

ORIGINAL



PEOPLES GAS

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October 9, 2003

VIA FEDERAL EXPRESS

Blanca S. Bayo, Director
Division of Commission Clerk & Administrative Services
Florida Public Service Commission
Capital Circle Office Center
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

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CLERK

Re: Docket No. 030003-GU – Purchased Gas Adjustment (PGA)
Preliminary Statement of Issues and Positions

Dear Ms. Bayo:

Enclosed for filing in the above-referenced docket on behalf of Peoples Gas System (“Peoples”), please find the original and 15 copies of its Preliminary Statement of Issues and Positions.

Please acknowledge your receipt and the date of filing of the enclosures on the duplicate copy of this letter and return the same to the undersigned in the enclosed pre-addressed envelope.

Thank you for your assistance.

Sincerely,

Matthew R. Costa
Corporate Counsel

RECEIVED & FILED

M
FPSC-BUREAU OF RECORDS

MRC/sb
Enclosures
cc: Ms. Angie Llewellyn
Mr. W. Edward Elliott
Ms. Wraye Grimard
All Parties of Record

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

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WWW.PEOPLES GAS.COM

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas : Docket No. 030003-GU
Adjustment (PGA) Clause :
_____ : Submitted for Filing: 10-10-03

**PEOPLES GAS SYSTEM'S
PRELIMINARY STATEMENT OF ISSUES AND POSITIONS**

Peoples Gas System ("PGS") hereby submits its preliminary statement of issues and positions to be taken up at the hearing now scheduled to begin on November 12, 2003 in this docket.

Issue 1: What is the appropriate final purchased gas adjustment true-up amount for the period January 2002 through December 2002?

PGS's Position: \$7,471,390 underrecovery.

Issue 2: What is the estimated purchased gas adjustment true-up amount for the period January 2003 through December 2003?

PGS's Position: \$10,328,132 overrecovery.

Issue 3: What is the total purchased gas adjustment true-up amount to be refunded in the January 2004 through December 2004 period?

PGS's Position: \$2,856,740 overrecovery.

Issue 4: What is the appropriate levelized purchased gas recovery (cap) factor to be charged during the period January 2004 through December 2004?

PGS's Position: \$0.98531 per therm.

Issue 5: What should be the effective date of the new purchased gas adjustment charge for billing purposes?

DOCUMENT NUMBER-DATE

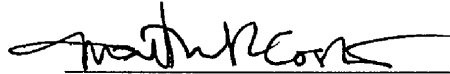
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PGS's Position: The factor should be effective to all bills beginning the first billing cycle in January 2004 through the last billing cycle in December 2004.

Dated this 9th day of October, 2003.

Respectfully submitted



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Corporate Counsel for Peoples Gas System

and

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Attorneys for Peoples Gas System

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing **PEOPLES GAS SYSTEM'S PRELIMINARY STATEMENT OF ISSUES AND POSITIONS**, has been furnished by regular U.S. Mail this 9th day of October 2003 to all known parties of record in Docket No. 030003-GU.



MATTHEW R. COSTA, ESQUIRE