



February 28, 2008

VIA E-FILING

Ann Cole, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

**Re: Docket No. 080003-GU-- Purchased Gas Adjustment (PGA)
-- Notice of PGA Factors.**

Dear Ms. Cole:

We submit herewith on behalf of Peoples Gas System, a Notice of PGA Factors, effective February 29, 2008, for the month of March 2008, together with a copy of Schedule A-1 showing the calculation of both factors.

Thank you for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Matthew R. Costa", with a long horizontal flourish extending to the right.

Matthew R. Costa
Corporate Counsel

Enclosures

cc: Mr. Daniel Lee (via e-mail)
Ms. Paula Brown (via e-mail)
Mr. W. Edward Elliott (via e-mail)

G:\Matt\Notice PGA ltr. 02.28.08.doc

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas :
Adjustment (PGA) Clause :
_____ :

Docket No. 080003-GU

Submitted for Filing: 02-28-08

PEOPLES GAS SYSTEM'S
NOTICE OF PGA FACTORS

Peoples Gas System, by its undersigned attorney and pursuant to Commission Orders Nos. 24463 and 24463-A, hereby notifies the Commission that, effective February 29, 2008, for its first billing cycle, it will reduce its Purchased Gas Adjustment (PGA) Factor approved by Order No. PSC-07-0934-FOF-GU to \$1.16033 per therm for residential rate class customers and decrease its Purchased Gas Adjustment (PGA) Factor to \$1.11287 per therm for commercial (non-residential) rate class for the month of March 2008. Separate PGA factors will be used pursuant to the methodology approved by vote of the Commission on March 16, 1999 in Docket No. 981698. Schedule A-1 showing a comparison of the Company's projections for March 2008 has been submitted.

Dated this 28th day of February, 2008.

Respectfully submitted,



Matthew R. Costa, Esq.
Corporate Counsel
TECO Energy, Inc.
P.O. Box 111, Tampa, Florida 33601
(813) 228-4938
Attorney for Peoples Gas System

COMBINED FOR ALL RATE CLASSES		SCHEDULE A-1		
ESTIMATE FOR THE PERIOD: JANUARY 08 THROUGH DECEMBER 08 CURRENT MONTH: MARCH 2008				
(A)	(B) ORIGINAL PROJECTION	(C) FLEX DOWN ESTIMATE	(D) DIFFERENCE AMOUNT	
COST OF GAS PURCHASED				
1	COMMODITY Pipeline	\$274,877	\$89,940	(\$184,937)
1a	COMMODITY Pipeline	\$0	\$0	\$0
1b	COMMODITY Pipeline	\$0	\$0	\$0
2	NO NOTICE SERVICE	\$36,061	\$36,061	\$0
3	SWING SERVICE	\$1,295,059	\$0	(\$1,295,059)
4	COMMODITY Other (THIRD PARTY)	\$15,453,576	\$13,547,296	(\$1,906,280)
5	DEMAND	\$5,483,093	\$4,658,340	(\$824,753)
5a	DEMAND	\$0	\$0	\$0
5b	DEMAND	\$0	\$0	\$0
6	OTHER	\$400,000	\$450,000	\$50,000
LESS END-USE CONTRACT:				
7	COMMODITY Pipeline	\$158,929	\$29,093	(\$129,836)
8	DEMAND	\$1,017,864	\$381,218	(\$636,646)
9	OTHER	\$206,140	\$282,667	\$76,527
10		\$0	\$0	\$0
11	TOTAL C (1+1a+1b+2+3+4+5+5a+5b+6)-(7+8+9+10)	\$21,559,733	\$18,088,659	(\$3,471,074)
12	NET UNBILLED	\$0	\$0	\$0
13	COMPANY USE	\$0	\$0	\$0
14	TOTAL THERM SALES (11)	\$21,559,733	\$18,088,659	(\$3,471,074)
THERMS PURCHASED				
15	COMMODITY Pipeline	51,210,974	31,421,990	(19,788,984)
15a	COMMODITY Pipeline	0	0	0
15b	COMMODITY Pipeline	0	0	0
16	NO NOTICE SERVICE	7,285,000	7,285,000	0
17	SWING SERVICE	1,190,000	0	(1,190,000)
18	COMMODITY Other (THIRD PARTY)	14,444,765	15,423,222	978,457
19	DEMAND	118,317,080	97,172,600	(21,144,480)
19a	DEMAND	0	0	0
19b	DEMAND	0	0	0
20	OTHER	0	0	0
LESS END-USE CONTRACT:				
21	COMMODITY Pipeline	28,380,220	9,828,658	(18,551,562)
22	DEMAND	25,101,460	9,828,658	(15,272,802)
23	OTHER	0	0	0
24	TOTAL PURCHASES (17+18-23)	15,634,765	15,423,222	(211,543)
25	NET UNBILLED	0	0	0
26	COMPANY USE	0	0	0
27	TOTAL THERM SALES (24)	15,634,765	15,423,222	(211,543)
CENTS PER THERM				
28	COMM. Pipeline (1/15)	0.00537	0.00286	(0.00251)
28a	COMM. Pipeline (1a/15a)	0.00000	0.00000	0.00000
28b	COMM. Pipeline (1b/15b)	0.00000	0.00000	0.00000
29	NO NOTICE SERVICE (2/16)	0.00495	0.00495	0.00000
30	SWING SERVICE (3/17)	1.08828	0.00000	(1.08828)
31	COMM. Other (THIRD PARTY) (4/18)	1.06984	0.78929	(0.28055)
32	DEMAND (5/19)	0.04634	0.04794	0.00160
32a	DEMAND (5a/19a)	0.00000	0.00000	0.00000
32b	DEMAND (5b/19b)	0.00000	0.00000	0.00000
33	OTHER (6/20)	0.00000	0.00000	0.00000
LESS END-USE CONTRACT:				
34	COMMODITY Pipeline (7/21)	0.00560	0.00296	(0.00264)
35	DEMAND (8/22)	0.04055	0.03879	(0.00176)
36	OTHER (9/23)	0.00000	0.00000	0.00000
37	TOTAL COST (11/24)	1.37896	1.17282	(0.20614)
38	NET UNBILLED (12/25)	0.00000	0.00000	0.00000
39	COMPANY USE (13/26)	0.00000	0.00000	0.00000
40	TOTAL THERM SALES (37)	1.37896	1.17282	(0.20614)
41	TRUE-UP (E-4)	(0.04038)	(0.04038)	0.00000
42	TOTAL COST OF GAS (40+41)	1.33859	1.13244	(0.20614)
43	REVENUE TAX FACTOR	1.00503	1.00503	0.00000
44	PGA FACTOR ADJUSTED FOR TAXES (42x43)	1.34532	1.13814	0.00000
45	PGA FACTOR ROUNDED TO NEAREST .001	134.532	113.814	0.000

FOR RESIDENTIAL CUSTOMERS		SCHEDULE A-1		
ESTIMATE FOR THE PERIOD: JANUARY 08 THROUGH DECEMBER 08				
CURRENT MONTH: MARCH 2008				
(A)		(B) ORIGINAL PROJECTION	(C) FLEX DOWN ESTIMATE	(D) DIFFERENCE AMOUNT
COST OF GAS PURCHASED				
1	COMMODITY Pipeline	\$147,719	\$47,866	(\$99,853)
1a	COMMODITY Pipeline	\$0	\$0	\$0
1b	COMMODITY Pipeline	\$0	\$0	\$0
2	NO NOTICE SERVICE	\$20,814	\$20,814	\$0
3	SWING SERVICE	\$695,965	\$0	(\$695,965)
4	COMMODITY Other (THIRD PARTY)	\$8,304,752	\$7,209,871	(\$1,094,881)
5	DEMAND	\$3,164,842	\$2,688,794	(\$476,048)
5a	DEMAND	\$0	\$0	\$0
5b	DEMAND	\$0	\$0	\$0
6	OTHER	\$214,960	\$239,490	\$24,530
LESS END-USE CONTRACT:				
7	COMMODITY Pipeline	\$85,409	\$15,483	(\$69,926)
8	DEMAND	\$587,511	\$220,039	(\$367,472)
9	OTHER	\$118,984	\$163,155	\$44,171
10		\$0	\$0	\$0
11	TOTAL C (1+1a+1b+2+3+4+5+5a+5b+6)-(7+8+9+10)	\$11,757,147	\$9,808,158	(\$1,948,989)
12	NET UNBILLED	\$0	\$0	\$0
13	COMPANY USE	\$0	\$0	\$0
14	TOTAL THERM SALES (11)	\$11,757,147	\$9,808,158	(\$1,948,989)
THERMS PURCHASED				
15	COMMODITY Pipeline	27,520,777	16,722,783	(10,797,994)
15a	COMMODITY Pipeline	0	0	0
15b	COMMODITY Pipeline	0	0	0
16	NO NOTICE SERVICE	4,204,902	4,204,902	0
17	SWING SERVICE	639,506	0	(639,506)
18	COMMODITY Other (THIRD PARTY)	7,762,684	8,208,239	445,555
19	DEMAND	68,292,619	56,088,025	(12,204,594)
19a	DEMAND	0	0	0
19b	DEMAND	0	0	0
20	OTHER	0	0	0
LESS END-USE CONTRACT:				
21	COMMODITY Pipeline	15,251,530	5,230,812	(10,020,718)
22	DEMAND	14,488,563	5,673,101	(8,815,462)
23	OTHER	0	0	0
24	TOTAL PURCHASES (17+18-23)	8,402,190	8,208,239	(193,951)
25	NET UNBILLED	0	0	0
26	COMPANY USE	0	0	0
27	TOTAL THERM SALES (24)	8,402,190	8,208,239	(193,951)
CENTS PER THERM				
28	COMM. Pipeline (1/15)	0.00537	0.00286	(0.00251)
28a	COMM. Pipeline (1a/15a)	0.00000	0.00000	0.00000
28b	COMM. Pipeline (1b/15b)	0.00000	0.00000	0.00000
29	NO NOTICE SERVICE (2/16)	0.00495	0.00495	0.00000
30	SWING SERVICE (3/17)	1.08828	0.00000	(1.08828)
31	COMM. Other (THIRD PARTY) (4/18)	1.06983	0.87837	(0.19146)
32	DEMAND (5/19)	0.04634	0.04794	0.00160
32a	DEMAND (5a/19a)	0.00000	0.00000	0.00000
32b	DEMAND (5b/19b)	0.00000	0.00000	0.00000
33	OTHER (6/20)	0.00000	0.00000	0.00000
LESS END-USE CONTRACT:				
34	COMMODITY Pipeline (7/21)	0.00560	0.00296	(0.00264)
35	DEMAND (8/22)	0.04055	0.03879	(0.00176)
36	OTHER (9/23)	0.00000	0.00000	0.00000
37	TOTAL COST (11/24)	1.39930	1.19490	(0.20440)
38	NET UNBILLED (12/25)	0.00000	0.00000	0.00000
39	COMPANY USE (13/26)	0.00000	0.00000	0.00000
40	TOTAL THERM SALES (37)	1.39930	1.19490	(0.20440)
41	TRUE-UP (E-4)	(0.04038)	(0.04038)	0.00000
42	TOTAL COST OF GAS (40+41)	1.35892	1.15452	(0.20440)
43	REVENUE TAX FACTOR	1.00503	1.00503	0.00000
44	PGA FACTOR ADJUSTED FOR TAXES (42x43)	1.36576	1.16033	0.00000
45	PGA FACTOR ROUNDED TO NEAREST .001	136.576	116.033	0.000

FOR COMMERCIAL CUSTOMERS		SCHEDULE A-1		
ESTIMATE FOR THE PERIOD: JANUARY 08 THROUGH DECEMBER 08				
CURRENT MONTH: MARCH 2008				
(A)	(B)	(C)	(D)	
	ORIGINAL	FLEX DOWN	DIFFERENCE	
	PROJECTION	ESTIMATE	AMOUNT	
COST OF GAS PURCHASED				
1	COMMODITY Pipeline	\$127,158	\$42,074	(\$85,084)
1a	COMMODITY Pipeline	\$0	\$0	\$0
1b	COMMODITY Pipeline	\$0	\$0	\$0
2	NO NOTICE SERVICE	\$15,246	\$15,247	\$1
3	SWING SERVICE	\$599,094	\$0	(\$599,094)
4	COMMODITY Other (THIRD PARTY)	\$7,148,824	\$6,337,425	(\$811,399)
5	DEMAND	\$2,318,252	\$1,969,546	(\$348,706)
5a	DEMAND	\$0	\$0	\$0
5b	DEMAND	\$0	\$0	\$0
6	OTHER	\$185,040	\$210,510	\$25,470
LESS END-USE CONTRACT:				
7	COMMODITY Pipeline	\$73,521	\$13,610	(\$59,911)
8	DEMAND	\$430,353	\$161,179	(\$269,174)
9	OTHER	\$87,156	\$119,512	\$32,356
10		\$0	\$0	\$0
11	TOTAL C (1+1a+1b+2+3+4+5+5a+5b+6)-(7+8+9+10)	\$9,802,585	\$8,280,501	(\$1,522,084)
12	NET UNBILLED	\$0	\$0	\$0
13	COMPANY USE	\$0	\$0	\$0
14	TOTAL THERM SALES (11)	\$9,802,585	\$8,280,501	(\$1,522,084)
THERMS PURCHASED				
15	COMMODITY Pipeline	23,690,196	14,699,207	(8,990,989)
15a	COMMODITY Pipeline	0	0	0
15b	COMMODITY Pipeline	0	0	0
16	NO NOTICE SERVICE	3,080,098	3,080,098	0
17	SWING SERVICE	550,494	0	(550,494)
18	COMMODITY Other (THIRD PARTY)	6,682,081	7,214,983	532,902
19	DEMAND	50,024,461	41,084,575	(8,939,886)
19a	DEMAND	0	0	0
19b	DEMAND	0	0	0
20	OTHER	0	0	0
LESS END-USE CONTRACT:				
21	COMMODITY Pipeline	13,128,690	4,597,846	(8,530,844)
22	DEMAND	10,612,897	4,155,557	(6,457,340)
23	OTHER	0	0	0
24	TOTAL PURCHASES (17+18-23)	7,232,575	7,214,983	(17,592)
25	NET UNBILLED	0	0	0
26	COMPANY USE	0	0	0
27	TOTAL THERM SALES (24)	7,232,575	7,214,983	(17,592)
CENTS PER THERM				
28	COMM. Pipeline (1/15)	0.00537	0.00286	(0.00251)
28a	COMM. Pipeline (1a/15a)	0.00000	0.00000	0.00000
28b	COMM. Pipeline (1b/15b)	0.00000	0.00000	0.00000
29	NO NOTICE SERVICE (2/16)	0.00495	0.00495	0.00000
30	SWING SERVICE (3/17)	1.08828	0.00000	(1.08828)
31	COMM. Other (THIRD PARTY) (4/18)	1.06985	0.87837	(0.19148)
32	DEMAND (5/19)	0.04634	0.04794	0.00160
32a	DEMAND (5a/19a)	0.00000	0.00000	0.00000
32b	DEMAND (5b/19b)	0.00000	0.00000	0.00000
33	OTHER (6/20)	0.00000	0.00000	0.00000
LESS END-USE CONTRACT:				
34	COMMODITY Pipeline (7/21)	0.00560	0.00296	(0.00264)
35	DEMAND (8/22)	0.04055	0.03879	(0.00176)
36	OTHER (9/23)	0.00000	0.00000	0.00000
37	TOTAL COST (11/24)	1.35534	1.14768	(0.20766)
38	NET UNBILLED (12/25)	0.00000	0.00000	0.00000
39	COMPANY USE (13/26)	0.00000	0.00000	0.00000
40	TOTAL THERM SALES (37)	1.35534	1.14768	(0.20766)
41	TRUE-UP (E-4)	(0.04038)	(0.04038)	0.00000
42	TOTAL COST OF GAS (40+41)	1.31496	1.10730	(0.20766)
43	REVENUE TAX FACTOR	1.00503	1.00503	0.00000
44	PGA FACTOR ADJUSTED FOR TAXES (42x43)	1.32158	1.11287	0.00000
45	PGA FACTOR ROUNDED TO NEAREST .001	132.158	111.287	0.000