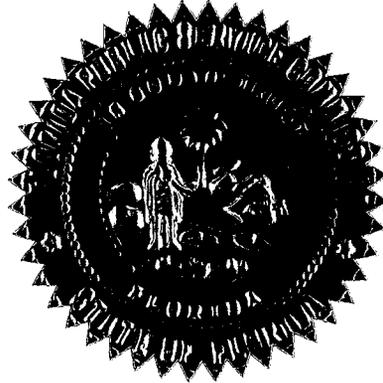


BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 060003-GU

In the Matter of
PURCHASED GAS ADJUSTMENT
(PGA) TRUE-UP.



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PROCEEDINGS: PREHEARING

BEFORE: MATTHEW M. CARTER, II
 Prehearing Officer

DATE: Monday, October 23, 2006

TIME: Commenced at 9:30 a.m.
 Concluded at 12:40 p.m.

PLACE: Betty Easley Conference Center
 Room 148
 4075 Esplanade Way
 Tallahassee, Florida

REPORTED BY: LINDA BOLES, CRR, RPR
 Official FPSC Reporter
 (850) 413-6734

1 APPEARANCES:

2 BETH KEATING, ESQUIRE, Akerman, Senterfitt Law Firm,
3 106 East College Avenue, Suite 1200, Tallahassee, Florida
4 32301, appearing on behalf of Florida City Gas.

5 ANSLEY WATSON, JR., ESQUIRE, Macfarlane, Ferguson
6 & McMullen Law Firm, Post Office Box 1531, Tampa, 33601-1531,
7 appearing on behalf of Peoples Gas System.

8 NORMAN H. HORTON, JR., ESQUIRE, Messer, Caparello &
9 Self, P.A., Post Office Box 1876, Tallahassee, Florida
10 32302-1876, appearing on behalf of Florida Public Utilities
11 Company.

12 MATTHEW R. COSTA, Peoples Gas System (TECO Energy,
13 Inc.) Post Office Box 111, Tampa, Florida 33601-0111, appearing
14 on behalf of Peoples Gas System (TECO Energy, Inc.)

15 KATHERINE FLEMING, ESQUIRE, FPSC General Counsel's
16 Office, 2540 Shumard Oak Boulevard, Tallahassee, Florida
17 32399-0850, appearing on behalf of the Commission Staff.

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1 P R O C E E D I N G S

2 COMMISSIONER CARTER: Good morning. How is everyone
3 this morning? I trust y'all are having a wonderful day. It's
4 a great day to be alive. We'll start with this prehearing
5 conference.

6 Staff, would you please read the notice.

7 MS. FLEMING: Pursuant to notice issued by the
8 Commission Clerk, the following time and place has been set for
9 a prehearing conference in the following dockets: Docket
10 Number 060001-EI, 060002-EG, 060003-GU, 060004-GU, 060007-EI
11 and 060362-EI.

12 COMMISSIONER CARTER: Okay. Now we'll take
13 appearances.

14 MR. BUTLER: John Butler of Florida Power & Light
15 Company appearing in the 01, 02, 07 and 0362 dockets. I'd also
16 enter an appearance in all of those dockets for Wade
17 Litchfield, and in the 02 docket for Natalie Smith, both of
18 whom are also with Florida Power & Light Company.

19 MR. HORTON: Norman H. Horton, Jr., Messer, Caparello
20 & Self, appearing on behalf of Florida Public Utilities Company
21 in the 01, 02, 03 and 04 dockets.

22 MR. BEASLEY: Commissioner Carter, Jim Beasley with
23 Lee Willis, both of the law firm of Ausley & McMullen,
24 representing Tampa Electric Company in the 01, 02 and 07
25 dockets.

1 MR. STONE: Commissioner Carter, I'm Jeffrey A. Stone
2 of the law firm of Beggs & Lane, and with me is Russell A.
3 Badders and Steven R. Griffin. We are representing Gulf Power
4 Company in the 01, the 02 and the 07 dockets.

5 MR. WATSON: Good morning. I'm Ansley Watson, Jr.,
6 of the law firm of Mcfarlane, Ferguson & McMullen, appearing in
7 the 03 and 04 dockets only. I'd also like to enter an
8 appearance for Matthew R. Costa of TECO Energy, Inc., in those
9 same two dockets.

10 MR. PERKO: Good morning, Commissioner. My name is
11 Gary Perko of the Hopping, Green & Sams Law Firm. I'm here
12 representing Progress Energy Florida in the 07 docket.

13 MR. BURNETT: And John Burnett, Progress Energy
14 Florida, in the 01 and 02 docket.

15 MS. KEATING: Good morning, Commissioner Carter. I'm
16 Beth Keating, Akerman, Senterfitt, appearing in the 03 docket
17 on behalf of Florida City Gas and in the 04 docket on behalf of
18 Florida City Gas and Chesapeake Utilities.

19 MR. SHREVE: Good morning, Commissioner. Jack Shreve
20 appearing on behalf of the Attorney General, Charlie Crist, in
21 Docket 0362.

22 MR. BECK: Good morning, Commissioner Carter.
23 Charlie Beck, Office of Public Counsel, appearing on behalf of
24 the Citizens of Florida in the 01, 02, 07 and 0362 dockets.
25 And I would also like to make an appearance for Patty

1 Christensen and Joe McGlothlin in the same dockets.

2 MR. WRIGHT: Good morning, Commissioner Carter.

3 Robert Scheffel Wright, Law Firm of Young van Assenderp, and
4 I'd also like to enter an appearance for John T. Lavia, III,
5 same law firm, on behalf of the Florida Retail Federation in
6 the 001, 007 and 0362 dockets.

7 MR. McWHIRTER: John McWhirter appearing on behalf of
8 the Florida Industrial Power Users Group in 01, 02, 07 and
9 0362.

10 MR. TWOMEY: Good morning, Commissioner. Mike Twomey
11 on behalf of AARP in the 01 docket as well as the 0362 docket.

12 COMMISSIONER CARTER: Okay.

13 MR. BREW: Good morning, Commissioner Carter. My
14 name is James Brew, I'm with Brickfield, Burchette,
15 Ritts & Stone, for PCS Phosphate.

16 COMMISSIONER CARTER: I'm sorry.

17 MR. BREW: PCS Phosphate-White Spring in the
18 001 docket.

19 COMMISSIONER CARTER: Has everyone had an opportunity
20 to make notice of their appearance? Did we -- staff?

21 MS. BROWN: Commissioner, Martha Carter Brown on
22 behalf of the Commission in the 07 docket.

23 COMMISSIONER CARTER: Did we get everyone? Is anyone
24 missing?

25 MS. BENNETT: Lisa Bennett on behalf of the Public

1 Service Commission on the 01 and 362 dockets. And also we'd
2 like to enter for Cochran Keating.

3 MS. FLEMING: Katherine Fleming on behalf of the
4 Commission in the 02, 03 and 04 dockets.

5 COMMISSIONER CARTER: Okay. Did we omit any of the
6 parties?

7 Okay. Introductory matters.

8 MS. FLEMING: Commissioner, since there are six
9 dockets to address today, staff suggests that we proceed in the
10 following order: Staff suggests that we take up 03 first, then
11 continue with 04, 02, 07, 01, and then 0362 last.

12 COMMISSIONER CARTER: Give me a moment to shift my
13 paperwork here. We will follow that outline: 03, 04, 02, 07,
14 01 and 060362.

15 Any excusals?

16 MS. FLEMING: Yes. Staff would like to note for the
17 record that St. Joe Natural Gas Company has requested to be
18 excused from the prehearing and hearing in the 03 and
19 04 dockets.

20 COMMISSIONER CARTER: Okay. Any objections? Hearing
21 none, let's move on. Is there anything else?

22 MS. FLEMING: No, Commissioner, I'm not aware of
23 anything else.

24 COMMISSIONER CARTER: Okay. Let's proceed with
25 Docket 03.

1 On Docket 03, Ms. Fleming, are there any preliminary
2 matters that we need to address before we get to the draft of
3 the prehearing order?

4 MS. FLEMING: I'm not aware of any preliminary
5 matters, but I would like to note for the record that the
6 parties and the staff are proposing stipulation on all issues.

7 COMMISSIONER CARTER: Any objections? Hearing none,
8 motion granted.

9 Any other matters on 03?

10 MS. FLEMING: I'm not aware of any other matters.

11 COMMISSIONER CARTER: Okay. Let us proceed to Docket
12 Number 04.

13 MS. FLEMING: Well, Commissioner, if I may, I would
14 suggest that we proceed through the draft prehearing order
15 section by section just to make sure that none of the parties
16 have any changes to that draft prehearing order.

17 COMMISSIONER CARTER: Okay. Well, let's start with
18 Section I back on Docket 060003-GU. Section I.

19 MS. FLEMING: Staff sees no changes.

20 COMMISSIONER CARTER: Section II.

21 MS. FLEMING: Staff sees no changes.

22 COMMISSIONER CARTER: Section III.

23 MS. FLEMING: Staff sees no changes.

24 COMMISSIONER CARTER: Section IV.

25 MS. FLEMING: In this situation staff would just like

1 to point out that since there are proposed stipulations on all
2 issues, Commissioners -- all witnesses may be excused. Staff
3 will contact each of the Commissioners to make sure that
4 witnesses can be excused, and, if so, staff will notify the
5 parties by November 1st.

6 COMMISSIONER CARTER: So be it.

7 Section V.

8 MR. WATSON: Commissioner, before we move on on that
9 point.

10 COMMISSIONER CARTER: Yes.

11 MR. WATSON: If all the issues remain stipulated and
12 none of the Commissioners have any questions and the witnesses
13 are excused, may counsel also be excused from attending the
14 hearing?

15 COMMISSIONER CARTER: Staff?

16 MS. FLEMING: I believe that Mr. Watson has spoken
17 with staff about getting excused from the hearing. Staff sees
18 no objection.

19 COMMISSIONER CARTER: Okay.

20 MR. WATSON: Thank you.

21 COMMISSIONER CARTER: Excellent.

22 Section V.

23 MS. FLEMING: Staff sees no changes.

24 COMMISSIONER CARTER: Section VI.

25 MS. FLEMING: No changes.

1 COMMISSIONER CARTER: Section VII.

2 MS. FLEMING: No changes.

3 COMMISSIONER CARTER: Section VIII.

4 MS. FLEMING: Once again, staff would just point out
5 that there are proposed stipulations on all issues, noting that
6 OPC has taken no position on all the issues.

7 COMMISSIONER CARTER: Mr. Beck.

8 MR. BECK: Yes, sir, that's correct.

9 COMMISSIONER CARTER: Okay. Section IX.

10 MS. FLEMING: Staff would like to note that we will
11 prepare a comprehensive exhibit list that will consist of all
12 the prefiled exhibits.

13 COMMISSIONER CARTER: Okay. Section X.

14 MS. FLEMING: No changes.

15 COMMISSIONER CARTER: Section XI.

16 MS. FLEMING: No changes.

17 COMMISSIONER CARTER: Section XII.

18 MS. FLEMING: No changes.

19 COMMISSIONER CARTER: Section XIII.

20 MS. FLEMING: No changes.

21 COMMISSIONER CARTER: Section XIV.

22 MS. FLEMING: Staff would note that if opening
23 statements are necessary in this docket, that they be limited
24 to ten minutes per party.

25 COMMISSIONER CARTER: Okay. Any other matters?

1 MS. FLEMING: Not that I'm aware of, Commissioner.

2 COMMISSIONER CARTER: Okay. The parties that are
3 here, you heard as we went down through the issues, are there
4 any corrections, recommendations or -- okay. Hearing none,
5 let's proceed to Docket 004.

6 (Prehearing Conference on Docket 060003-GU
7 concluded.)

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1 STATE OF FLORIDA)
 : CERTIFICATE OF REPORTER
2 COUNTY OF LEON)

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4 I, LINDA BOLES, CRR, RPR, Official Commission
Reporter, do hereby certify that the foregoing proceeding was
5 heard at the time and place herein stated.

6 IT IS FURTHER CERTIFIED that I stenographically
reported the said proceedings; that the same has been
7 transcribed under my direct supervision; and that this
transcript constitutes a true transcription of my notes of said
8 proceedings.

9 I FURTHER CERTIFY that I am not a relative, employee,
attorney or counsel of any of the parties, nor am I a relative
10 or employee of any of the parties' attorneys or counsel
connected with the action, nor am I financially interested in
11 the action.

12 DATED THIS 30TH DAY OF OCTOBER, 2006.

13

14

Linda Boles

LINDA BOLES, CRR, RPR
FPSC Official Commission Reporter
(850) 413-6734

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