



PEOPLES GAS

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September 26, 2001

RECEIVED FPSC 01 SEP 27 AM 10:28 COMMISSION CLERK

VIA FEDERAL EXPRESS

Blanca S. Bayo, Director
Division of Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 000003-GU -- Purchased Gas Adjustment (PGA) Clause
True-Up Projections and Testimony for January 2002 - December 2002.

Dear Ms. Bayo:

Enclosed for filing in the above docket on behalf of Peoples Gas System ("Peoples"), please find the original and 10 copies of its Petition for Approval of PGA Factor for Application to Bills to be Rendered During the Period January 2002 Through December 2002.

Enclosed also for filing on behalf of Peoples, please find 10 copies of Ed Elliott's testimony and 10 copies of Composite Exhibit EE-2 to Mr. Elliott's testimony.

Please acknowledge your receipt and filing of the enclosures by stamping the duplicate copy of this letter which is enclosed and returning the same to the undersigned. Thank you for your assistance.

Sincerely,

David M. Nicholson (handwritten signature)

David M. Nicholson
Corporate Counsel, Peoples Gas System

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CAF
OMP
COM 5
CTR
EOR
LEG I
OPC
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OT: (handwritten initials)

PEOPLES GAS
1720 NORTH FRANKLIN STREET
P.O. BOX 2562
TAMPA, FL 33601-2562
AN EQUAL OPPORTUNITY COMPANY

RECEIVED & FILED

FPSC-BUREAU OF RECORDS (with handwritten 'Petition' and 'Testimony')

DOCUMENT NUMBER-DATE

12201 SEP 27 01

FPSC-COMMISSION CLERK

Petition
DOCUMENT NO.
12252-01
9-27-01

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Purchased Gas Adjustment)
Clause)
_____)

DOCKET NO. 010003-GU
Filed: September 27, 2001

PETITION OF PEOPLES GAS SYSTEM FOR APPROVAL
OF PGA FACTOR FOR APPLICATION TO BILLS TO BE RENDERED
DURING THE PERIOD JANUARY 2002 THROUGH DECEMBER 2002

Peoples Gas System ("Peoples"), by its undersigned attorneys, hereby files its petition for approval of its purchased gas adjustment ("PGA") factor to be applied to bills beginning the first billing cycle in January 2002 through the last billing cycle in December 2002, inclusive, and in support thereof says:

1. The name of the petitioner and the mailing address of its principal office is:

Peoples Gas System
P.O. Box 2562
Tampa, Florida 33601-2562

2. The names and mailing address of the persons authorized to receive notices and communications with respect to this petition are:

David M. Nicholson, Esq.
Ellen W. Anderton, Esq.
TECO Energy, Inc.
P.O. Box 111
Tampa, Florida 33601-0111

3. By its Orders Nos. 24463 and 24463-A in this docket, the Commission adopted a revised method for the recovery of purchased gas costs by regulated natural gas utilities, to be used for the recovery of such costs commencing October 1, 1991.

Submitted herewith is Peoples' Composite Exhibit EE-2, consisting of Schedules E-1, E-1/R, E-2, E-3, E-4 and E-5. The schedules in Composite Exhibit EE-2 are used to compute a

DOCUMENT NUMBER-DATE

12252 SEP 27 01

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maximum PGA factor for application to bills rendered for gas sold by Peoples during the twelve-month period of January 2002 through December 2002 (the "Projection Period").

4. The maximum PGA factor calculated in Composite Exhibit EE-2 basically represents (A) the sum of the final net true-up amount for the period January 1, 2000 through December 31, 2000, the estimated or projected true-up (based on actual data for eight months and projected data for four months) for the period January 1, 2001 through December 31, 2001, both true-up amounts including interest, and Peoples' projected cost of purchased gas for the January 2002 through December 2002 period, without interest, (B) divided by Peoples' projected therm sales for the Projection Period.

By its order No. PSC-99-0634-FOF-GU in Docket No. 981698-GU the Commission approved a methodology for charging separate Purchased Gas Adjustment Factors for different customer classes. The maximum (cap) PGA factor for which Peoples seeks approval for the Projection Period is the Residential factor shown on Line 45, Page 2 of Schedule E-1 of Composite Exhibit EE-2, and is \$0.98473 per therm.

WHEREFORE, Peoples Gas System respectfully requests that the Commission enter its order approving Peoples' proposed maximum (cap) PGA factor of \$0.98473 per therm for application to bills beginning the first billing cycle in January 2002 through the last billing cycle in December 2002.


Respectfully submitted,



David M. Nicholson, Esq.
Corporate Counsel, Peoples Gas System
P.O. Box 111
Tampa, Florida 33601
(813) 228-1556

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Petition and the Direct Testimony of W. Edward Elliott has been furnished by regular U.S. Mail this 26th day of September, 2001, to all known parties of record in Docket No. 000003-GU.

A handwritten signature in cursive script, appearing to read "David M. Nicholson", written in black ink.

David M. Nicholson