



October 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 October 29, 2008, for the month of November 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 "David M. Nicholson". The signature is fluid and cursive, with a long horizontal stroke at the end.

David M. Nicholson
Associate General Counsel

Enclosures

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

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 080003-GU

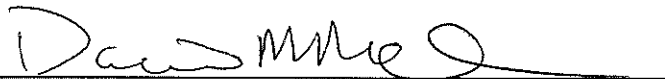
Submitted for Filing: 10-28-08

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 October 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 \$1.25533 per therm for residential rate class customers and decrease its Purchased Gas Adjustment (PGA) Factor to \$.98320 per therm for commercial (non-residential) rate class for the month of November, 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 November 2008 has been submitted.

Dated this 28th day of October, 2008.

Respectfully submitted,



David M. Nicholson, Esq.
Associate General 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: NOVEMBER 2008				
(A)		(B) ORIGINAL PROJECTION	(C) FLEX DOWN ESTIMATE	(D) DIFFERENCE AMOUNT
COST OF GAS PURCHASED				
1	COMMODITY Pipeline	\$237,774	\$130,947	(\$106,827)
1a	COMMODITY Pipeline	\$0	\$0	\$0
1b	COMMODITY Pipeline	\$0	\$0	\$0
2	NO NOTICE SERVICE	\$34,898	\$34,898	\$0
3	SWING SERVICE	\$5,903,615	\$0	(\$5,903,615)
4	COMMODITY Other (THIRD PARTY)	\$4,412,851	\$6,983,945	\$2,571,094
5	DEMAND	\$5,320,673	\$4,352,778	(\$967,895)
5a	DEMAND	\$0	\$0	\$0
5b	DEMAND	\$0	\$0	\$0
6	OTHER	\$400,000	\$205,000	(\$195,000)
	LESS END-USE CONTRACT:			
7	COMMODITY Pipeline	\$153,802	\$45,335	(\$108,467)
8	DEMAND	\$985,030	\$229,815	(\$755,215)
9	OTHER	\$199,490	\$213,447	\$13,957
10		\$0	\$0	\$0
11	TOTAL C (1+1a+1b+2+3+4+5+5a+5b+6)-(7+8+9+10)	\$14,971,488	\$11,218,971	(\$3,752,517)
12	NET UNBILLED	\$0	\$0	\$0
13	COMPANY USE	\$0	\$0	\$0
14	TOTAL THERM SALES (11)	\$14,971,488	\$11,218,971	(\$3,752,517)
THERMS PURCHASED				
15	COMMODITY Pipeline	43,508,667	24,110,904	(19,397,763)
15a	COMMODITY Pipeline	0	0	0
15b	COMMODITY Pipeline	0	0	0
16	NO NOTICE SERVICE	7,050,000	7,050,000	0
17	SWING SERVICE	5,172,474	0	(5,172,474)
18	COMMODITY Other (THIRD PARTY)	4,395,879	9,909,959	5,514,080
19	DEMAND	114,543,600	90,707,400	(23,836,200)
19a	DEMAND	0	0	0
19b	DEMAND	0	0	0
20	OTHER	0	0	0
	LESS END-USE CONTRACT:			
21	COMMODITY Pipeline	27,464,729	6,012,649	(21,452,080)
22	DEMAND	24,291,735	6,012,649	(18,279,086)
23	OTHER	0	0	0
24	TOTAL PURCHASES (17+18-23)	9,568,353	9,909,959	341,606
25	NET UNBILLED	0	0	0
26	COMPANY USE	0	0	0
27	TOTAL THERM SALES (24)	9,568,353	9,909,959	341,606
CENTS PER THERM				
28	COMM. Pipeline (1/15)	0.00546	0.00543	(0.00003)
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)	1.14135	0.00000	(1.14135)
31	COMM. Other (THIRD PARTY) (4/18)	1.00386	0.70474	(0.29912)
32	DEMAND (5/19)	0.04645	0.04799	0.00154
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	0.00754	0.00194
35	DEMAND (8/22)	0.04055	0.03822	(0.00233)
36	OTHER (9/23)	0.00000	0.00000	0.00000
37	TOTAL COST (11/24)	1.56469	1.13209	(0.43260)
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)	1.56469	1.13209	(0.43260)
41	TRUE-UP (E-4)	(0.04038)	(0.04038)	0.00000
42	TOTAL COST OF GAS (40+41)	1.52431	1.09171	(0.43260)
43	REVENUE TAX FACTOR	1.00503	1.00503	0.00000
44	PGA FACTOR ADJUSTED FOR TAXES (42x43)	1.53198	1.09720	0.00000
45	PGA FACTOR ROUNDED TO NEAREST .001	153.198	109.720	0.000

FOR RESIDENTIAL CUSTOMERS		SCHEDULE A-1		
ESTIMATE FOR THE PERIOD: JANUARY 08 THROUGH DECEMBER 08 CURRENT MONTH: NOVEMBER 2008				
(A)	(B) ORIGINAL PROJECTION	(C) FLEX DOWN ESTIMATE	(D) DIFFERENCE AMOUNT	
COST OF GAS PURCHASED				
1	COMMODITY Pipeline	\$105,952	\$54,854	(\$51,098)
1a	COMMODITY Pipeline	\$0	\$0	\$0
1b	COMMODITY Pipeline	\$0	\$0	\$0
2	NO NOTICE SERVICE	\$20,143	\$20,398	\$255
3	SWING SERVICE	\$2,630,651	\$0	(\$2,630,651)
4	COMMODITY Other (THIRD PARTY)	\$1,966,366	\$2,925,575	\$959,209
5	DEMAND	\$3,071,092	\$2,544,199	(\$526,893)
5a	DEMAND	\$0	\$0	\$0
5b	DEMAND	\$0	\$0	\$0
6	OTHER	\$178,240	\$85,875	(\$92,365)
LESS END-USE CONTRACT:				
7	COMMODITY Pipeline	\$68,534	\$18,991	(\$49,543)
8	DEMAND	\$568,559	\$134,327	(\$434,232)
9	OTHER	\$115,146	\$124,760	\$9,614
10		\$0	\$0	\$0
11	TOTAL C (1+1a+1b+2+3+4+5+5a+5b+6)-(7+8+9+10)	\$7,220,205	\$5,352,823	(\$1,867,382)
12	NET UNBILLED	\$0	\$0	\$0
13	COMPANY USE	\$0	\$0	\$0
14	TOTAL THERM SALES (11)	\$7,220,205	\$5,352,823	(\$1,867,382)
THERMS PURCHASED				
15	COMMODITY Pipeline	19,387,462	10,100,058	(9,287,404)
15a	COMMODITY Pipeline	0	0	0
15b	COMMODITY Pipeline	0	0	0
16	NO NOTICE SERVICE	4,069,260	4,120,725	51,465
17	SWING SERVICE	2,304,855	0	(2,304,855)
18	COMMODITY Other (THIRD PARTY)	1,959,088	4,151,282	2,192,194
19	DEMAND	66,114,566	53,018,475	(13,096,091)
19a	DEMAND	0	0	0
19b	DEMAND	0	0	0
20	OTHER	0	0	0
LESS END-USE CONTRACT:				
21	COMMODITY Pipeline	12,238,283	2,518,699	(9,719,584)
22	DEMAND	14,021,189	3,514,393	(10,506,796)
23	OTHER	0	0	0
24	TOTAL PURCHASES (17+18-23)	4,263,943	4,151,282	(112,661)
25	NET UNBILLED	0	0	0
26	COMPANY USE	0	0	0
27	TOTAL THERM SALES (24)	4,263,943	4,151,282	(112,661)
CENTS PER THERM				
28	COMM. Pipeline (1/15)	0.00546	0.00543	(0.00003)
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)	1.14135	0.00000	(1.14135)
31	COMM. Other (THIRD PARTY) (4/18)	1.00371	0.70474	(0.29897)
32	DEMAND (5/19)	0.04645	0.04799	0.00154
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	0.00754	0.00194
35	DEMAND (8/22)	0.04055	0.03822	(0.00233)
36	OTHER (9/23)	0.00000	0.00000	0.00000
37	TOTAL COST (11/24)	1.69332	1.28942	(0.40390)
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)	1.69332	1.28942	(0.40390)
41	TRUE-UP (E-4)	(0.04038)	(0.04038)	0.00000
42	TOTAL COST OF GAS (40+41)	1.65294	1.24904	(0.40390)
43	REVENUE TAX FACTOR	1.00503	1.00503	0.00000
44	PGA FACTOR ADJUSTED FOR TAXES (42x43)	1.66126	1.25533	0.00000
45	PGA FACTOR ROUNDED TO NEAREST .001	166.126	125.533	0.000

FOR COMMERCIAL CUSTOMERS		SCHEDULE A-1		
ESTIMATE FOR THE PERIOD: JANUARY 08 THROUGH DECEMBER 08				
CURRENT MONTH: NOVEMBER 2008				
(A)		(B) ORIGINAL PROJECTION	(C) FLEX DOWN ESTIMATE	(D) DIFFERENCE AMOUNT
COST OF GAS PURCHASED				
1	COMMODITY Pipeline	\$131,822	\$76,093	(\$55,729)
1a	COMMODITY Pipeline	\$0	\$0	\$0
1b	COMMODITY Pipeline	\$0	\$0	\$0
2	NO NOTICE SERVICE	\$14,755	\$14,500	(\$255)
3	SWING SERVICE	\$3,272,964	\$0	(\$3,272,964)
4	COMMODITY Other (THIRD PARTY)	\$2,446,484	\$4,058,370	\$1,611,886
5	DEMAND	\$2,249,580	\$1,808,579	(\$441,001)
5a	DEMAND	\$0	\$0	\$0
5b	DEMAND	\$0	\$0	\$0
6	OTHER	\$221,760	\$119,126	(\$102,634)
LESS END-USE CONTRACT:				
7	COMMODITY Pipeline	\$85,268	\$26,344	(\$58,924)
8	DEMAND	\$416,471	\$95,488	(\$320,983)
9	OTHER	\$84,344	\$88,687	\$4,343
10		\$0	\$0	\$0
11	TOTAL C (1+1a+1b+2+3+4+5+5a+5b+6)-(7+8+9+10)	\$7,751,282	\$5,866,149	(\$1,885,133)
12	NET UNBILLED	\$0	\$0	\$0
13	COMPANY USE	\$0	\$0	\$0
14	TOTAL THERM SALES (11)	\$7,751,282	\$5,866,149	(\$1,885,133)
THERMS PURCHASED				
15	COMMODITY Pipeline	24,121,205	14,010,846	(10,110,359)
15a	COMMODITY Pipeline	0	0	0
15b	COMMODITY Pipeline	0	0	0
16	NO NOTICE SERVICE	2,980,740	2,929,275	(51,465)
17	SWING SERVICE	2,867,620	0	(2,867,620)
18	COMMODITY Other (THIRD PARTY)	2,436,790	5,758,677	3,321,887
19	DEMAND	48,429,034	37,688,925	(10,740,109)
19a	DEMAND	0	0	0
19b	DEMAND	0	0	0
20	OTHER	0	0	0
LESS END-USE CONTRACT:				
21	COMMODITY Pipeline	15,226,446	3,493,950	(11,732,496)
22	DEMAND	10,270,546	2,498,256	(7,772,290)
23	OTHER	0	0	0
24	TOTAL PURCHASES (17+18-23)	5,304,410	5,758,677	454,267
25	NET UNBILLED	0	0	0
26	COMPANY USE	0	0	0
27	TOTAL THERM SALES (24)	5,304,410	5,758,677	454,267
CENTS PER THERM				
28	COMM. Pipeline (1/15)	0.00546	0.00543	(0.00003)
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)	1.14135	0.00000	(1.14135)
31	COMM. Other (THIRD PARTY) (4/18)	1.00398	0.70474	(0.29924)
32	DEMAND (5/19)	0.04645	0.04799	0.00154
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	0.00754	0.00194
35	DEMAND (8/22)	0.04055	0.03822	(0.00233)
36	OTHER (9/23)	0.00000	0.00000	0.00000
37	TOTAL COST (11/24)	1.46129	1.01866	(0.44263)
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)	1.46129	1.01866	(0.44263)
41	TRUE-UP (E-4)	(0.04038)	(0.04038)	0.00000
42	TOTAL COST OF GAS (40+41)	1.42091	0.97828	(0.44263)
43	REVENUE TAX FACTOR	1.00503	1.00503	0.00000
44	PGA FACTOR ADJUSTED FOR TAXES (42x43)	1.42806	0.98320	0.00000
45	PGA FACTOR ROUNDED TO NEAREST .001	142.806	98.320	0.000