates. Customer classes showing a negative percentage change are those with revenue at present rates in excess of allocated costs.

Customer Class	FY16 Forecasted Cost of Service	Forecasted Revenue at Current Rates	Change Required	Percent Change from Current Rates
Residential	\$ 12,827,594	\$ 12,173,316	\$ 654,278	5.37%
General Service	8,200,055	8,856,561	(656,506)	(7.41%)
General Service – Small Commercial	82,444	63,622	18,822	29.58%
Large Volume	2,846,633	2,522,364	324,269	12.86%
University of Florida	2,340	394,364	(392,024)	(99.41%)
Total Cost of Service	\$ 23,959,066	\$ 24,010,227	\$ (51,161)	(.21%)

GRU's current rate for wheeling service to the University of Florida is based on an incremental cost approach. While overall GRU must recover its average embedded cost, incremental cost ratemaking is appropriate for customers in a competitive environment. As long as the rate is greater than the customer's incremental cost, all ratepayers will benefit from bringing the incremental cost customer onto the system. The \$2,340 shown for the cost of service for the University of Florida above represents the customer charge.



GAINESVILLE REGIONAL UTILITIES

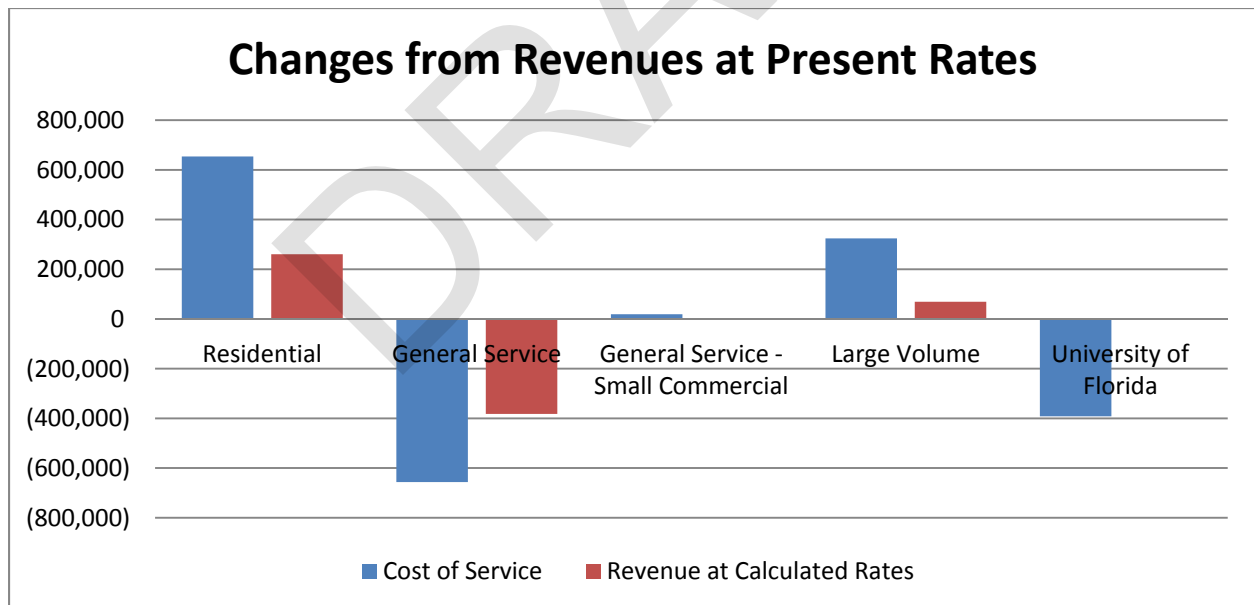
EXECUTIVE SUMMARY (cont.)

RATE DESIGN

The cost of service analysis indicates that forecasted revenues are slightly more than forecasted costs. GRU can adjust rates to match costs to revenues for individual classes. We designed rates to match the cost of service results as much as possible. The results are summarized below.

Because University of Florida rates are fixed by contract, the increase required for the University was absorbed by the other classes.

<u>Customer Class</u>	<u>Cost of Service Change</u>	<u>Proposed Change</u>	<u>Percent Change from Current Rates</u>
Residential	\$ 654,278	\$ 260,870	2.14%
General Service	(656,506)	(382,041)	(4.31%)
General Service – Small Commercial	18,822	-	-
Large Volume	324,269	69,083	2.74%
University of Florida	(392,024)	-	-
Overall Change	\$ (51,161)	\$ (52,088)	(.21%)



GAINESVILLE REGIONAL UTILITIES

SUMMARY OF SIGNIFICANT ASSUMPTIONS

INTRODUCTION

This section discusses the procedures and assumptions used to prepare this natural gas rate study report for Gainesville.

The financial forecast presents, to the best of the Gainesville management's knowledge and belief, the expected results of gas utility operations for the forecast period. Accordingly, the forecast reflects its judgment as of February 27, 2015, the date of this forecast, of the expected conditions and its expected course of action. The assumptions disclosed herein are those that management believes are significant to the forecast. There will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

This rate study does not account for changes to costs or revenues which occur outside of fiscal 2016. GRU management should consider changes expected beyond the test year before revising rates. Ideally, GRU should review a number of rate studies over time and revise rates in light of patterns repeated consistently over time.

FORECASTED OPERATIONS AND MAINTENANCE EXPENSES

Forecasted expenses were based on Gainesville's natural gas budget for fiscal year 2016 and past trends.

Operations and maintenance expenses for fiscal year 2016 are forecasted to increase from the historical average to reflect inflation of utility costs.

FORECASTED REVENUES

Energy and demand recorded in the Gainesville's billing system from October 2013 through September 2014 was multiplied by current Gainesville gas rates to recalculate revenues. The recalculated revenue was compared to actual revenues in Gainesville's financial records, and the difference was within three percent.

Baker Tilly used GRU management's forecasts for energy sales and customer counts in fiscal year 2016.

Baker Tilly assumes that sales are inelastic and do not respond to increases or decreases in rates.

FORECASTED PLANT ADDITIONS AND RETIREMENTS

Baker Tilly forecasted additions to plant in service for fiscal years 2015 and 2016 based on the revised six year capital budget prepared by GRU management. To forecast retirements, Baker Tilly averaged 2011 through 2014 retirements.

GAINESVILLE REGIONAL UTILITIES

SUMMARY OF SIGNIFICANT ASSUMPTIONS (cont.)

ALLOCATORS

Assets and expenses are allocated to the customer classes based on customer class characteristics. The following table describes the relevant characteristics used to allocate costs.

Customer	Customer count is the weighted number of customers in each class.
Commodity	Commodity is the total number of therms each class uses for the year.
Capacity	Capacity is the number of therms each class uses in the peak month. Capacity has been split between Distribution, which includes mains, meters, and services; and System.

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GAINESVILLE REGIONAL UTILITIES

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The statements below are required by the American Institute of Certified Public Accountants for the preparation of a financial forecast in this report.

REVENUE RECOGNITION

Gas revenues are recorded for service rendered based on meter readings, with billings made to customers monthly.

EXPENSES

Historical operation and maintenance expenses and the forecasted fiscal year 2016 expenses are reported on an accrual basis.

PLANT

Additions to and replacement of utility plant are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. The cost of property replaced, retired, or otherwise disposed of is deducted from plant accounts.

DEPRECIATION

Depreciation is computed using straight-line rates applied to the average plant investment balances.

REVENUE REQUIREMENT FORECAST

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Gainesville Regional Utilities
Natural Gas Rate Study Report
Forecasted Revenue Requirement Summary

	<u>Forecasted 2016</u>
Revenues	
Revenue from Rates	\$ 11,353,953
Embedded Fuel Revenue	1,448,377
Purchased Gas Adjustment	9,647,448
Gas Transport Service	394,364
Manufactured Gas Adjustment	1,166,083
Other Revenue - Interest Income	173,153
Other Revenue - Rate Stabilization Transfer	304,484
Other Revenue - Fuel Levelization	(392,395)
Other Revenue - Surcharge Revenue	405,950
Other Revenue - BABs Subsidy	668,272
Other Revenue - Other	1,308,380
Total Revenues	26,478,069
Expenses	
Operation and Maintenance - Purchased Gas	10,703,430
Other Operations and Maintenance	5,925,315
Depreciation	
Depreciation	3,465,662
Transfer to the General Fund	2,442,652
Total Expenses	22,537,059
Net Income	\$ 3,941,011
Net Investment Rate Base	
Plant in Service	\$ 79,041,919
Materials and Supplies	451,717
Accumulated Depreciation	(36,236,020)
Total Rate Base	\$ 43,257,616
Forecasted Return on Rate Base (Net Income above)	3,941,011
Target Return on Rate Base	3,889,850
Rate Increase Required	\$ <u>(51,161)</u>

Gainesville Regional Utilities
Natural Gas Rate Study Report
Forecasted Cash Flow

	Forecasted 2016 at Present Rates	Forecasted 2016 with Rate Change
Sources of Cash		
Revenue from Rates	\$ 11,353,953	\$ 11,348,435
Embedded Fuel Revenue	1,448,377	1,442,297
Purchased Gas Adjustment	9,647,448	9,606,960
Gas Transport Service	394,364	394,364
Manufactured Gas Adjustment	1,166,083	1,166,083
Other Revenue - Interest Income	173,153	173,153
Other Revenue - Rate Stabilization Transfer	304,484	304,484
Other Revenue - Fuel Levelization	(392,395)	(392,395)
Other Revenue - Surcharge Revenue	405,950	405,950
Other Revenue - BABs Subsidy	668,272	668,272
Other Revenue - Other	1,308,380	1,308,380
Total Sources of Cash	26,478,069	26,425,983
Uses of Cash		
Purchased Gas	10,703,430	10,703,430
Other Operations and Maintenance	5,925,315	5,925,315
Debt Service	2,726,305	2,726,305
Manufactured Gas Debt Service	1,494,810	1,494,810
Utility Plant Improvement Fund	3,134,397	3,134,397
Transfer to the General Fund	2,442,652	2,442,652
Working Capital Reserve	-	-
Total Uses of Cash	26,426,909	26,426,909
Net Cash Flow	\$ 51,161	\$ (925)

Gainesville Regional Utilities
Natural Gas Rate Study Report
Rate of Return and Capital Structure

	Forecasted 2016 Cash Basis Capital Costs	Forecasted 2016 Utility Basis Capital Costs
Debt Service	\$ 2,726,305	\$ -
Manufactured Gas Debt Service	1,494,810	-
Utility Plant Improvement Fund	3,134,397	-
Depreciation	-	3,465,662
	7,355,512	3,465,662
Required Return on Rate Base	-	3,889,850
Total Capital Costs	7,355,512	7,355,512
Rate Base		43,257,616
Rate of Return Required for Return of \$3,889,850		8.99%

	Amount	Percent of Capital Structure	Return	Weighted Return
Long-term debt	\$ 68,522,004	83.67%	4.15%	3.47%
Equity	13,371,288	16.33%	33.79%	5.52%
Total	\$ 81,893,292	100.00%		8.99%

Please see Summary of Significant Assumptions and
 Summary of Significant Accounting Policies

Gainesville Regional Utilities
Natural Gas Rate Study Report
Forecasted Operations and Maintenance Expenses

		Actual	Actual	Budgeted	Forecasted
	<u>Fuel</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
804	Gas Purchases	\$ 9,152,509	\$ 10,647,229	\$ 10,656,595	\$ 10,703,430
	<u>Distribution</u>				
870	Gas Dist Op-Sup& Eng	324,463	308,367	357,867	368,609
874	Gas Dist Op-Mains&Ser Exp	399,972	397,926	361,466	373,042
875	Gas Dist Op-Meter & Reg S	10,922	12,443	14,000	13,500
880	Gas Dist Op-Other Exp	136,219	130,597	174,014	176,595
881	Gas Dist Op-Rents	1,415	1,430	636	655
885	Gas Dist-Maint Sup&Eng	124,934	132,070	115,847	118,876
887	Gas Dist-Maint of Mains	70,991	79,431	108,140	111,445
889	Gas Dist-Maint of Meas& e	5,396	12,454	4,900	11,400
890	Gas Dist-Maint of Statn E	11,922	12,911	15,850	15,850
891	Gas Dist-City Gate Meter	6,554	4,410	5,000	5,000
892	Gas Dist-Maint of Serv	(26,593)	(61,802)	16,065	16,548
893	Gas Mt-Meters	203,596	209,865	261,003	269,769
894	Gas Dist Mt-Miscellaneous	2,026	875	3,000	3,060
	Total Distribution Expenses	1,271,816	1,240,978	1,437,789	1,484,349
	<u>Customer Accounts</u>				
901	Cust Service & Accts-Sup	29,136	26,782	28,283	28,758
902	Meter Reading	544,177	595,109	605,195	620,996
903	Cust Records & Collect Ex	1,434,573	1,206,897	1,243,056	1,282,577
904	Uncollectible Accounts	(46,237)	117,202	117,202	117,202
908	Customer Assistance Exp	109,800	127,950	150,000	160,000
909	Inform&Instructl Adverti	60,420	39,127	23,126	23,126
910	Misc Customer Svc&Info Ex	23,948	15,669	13,333	12,741
912	Demo & Selling Expense	3,543	982	296	296
914	Customer Marketing	12,352	2,241	15,766	16,683
916	Misc Sales Expense	283,576	182,823	193,959	199,720
	Total Customer Accounts Expenses	2,455,287	2,314,782	2,390,218	2,462,099
	<u>Administrative and General</u>				
920	Admin & Gen Salaries	839,798	763,150	897,426	912,180
921	Admin&General Exp	169,155	138,556	213,031	220,779
922	Admin&General Exp Transfe	(167,991)	(135,136)	(79,619)	(80,807)
923	Outside Services Employed	291,426	301,449	317,621	326,778
924	Property Ininsurance	93,818	99,687	110,583	114,166
925	Injuries & Damages	36,247	19,717	136,362	140,453
926	Employee Pension & Benefi	(28,628)	14,862	(306,492)	(298,474)
928	Regulatory Assessment Fee	-	41,464	\$40,000	40,000
930	General Advertising Expen	31,539	14,546	54,666	57,820
931	Rents	221,814	221,744	221,681	221,703
935	Maintenance of General PI	328,179	304,509	288,509	324,269
	Total General Expenses	1,815,357	1,784,549	1,893,768	1,978,867
	Total Operations and Maintenance	\$ 14,694,969	\$ 15,987,538	\$ 16,378,369	\$ 16,628,745

Please see Summary of Significant Assumptions and
Summary of Significant Accounting Policies

Gainesville Regional Utilities
Natural Gas Rate Study Report
Revenue Forecast for 2016

	Authorized Rates	Residential		General Service		General Service, Small Commercial		Large Volume		University of Florida		Total	
		Units	Revenue	Units	Revenue	Units	Revenue	Units	Revenue	Units	Revenue	Units	Revenue
Residential Service													
Energy Charge	\$0.43294 per therm	8,217,414	\$ 3,557,647									8,217,414	\$ 3,557,647
Embedded Fuel Cost	0.06906 per therm	8,217,414	567,495									8,217,414	567,495
Purchased Gas Adjustment	0.46000 per therm	8,217,414	3,780,010									8,217,414	3,780,010
Manufactured Gas Adjustment	0.05560 per therm	8,217,414	456,888									8,217,414	456,888
Gross Receipts Tax Index	0.04540 per therm	8,217,414	373,071									8,217,414	373,071
Customer Charge	9.75 per bill	390,900	3,811,275									390,900	3,811,275
General Service													
Energy Charge	0.29594 per therm			9,261,595	\$ 2,740,876							9,261,595	2,740,876
Embedded Fuel Cost	0.06906 per therm			9,261,595	639,606							9,261,595	639,606
Purchased Gas Adjustment	0.46000 per therm			9,261,595	4,260,334							9,261,595	4,260,334
Manufactured Gas Adjustment	0.05560 per therm			9,261,595	514,945							9,261,595	514,945
Gross Receipts Tax Index	0.02710 per therm			9,261,595	250,989							9,261,595	250,989
Customer Charge	40.00 per bill			17,520	700,800							17,520	700,800
General Service, Small Commercial													
Energy Charge	0.42094 per therm					30,809	12,969					30,809	12,969
Embedded Fuel Cost	0.06906 per therm					30,809	2,128					30,809	2,128
Purchased Gas Adjustment	0.46000 per therm					30,809	14,172					30,809	14,172
Manufactured Gas Adjustment	0.05560 per therm					30,809	1,713					30,809	1,713
Gross Receipts Tax Index	0.02710 per therm					30,809	835					30,809	835
Customer Charge	20.00 per bill					1,632	32,640					1,632	32,640
Large Volume													
Energy Charge	0.13594 per therm							3,462,895	\$ 470,746			3,462,895	470,746
Embedded Fuel Cost	0.06906 per therm							3,462,895	\$ 239,148			3,462,895	239,148
Purchased Gas Adjustment	0.46000 per therm							3,462,895	\$ 1,592,932			3,462,895	1,592,932
Manufactured Gas Adjustment	0.05560 per therm							3,462,895	\$ 192,537			3,462,895	192,537
Gross Receipts Tax Index	0.01710 per therm							3,462,895	\$ 59,216			3,462,895	59,216
Customer Charge	375.00 per bill							72	\$ 27,000			72	27,000
University of Florida													
Energy Charge	0.010 per therm									39,076,431	\$ 390,764	39,076,431	390,764
Customer Charge	300.00 per bill									12	3,600	12	3,600
User Charge Revenue			7,368,922		3,441,676		45,609		497,746		-		11,353,953
Embedded Fuel Cost			567,495		639,606		2,128		239,148		-		1,448,377
Purchased Gas Adjustment			3,780,010		4,260,334		14,172		1,592,932		-		9,647,448
Manufactured Gas Adjustment			456,888		514,945		1,713		192,537		-		1,166,083
Gas Transport Service			-		-		-		-		-	394,364	394,364
Total 2016 Revenues			<u>\$ 12,173,315</u>		<u>\$ 8,856,561</u>		<u>\$ 63,622</u>		<u>\$ 2,522,363</u>		<u>\$ 394,364</u>		<u>\$ 24,010,225</u>

Note: Did not include gross receipts tax billed to customers in the total revenues as that is pass through

Gainesville Regional Utilities
Natural Gas Rate Study Report
Forecasted Plant in Service

Acct.		Actual Balance	FY 2015 Estimated		Forecasted Balance	FY 2016 Forecasted		Forecasted Balance	Test Year Average
No.	Account Description	9/30/2014	Additions	Retirements	9/30/2015	Additions	Retirements	9/30/2016	Balance
370	Meters	9,964	-	-	9,964	-	-	9,964	9,964
374	Land and Land Rights	430,499	24,341	-	454,841	25,461	-	480,302	467,572
	<u>Distribution Plant</u>								
375	Structures and Improvements	-	-	-	-	-	-	-	-
376	Distribution Plant - Reserved	-	-	-	-	-	-	-	-
377	Mains	42,653,519	3,527,843	(10,997)	46,170,365	3,323,902	(10,997)	49,483,270	47,826,818
378	Fire Mains	41,478	-	-	41,478	-	-	41,478	41,478
379	Services	6,656,865	897,206	-	7,554,071	938,516	-	8,492,587	8,023,329
380	Meters	7,480,604	810,496	(134,229)	8,156,871	847,800	(134,229)	8,870,442	8,513,656
381	Backflow Preventers	-	-	-	-	-	-	-	-
382	Hydrants	-	-	-	-	-	-	-	-
383	House Regulators	2,822,319	-	(13,191)	2,809,128	-	(13,191)	2,795,937	2,802,532
384	Measuring and Regulating Stations	326,960	349,968	(2,018)	674,909	426,084	(2,018)	1,098,975	886,942
385	Gas Gate Stations	840,108	-	(8,463)	831,646	-	(8,463)	823,183	827,415
386	Tanks and Installations	29,835	-	-	29,835	-	-	29,835	29,835
	Total Distribution Plant	60,851,689	5,585,512	(168,898)	66,268,304	5,536,302	(168,898)	71,635,708	68,952,005
	<u>General Plant</u>								
387	Reclaimed Water	-	-	-	-	-	-	-	-
389	Land and Land Rights	176,247	-	-	176,247	-	-	176,247	176,247
390	Structures and Improvements	3,839,888	226,038	-	4,065,926	127,962	-	4,193,888	4,129,907
391	Office Furniture and Equipment	1,287,860	75,811	(21,218)	1,342,454	42,249	(21,218)	1,363,486	1,352,970
391.1	Computers and Electronics	1,272,792	74,924	(20,969)	1,326,747	41,755	(20,969)	1,347,533	1,337,140
392	Transportation Equipment	966,676	56,904	(23,807)	999,773	31,465	(23,807)	1,007,431	1,003,602
393	Stores Equipment	-	-	-	-	-	-	-	-
394	Tools, Shop and Garage Equipment	226,972	13,361	(2,746)	237,587	7,477	(2,746)	242,319	239,953
395	Laboratory Equipment	128,528	7,566	(2,944)	133,150	4,190	(2,944)	134,397	133,773
396	Power Operated Equipment	1,123,468	66,134	(65,936)	1,123,666	35,364	(65,936)	1,093,094	1,108,380
397	Communication Equipment	1,633	96	(8,292)	(6,563)	(207)	(8,292)	(15,061)	(10,812)
398	Miscellaneous Equipment	131,301	7,729	-	139,030	4,376	-	143,406	141,218
399	Other Tangible Property	-	-	-	-	-	-	-	-
	Total General Plant	9,155,364	528,564	(145,910)	9,538,017	294,632	(145,910)	9,686,739	9,612,378
	Total Plant In Service	\$ 70,447,516	\$ 6,138,418	\$ (314,808)	\$ 76,271,126	\$ 5,856,395	\$ (314,808)	\$ 81,812,713	\$ 79,041,919

Please see Summary of Significant Assumptions and
Summary of Significant Accounting Policies

Gainesville Regional Utilities
Natural Gas Rate Study Report
Forecasted Depreciation Expense

Account Number	Account Description	Depreciation Rates	2015 Depreciable Balance	2015 Depreciation Expense	2016 Depreciable Balance	2016 Depreciation Expense
370	Meters	5.08%	9,964	506	9,964	506
374	Land and Land Rights	0.00%	442,670	-	467,572	-
Distribution Plant						
375	Structures and Improvements	0.00%	-	-	-	-
376	Distribution Plant - Reserved	0.00%	-	-	-	-
377	Mains	4.70%	44,411,942	2,087,361	47,826,818	2,247,860
378	Fire Mains	0.00%	41,478	-	41,478	-
379	Services	0.80%	7,105,468	56,844	8,023,329	64,187
380	Meters	5.08%	7,818,737	397,192	8,513,656	432,494
381	Backflow Preventers	0.00%	-	-	-	-
382	Hydrants	0.00%	-	-	-	-
383	House Regulators	4.78%	2,815,723	134,592	2,802,532	133,961
384	Measuring and Regulating Stations	2.97%	500,935	14,878	886,942	26,342
385	Gas Gate Stations	3.22%	835,877	26,915	827,415	26,643
386	Tanks and Installations	0.84%	29,835	251	29,835	251
Total Distribution Plant			63,559,995	2,718,033	68,952,005	2,931,738
General Plant						
389	Land and Land Rights	0.00%	176,247	-	176,247	-
390	Structures and Improvements	2.33%	3,952,907	92,103	4,129,907	96,227
391	Office Furniture and Equipment	7.07%	1,315,157	92,982	1,352,970	95,655
391.1	Computers and Electronics	9.90%	1,299,769	128,677	1,337,140	132,377
392	Transportation Equipment	9.00%	983,224	88,490	1,003,602	90,324
393	Stores Equipment	0.00%	-	-	-	-
394	Tools, Shop and Garage Equipment	6.13%	232,279	14,239	239,953	14,709
395	Laboratory Equipment	6.25%	130,839	8,177	133,773	8,361
396	Power Operated Equipment	7.92%	1,123,567	88,987	1,108,380	87,784
397	Communication Equipment	6.25%	(2,465)	(154)	(10,812)	(676)
398	Miscellaneous Equipment	6.13%	135,165	8,286	141,218	8,657
399	Other Tangible Property	0.00%	-	-	-	-
Total General Plant			9,346,689	521,787	9,612,378	533,418
Total Plant In Service			\$ 73,359,318	\$ 3,240,326	\$ 79,041,919	\$ 3,465,662

Please see Summary of Significant Assumptions and
Summary of Significant Accounting Policies

Gainesville Regional Utilities
Natural Gas Rate Study Report
Forecasted Accumulated Depreciation

Acct.	No.	Account Description	Actual	Forecasted			Forecasted	Test Year		
			Balance 9/30/2014	FY 2015 Forecasted		Balance 9/30/2015	FY 2016 Forecasted		Balance 9/30/2016	Average Balance
				Depreciation	Retirements		Depreciation	Retirements		
	370	Meters	(415)	-	-	(415)	-	-	(415)	(415)
	374	Land and Land Rights	-	-	-	-	-	-	-	-
		<u>Distribution Plant</u>								
	375	Structures and Improvements	-	-	-	-	-	-	-	-
	376	Distribution Plant - Reserved	-	-	-	-	-	-	-	-
	377	Mains	(18,737,624)	(2,087,361)	10,997	(20,813,988)	(2,247,860)	10,997	(23,050,851)	(21,932,420)
	378	Fire Mains	(577)	-	-	(577)	-	-	(577)	(577)
	379	Services	(6,544,333)	(56,844)	-	(6,601,177)	(64,187)	-	(6,665,364)	(6,633,270)
	380	Meters	(3,917,321)	(397,192)	134,229	(4,180,284)	(432,494)	134,229	(4,478,549)	(4,329,417)
	381	Backflow Preventers	-	-	-	-	-	-	-	-
	382	Hydrants	-	-	-	-	-	-	-	-
	383	House Regulators	(1,046,495)	(134,592)	13,191	(1,167,896)	(133,961)	13,191	(1,288,666)	(1,228,281)
	384	Measuring and Regulating Stations	(214,131)	(14,878)	2,018	(226,991)	(26,342)	2,018	(251,314)	(239,153)
	385	Gas Gate Stations	(194,026)	(26,915)	8,463	(212,478)	(26,643)	8,463	(230,659)	(221,568)
	386	Tanks and Installations	(29,569)	(251)	-	(29,820)	(251)	-	(30,071)	(29,946)
		Total Distribution Plant	(30,684,076)	(2,718,033)	168,898	(33,233,211)	(2,931,738)	168,898	(35,996,052)	(34,614,632)
		<u>General Plant</u>								
	389	Land and Land Rights	-	-	-	-	-	-	-	-
	390	Structures and Improvements	(237,648)	(92,103)	-	(329,751)	(96,227)	-	(425,978)	(377,865)
	391	Office Furniture and Equipment	(315,583)	(92,982)	21,218	(387,347)	(95,655)	21,218	(461,785)	(424,566)
	391.1	Computers and Electronics	(632,406)	(128,677)	20,969	(740,113)	(132,377)	20,969	(851,521)	(795,817)
	392	Transportation Equipment	(371,448)	(88,490)	23,807	(436,131)	(90,324)	23,807	(502,648)	(469,390)
	393	Stores Equipment	-	-	-	-	-	-	-	-
	394	Tools, Shop and Garage Equipment	(143,049)	(14,239)	2,746	(154,542)	(14,709)	2,746	(166,506)	(160,524)
	395	Laboratory Equipment	(84,854)	(8,177)	2,944	(90,087)	(8,361)	2,944	(95,505)	(92,796)
	396	Power Operated Equipment	638,124	(88,987)	65,936	615,073	(87,784)	65,936	593,225	604,149
	397	Communication Equipment	1,599	154	8,292	10,044	676	8,292	19,012	14,528
	398	Miscellaneous Equipment	93,922	(8,286)	-	85,636	(8,657)	-	76,979	81,308
	399	Other Tangible Property	-	-	-	-	-	-	-	-
		Total General Plant	(1,051,342)	(521,787)	145,910	(1,427,219)	(533,418)	145,910	(1,814,727)	(1,620,973)
		Total Plant In Service	\$ (31,735,833)	\$ (3,239,820)	\$ 314,808	\$ (34,660,846)	\$ (3,465,156)	\$ 314,808	\$ (37,811,194)	\$ (36,236,020)

Please see to Summary of Significant Assumptions
and Summary of Significant Accounting Policies

COST OF SERVICE ANALYSIS

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Gainesville Regional Utilities
Natural Gas Rate Study Report
Allocation of Operations and Maintenance Expenses to Cost Functions

Account Number	Account Description	Forecasted 2016	Cost Components			
			Customer	Commodity	Demand - Distribution	Demand - System
<u>Fuel</u>						
804	Gas Purchases	\$ 10,703,430	-	10,703,430	-	-
<u>Distribution</u>						
870	Gas Dist Op-Sup& Eng	368,609	-	-	-	368,609
874	Gas Dist Op-Mains&Ser Exp	373,042	-	-	373,042	-
875	Gas Dist Op-Meter & Reg S	13,500	13,500	-	-	-
880	Gas Dist Op-Other Exp	176,595	-	-	-	176,595
881	Gas Dist Op-Rents	655	-	-	-	655
885	Gas Dist-Maint Sup&Eng	118,876	-	-	-	118,876
887	Gas Dist-Maint of Mains	111,445	-	-	111,445	-
889	Gas Dist-Maint of Meas& e	11,400	-	-	-	11,400
890	Gas Dist-Maint of Statn E	15,850	-	-	-	15,850
891	Gas Dist-City Gate Meter	5,000	-	-	-	5,000
892	Gas Dist-Maint of Serv	16,548	-	-	16,548	-
893	Gas Mt-Meters	269,769	269,769	-	-	-
894	Gas Dist Mt-Miscellaneous	3,060	-	-	-	3,060
	Total Distribution Expenses	1,484,349	283,269	-	501,036	700,044
<u>Customer Accounts</u>						
901	Cust Service & Accts-Sup	28,758	28,758	-	-	-
902	Meter Reading	620,996	620,996	-	-	-
903	Cust Records & Collect Ex	1,282,577	1,282,577	-	-	-
904	Uncollectible Accounts	117,202	117,202	-	-	-
908	Customer Assistance Exp	160,000	160,000	-	-	-
909	Inform&Instructl Adverti	23,126	23,126	-	-	-
910	Misc Customer Svc&Info Ex	12,741	12,741	-	-	-
912	Demo & Selling Expense	296	296	-	-	-
913	A&G Advertising Expense	-	-	-	-	-
914	Customer Marketing	16,683	16,683	-	-	-
916	Misc Sales Expense	199,720	199,720	-	-	-
	Expenses	2,462,099	2,462,099	-	-	-
Average Allocation without Admin and General			18.74%	73.06%	3.42%	4.78%
<u>Administrative and General</u>						
920	Admin & Gen Salaries	912,180	170,943	666,438	31,197	43,602
921	Admin&General Exp	220,779	41,374	161,301	7,551	10,553
922	Admin&General Exp Transfe	(80,807)	(15,143)	(59,037)	(2,764)	(3,863)
923	Outside Services Employed	326,778	61,238	238,744	11,176	15,620
924	Property Insurance	114,166	21,395	83,410	3,904	5,457
925	Injuries & Damages	140,453	26,321	102,615	4,803	6,714
926	Employee Pension & Benefi	(298,474)	(55,934)	(218,065)	(10,208)	(14,267)
928	Regulatory Assessment Fee	40,000	7,496	29,224	1,368	1,912
930	General Advertising Expen	57,820	10,836	42,243	1,977	2,764
931	Rents	221,703	41,547	161,977	7,582	10,597
935	Maintenance of General Pl	324,269	60,768	236,911	11,090	15,500
	Total General Expenses	1,978,867	370,841	1,445,761	67,676	94,589
Total Operations and Maintenance			\$ 3,116,209	\$ 12,149,191	\$ 568,712	\$ 794,633

Gainesville Regional Utilities
Natural Gas Rate Study Report
Allocation of Depreciation Expenses to Cost Functions

Account Number	Account Description	Forecasted 2016 Depreciation Expense	Cost Components			
			Customer	Commodity	Demand - Distribution	Demand - System
370	Meters	506	-	-	506	-
374	Land and Land Rights	-	-	-	-	-
<u>Distribution Plant</u>						
375	Structures and Improvements	-	-	-	-	-
376	Distribution Plant - Reserved	-	-	-	-	-
377	Mains	2,247,860	-	-	2,247,860	-
378	Fire Mains	-	-	-	-	-
379	Services	64,187	-	-	64,187	-
380	Meters	432,494	-	-	432,494	-
381	Backflow Preventers	-	-	-	-	-
382	Hydrants	-	-	-	-	-
383	House Regulators	133,961	-	-	-	133,961
384	Measuring and Regulating Stations	26,342	-	-	-	26,342
385	Gas Gate Stations	26,643	-	-	-	26,643
386	Tanks and Installations	251	-	-	-	251
	Total Distribution Plant	2,931,738	-	-	2,744,541	187,197
<u>General Plant</u>						
389	Land and Land Rights	-	-	-	-	- A
390	Structures and Improvements	96,227	66,937	-	12,216	17,074 A
391	Office Furniture and Equipment	95,655	66,540	-	12,143	16,972 A
391.1	Computers and Electronics	132,377	92,084	-	16,805	23,488 A
392	Transportation Equipment	90,324	62,831	-	11,467	16,026 A
393	Stores Equipment	-	-	-	-	- A
394	Tools, Shop and Garage Equipment	14,709	10,232	-	1,867	2,610 A
395	Laboratory Equipment	8,361	5,816	-	1,061	1,484 A
396	Power Operated Equipment	87,784	61,064	-	11,144	15,576 A
397	Communication Equipment	(676)	(470)	-	(86)	(120) A
398	Miscellaneous Equipment	8,657	6,022	-	1,099	1,536 A
399	Other Tangible Property	-	-	-	-	- A
	Total General Plant	533,418	371,056	-	67,716	94,646
Total Depreciation Expense		\$ 3,465,662	\$ 371,056	\$ -	\$ 2,812,763	\$ 281,843

A - Allocated on the basis of administrative and general expenses excluding the allocation to commodity.

Gainesville Regional Utilities
Natural Gas Rate Study Report
Customer Class Allocation Factors

Commodity and Capacity Allocation

Class	January	February	March	April	May	June	July	August	September	October	November	December
Residential	1,386,708	1,983,343	1,099,046	667,421	426,526	340,014	298,892	288,639	303,145	297,256	427,133	699,291
General Service	650,245	731,277	887,489	1,100,344	1,192,576	927,296	787,704	711,131	613,207	557,265	533,740	569,321
General Service, Small Commercial	2	1,304	2,292	4,342	8,243	4,647	3,011	1,614	1,443	1,150	1,457	1,304
Large Volume	183,163	245,861	258,700	282,383	267,805	235,690	376,036	341,936	340,267	275,969	281,316	373,769
University of Florida	<u>3,212,201</u>	<u>3,037,438</u>	<u>3,583,295</u>	<u>3,680,228</u>	<u>3,612,104</u>	<u>2,249,065</u>	<u>3,501,694</u>	<u>3,160,890</u>	<u>3,254,129</u>	<u>3,308,144</u>	<u>3,172,392</u>	<u>3,304,851</u>
Total	5,432,319	5,999,223	5,830,822	5,734,718	5,507,254	3,756,712	4,967,337	4,504,210	4,512,191	4,439,784	4,416,038	4,948,536

Class	Commodity Allocation		Adjusted	
	Annual Therms	Allocation	Therms	Allocation
Residential	8,217,414	13.68%	8,217,414	39.18%
General Service	9,261,595	15.42%	9,261,595	44.16%
General Service, Small Commercial	30,809	0.05%	30,809	0.15%
Large Volume	3,462,895	5.77%	3,462,895	16.51%
University of Florida	<u>39,076,431</u>	<u>65.08%</u>	<u>0</u>	<u>0.00%</u> A
Total	60,049,144	100.00%	20,972,713	100.00%

Class	Capacity Allocation		Adjusted	
	Peak Therms	Allocation	Therms	Allocation
Residential	1,983,343	27.39%	1,983,343	55.71%
General Service	1,192,576	16.47%	1,192,576	33.50%
General Service, Small Commercial	8,243	0.11%	8,243	0.23%
Large Volume	376,036	5.19%	376,036	10.56%
University of Florida	<u>3,680,228</u>	<u>50.84%</u>	<u>0</u>	<u>0.00%</u>
Total	7,240,426	100.00%	3,560,198	100.00%

A - Because the University of Florida does not purchase gas from GRU, they are not allocated purchased gas costs.

Customer Allocation

Class	Customers	Weighting Factor	Weighted Customers	Allocation
Residential	32,575	1	32,575	93.82%
General Service	1,660	1	1,660	4.78%
General Service, Small Commercial	136	3	408	1.18%
Large Volume	11	5	55	0.16%
University of Florida	<u>2</u>	<u>10</u>	<u>20</u>	<u>0.06%</u>
Total	34,384		34,718	100.00%

Gainesville Regional Utilities
Natural Gas Rate Study Report
Summary of Costs by Function

	Forecasted 2016	Cost Components			
		Customer	Commodity	Demand - Distribution	Demand - System
Operations and Maintenance					
Purchased Gas	\$ 10,703,430	\$ -	\$ 10,703,430	\$ -	\$ -
Non-Fuel Expenses	<u>5,925,315</u>	<u>3,116,209</u>	<u>1,445,761</u>	<u>568,712</u>	<u>794,633</u>
Total Operations and Maintenance	16,628,745	3,116,209	12,149,191	568,712	794,633
Capital					
Depreciation	3,465,662	371,056	-	2,812,763	281,843
Return on Ratebase	<u>3,889,850</u>	<u>416,472</u>	<u>-</u>	<u>3,157,038</u>	<u>316,340</u>
Total Capital	7,355,512	787,528	-	5,969,801	598,183
Allocation of Capital and O&M		16.28%	50.65%	27.26%	5.81%
Transfer to the General Fund	2,442,652	397,664	1,237,203	665,867	141,918
Other Revenue	<u>(2,467,844)</u>	<u>(401,765)</u>	<u>(1,249,963)</u>	<u>(672,734)</u>	<u>(143,382)</u>
Total Revenue Required	<u>\$ 23,959,064</u>	<u>\$ 3,899,636</u>	<u>\$ 12,136,431</u>	<u>\$ 6,531,646</u>	<u>\$ 1,391,352</u>

Gainesville Regional Utilities
Natural Gas Rate Study Report
Summary of Costs by Rate Class

	Rate Classes					
	Forecasted 2016	Residential	General Service	General Service, Small Commercial	Large Volume	University of Florida
Cost Components						
Customer	\$ 3,899,636	\$ 3,658,638	\$ 186,403	\$ 46,016	\$ 6,239	\$ 2,340
Commodity - Fuel	10,703,430	4,193,604	4,726,635	16,055	1,767,136	-
Commodity - Non-Fuel	1,433,002	561,450	632,814	2,150	236,589	-
Demand - Distribution	6,531,646	3,638,780	2,188,101	15,023	689,742	-
Demand - System	1,391,352	775,122	466,103	3,200	146,927	-
Total Revenue Required	23,959,066	12,827,594	8,200,055	82,444	2,846,633	2,340
Revenue Forecast at Present Rates	24,010,227	12,173,316	8,856,561	63,622	2,522,364	394,364
Rate Change Required	\$ (51,161)	\$ 654,278	\$ (656,506)	\$ 18,822	\$ 324,269	\$ (392,024)
Percent Change Required	-0.21%	5.37%	-7.41%	29.58%	12.86%	-99.41%

Please see Summary of Significant Assumptions and
Summary of Significant Accounting Policies

RATE DESIGN

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Gainesville Regional Utilities
Natural Gas Rate Study Report
Rate Design

Rate Class	Units	Current Rates	Proposed Rates	Residential		General Service		General Service Small Commercial		Large Volume		University of Florida	
				Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed
Residential													
Energy Charge	8,217,414 Therms	\$0.43294	\$0.45	3,557,647	3,675,050								
Embedded Gas	8,217,414 Therms	0.06906	\$0.07134	567,495	586,222								
Purchased Gas													
Adjustment	8,217,414 Therms	0.46000	\$0.47518	3,780,011	3,904,751								
Manufactured Gas													
Adjustment	8,217,414 Therms	0.05560	\$0.05560	456,888	456,888								
Customer Charge	390,900 Customer Months	9.75	\$9.75	3,811,275	3,811,275								
General Service													
Energy Charge	9,261,595 Therms	0.29594	0.28			2,740,876	2,603,833						
Embedded Gas	9,261,595 Therms	0.06906	0.07			639,606	607,625						
Purchased Gas													
Adjustment	9,261,595 Therms	0.46000	0.44			4,260,334	4,047,317						
Manufactured Gas													
Adjustment	9,261,595 Therms	0.05560	0.05560			514,945	514,945						
Customer Charge	17,520 Customer Months	40.00	40.00			700,800	700,800						
General Service Small Commercial													
Energy Charge	30,809 Therms	0.42094	0.42094					12,969	12,969				
Embedded Gas	30,809 Therms	0.06906	0.06906					2,128	2,128				
Purchased Gas													
Adjustment	30,809 Therms	0.46000	0.46000					14,172	14,172				
Manufactured Gas													
Adjustment	30,809 Therms	0.05560	0.05560					1,713	1,713				
Customer Charge	1,632 Customer Months	20.00	20.00					32,640	32,640				
Large Volume													
Energy Charge	3,462,895 Therms	0.13594	0.14							470,746	484,868		
Embedded Gas	3,462,895 Therms	0.06906	0.07							239,148	246,322		
Purchased Gas													
Adjustment	3,462,895 Therms	0.46000	0.47							1,592,933	1,640,720		
Manufactured Gas													
Adjustment	3,462,895 Therms	0.05560	0.05560							192,537	192,537		
Customer Charge	72 Customer Months	375.00	375.00							27,000	27,000		
University of Florida													
Energy Charge	39,076,431 Therms	0.01000	0.01000									390,764	390,764
Customer Charge	12 Customer Months	300.00	300.00									3,600	3,600
				7,368,922	7,486,325	3,441,676	3,304,633	45,609	45,609	497,746	511,868	-	-
User Charges				567,495	586,222	639,606	607,625	2,128	2,128	239,148	246,322	-	-
Embedded Fuel				3,780,011	3,904,751	4,260,334	4,047,317	14,172	14,172	1,592,933	1,640,720	-	-
Purchased Gas Adjustment				456,888	456,888	514,945	514,945	1,713	1,713	192,537	192,537	-	-
Manufactured Gas Adjustment				-	-	-	-	-	-	-	-	394,364	394,364
Gas Transport Service													
Forecasted 2016 Revenues at Proposed Rates				<u>\$ 12,434,186</u>		<u>\$ 8,474,520</u>		<u>\$ 63,622</u>		<u>\$ 2,591,447</u>		<u>\$ 394,364</u>	
Proposed Difference from Cost of Service				(393,408)		274,465		(18,822)		(255,186)		392,024	

Please see Summary of Significant Assumptions and Summary of Significant Accounting Policies

Gainesville Regional Utilities
Natural Gas Rate Study Report
Service Charges and Deposits

Description	Current Rate	Workers	Labor	Travel	Labor Rate	Labor Cost	Vehicle	Vehicle	Vehicle	Equipment	Total
			Hours	Hours			Hours	Rate	Cost		
Natural Gas Turn On - Residential	\$ 50.00	1.00	0.50	0.30	\$ 39.48	\$ 31.58	0.80	\$ 20.00	\$ 16.00	\$ -	\$ 48.00
Natural Gas Turn On with Water or Electric - Residential	40.00	1.00	0.50	0.15	39.48	25.66	0.65	20.00	13.00	-	39.00
Natural Gas Turn On - Non-Residential	100.00	1.00	1.00	0.30	39.48	51.32	1.30	20.00	26.00	-	77.00
Natural Gas Turn On with Water or Electric- Non-Residential	100.00	1.00	1.00	0.15	39.48	45.40	1.15	20.00	23.00	-	68.00
Collection Agency Transfer Fee	25%										25%
Remote Read (ERT) Meter Installation - Gas	59.00	1.00	1.25	0.30	29.61	45.90	1.55	20.00	31.00	20.00	97.00
Field Visit	25.00	1.00	0.25	0.30	29.61	16.29	0.55	20.00	11.00	-	27.00
Scheduled Meter Reading	20.00	1.00	0.25	0.30	18.33	10.08	0.55	20.00	11.00	-	21.00
Meter Reread - Reading Correct	20.00	1.00	0.25	0.30	18.33	10.08	0.55	20.00	11.00	-	21.00
Conservation Appointment - Customer Failed to Show	20.00	1.00	0.10	0.30	29.61	11.84	0.40	20.00	8.00	-	20.00
Gas Appointment - Customer Failed to Show	20.00	1.00	0.10	0.30	39.48	15.79	0.40	20.00	8.00	-	24.00
Light Pilot Light	50.00	1.00	0.50	0.30	39.48	31.58	0.80	20.00	16.00	-	48.00
Delinquent Disconnection - Base Charge	40.00	1.00	0.50	0.30	39.48	31.58	0.80	20.00	16.00	-	48.00
Delinquent Disconnection - After Hours Adder	40.00	1.00	1.70	0.30	43.43	86.86	-	20.00	-	-	87.00
Delinquent Disconnection - Weekend / Holiday Adder	50.00	1.00	1.70	0.30	43.43	86.86	-	20.00	-	-	87.00
Delinquent Disconnection - Commercial Gas Adder	30.00	1.00	0.50	-	39.48	19.74	0.50	20.00	10.00	-	30.00
Customer Requested Temporary Meter Disconnection	20.00	1.00	0.50	0.30	39.48	31.58	0.80	20.00	16.00	-	48.00
Gas Meter Test	10.00	1.00	0.50	0.30	39.48	31.58	0.80	20.00	16.00	-	48.00
Unauthorized Service Investigation	65.00	2.50	0.50	0.30	29.61	59.22	0.80	20.00	16.00	-	75.00
GRU Late Payment Fee	1.00 or 1.5%										1.00 or 1.5%
Residential Deposit	50.00										63.62

Assumptions	Pay Rate	Overhead Rate	Loaded Rate
Labor			
Field Service Rep	\$21	41%	\$29.61
Meter Reader	\$13	41%	\$18.33
Specialized Natural Gas	\$28	41%	\$39.48
Vehicle			
Utility Truck	\$20		
Bucket Truck	\$40		