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IN REPLY REFER TO:

Ansley Watson, Jr.
P.O. Box 1531
Tampa, Florida 33601
e-mail: aw@macfar.com

April 30, 2010

VIA FEDEX

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

RECEIVED-PPSC
MAY -3 PM 3:25
COMM. POSITION
CLERK

Re: Docket No. 100003-GU – Purchased gas adjustment (PGA) true-up

Dear Ms. Cole:

Enclosed for filing with the Commission on behalf of Peoples Gas System, please find the original and 15 copies of the following:

- Peoples' Petition for Approval of True-Up Amount (for the period January through December 2009);
- Direct Testimony of Kandi M. Floyd; and
- Exhibit ___(KMF-1), consisting of Schedule A-7 of the prescribed reporting forms.

The enclosed testimony and exhibit will be offered by Peoples at the hearing in this docket scheduled to commence on November 1, 2010.

Please acknowledge your receipt and the date of filing of the enclosures on the enclosed duplicate copy of this letter, and return the same to me in the enclosed preaddressed envelope.

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03658 MAY-3 0
FPSC-COMMISSION CLERK

Ann Cole, Commission Clerk
April 30, 2010
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Thank you for your usual assistance.

Sincerely,

A handwritten signature in black ink that reads "Ansley Watson, Jr." with a stylized flourish at the end.

ANSLEY WATSON, JR.

AWjr/a
Enclosures

cc: Parties of Record
Ms. Kandi M. Floyd
Matthew R. Costa, Esquire

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Purchased gas adjustment)
(PGA) true-up.)
_____)

Docket No. 100003-GU
Submitted for Filing:
5-3-10

**PEOPLES GAS SYSTEM'S PETITION
FOR APPROVAL OF TRUE-UP AMOUNT**

Peoples Gas System, through undersigned counsel, and pursuant to the requirements in this docket, hereby petitions the Commission for approval of its purchased gas adjustment true-up amount for the period January 1 through December 31, 2009, and in support thereof says:

1. The name and mailing address of Peoples is:

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

2. The names and mailing addresses of the persons authorized to receive notices, orders, pleadings and other communications and documents in this docket are:

Ansley Watson, Jr.
Macfarlane Ferguson & McMullen
P. O. Box 1531
Tampa, Florida 33601-1531

Ms. Paula K. Brown
Regulatory Affairs
Peoples Gas System
P. O. Box 111
Tampa, Florida 33601-0111

Ms. Kandi M. Floyd
Peoples Gas System
P. O. Box 2562
Tampa, Florida 33601-1531

3. Pursuant to the requirements in this docket, Peoples has submitted for filing with this petition the testimony of Kandi M. Floyd and Exhibit ___(KMF-1), consisting of Schedule A-7 of the purchased gas adjustment true-up reporting form supplied by the Commission Staff.

DOCUMENT NUMBER-DATE

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4. As indicated in the testimony of Ms. Floyd and in Schedule A-7, Peoples' final true-up amount for the period January 1 through December 31, 2009, including interest and adjustment, net of the estimated true-up for the same period, is an underrecovery of \$6,617,629.

WHEREFORE, Peoples Gas System respectfully requests that the Commission enter its order approving Peoples' final true-up amount for the period January 1 through December 31, 2009.

Respectfully submitted,



Ansley Watson, Jr.
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Tampa, Florida 33601-1531
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Attorneys for Peoples Gas System

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing, the Direct Testimony of Kandi M. Floyd, and Exhibit ___(KMF-1) have been furnished by U. S. Mail, this 30th day of April, 2010, to the following:

Katherine E. Fleming, Esquire
Office of General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Mr. Melvin Williams
Florida City Gas
933 East 25th Street
Hialeah, FL 33013-3403

Florida Public Utilities Company
Cheryl Martin
P. O. Box 3395
West Palm Beach, FL 33402-3395

Norman H. Horton, Jr., Esquire
Messer, Caparello & Self, P.A.
P.O. Box 15579
Tallahassee, FL 32317


Beth Keating, Esquire
Akerman Senterfitt
106 E. College Ave., Suite 1200
Tallahassee, FL 32301

J. R. Kelly/Patricia Christensen
Office of Public Counsel
c/o The Florida Legislature
111 W. Madison St. - #812
Tallahassee, FL 32399-1400

Mr. Stuart L. Shoaf
St. Joe Natural Gas Company, Inc.
P. O. Box 549
Port St. Joe, FL 32457-0549

Elizabeth Wade/David Weaver
AGL Resources, Inc.
Ten Peachtree Place
Location 1470
Atlanta, GA 30309

Ms. Paula K. Brown
Regulatory Affairs
Peoples Gas System
P. O. Box 111
Tampa, FL 33601-0111



Ansley Watson, Jr.



BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 100003-GU
IN RE: PURCHASED GAS ADJUSTMENT (PGA)
TRUE-UP BY PEOPLES GAS SYSTEM

TESTIMONY AND EXHIBIT
OF
KANDI M. FLOYD

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1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 PREPARED DIRECT TESTIMONY

3 OF

4 KANDI M. FLOYD

5
6 **Q.** Please state your name and business address.

7
8 **A.** My name is Kandi M. Floyd. My business address is 702
9 N. Franklin Street, Tampa, Florida 33602.

10
11 **Q.** By whom are you employed and in what capacity?

12
13 **A.** I am employed by Peoples Gas System ("Peoples") as
14 Manager of State Regulatory, having held that position
15 since 2003.

16
17 **Q.** Please summarize your educational background and
18 professional qualifications.

19
20 **A.** I hold a B.A. in Business Administration from Saint Leo
21 University. From 1995 to 1997, I worked in a series of
22 positions within the Regulatory Affairs Department of
23 Tampa Electric Company. In 1998, I joined Peoples as a
24 Regulatory Coordinator in the Regulatory and Gas Supply
25 Department. In 2001, I became Peoples' Energy

DOCUMENT NO. DATE

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FPSC - COMMISSION CLERK

1 Conservation/Regulatory Coordinator, and held that
2 position until assuming my current position in 2003.

3
4 **Q.** What are your primary responsibilities in your current
5 position with Peoples?

6
7 **A.** As Manager of State Regulatory, I am responsible for
8 managing the Purchased Gas Adjustment ("PGA") and Energy
9 Conservation Cost Recovery filings as well as various
10 regulatory activities of Peoples.

11
12 **Q.** Have you prepared or caused to be prepared certain
13 schedules for use in this proceeding?

14
15 **A.** Yes. As Composite Exhibit KMF-1, preparation of the
16 following schedule with respect to the final true-up for
17 the period January 2009 through December 2009: A-7 -
18 Final Fuel Over/Under Recovery.

19
20 **Q.** What was Peoples' cost of gas to be recovered through
21 the PGA clause for the period January 2009 through
22 December 2009?

23
24 **A.** As shown on Schedule A-7 in KMF-1, the cost of gas
25 purchased, adjusted for company use, was \$246,733,274.

1 Q. What was the amount of gas revenue collected for the
2 period January 2009 through December 2009?

3
4 A. The amount of gas revenue collected to cover the cost of
5 gas was \$240,101,271.

6
7 Q. What was the final true-up amount for the period January
8 2009 through December 2009?

9
10 A. The final true-up amount for the period, including
11 interest and adjustments, is an under-recovery of
12 \$6,617,629.

13
14 Q. Is this amount net of the estimated true-up for the
15 period January 2009 through December 2009, which was
16 included in the January 2010 through December 2010 PGA
17 factor calculation?

18
19 A. No. The final true-up net of the estimated true-up for
20 the period January 2009 through December 2009 is an
21 under-recovery of \$8,770,782.

22
23 Q. Is this the final under-recovery amount to be included
24 in the January 2011 through December 2011 projection?

25

1 **A.** Yes.

2

3 **Q.** Does this conclude your testimony?

4

5 **A.** Yes.

6

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EXHIBIT

OF

KANDI M. FLOYD

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COMPANY: PEOPLES GAS SYSTEM

FINAL FUEL OVER/UNDER RECOVERY

SCHEDULE A-7

Page 1 of 1

FOR THE PERIOD: JANUARY 09 THROUGH DECEMBER 09

1	TOTAL ACTUAL FUEL COST FOR THE PERIOD	A-2 Line 3, Period To Date Dec.'09	\$246,733,274
2	TOTAL ACTUAL FUEL REVENUES FOR THE PERIOD	A-2 Line 6, Period To Date Dec.'09	\$240,101,271
3	ACTUAL OVER/(UNDER) RECOVERY FOR THE PERIOD (2-1)		(\$6,632,003)
4	INTEREST PROVISION	A-2 Line 8, Period To Date Dec.'09	\$14,374
5	ACTUAL OVER/(UNDER) RECOVERY FOR THE PERIOD (3+4)		(\$6,617,629)
6	ADJUSTMENT		\$0
7	NET OVER/(UNDER) RECOVERY FOR THE 12 MONTH PERIOD ENDING DECEMBER 31, 2009 (5+6)		(\$6,617,629)
8	LESS: ESTIMATED OVER/(UNDER) RECOVERY FOR THE PERIOD JANUARY '09 THROUGH DECEMBER '09 WHICH WAS INCLUDED IN THE CURRENT JANUARY '10 THROUGH DECEMBER '10 PERIOD	E-4 Line 4 Col. 4, PGACAP'10	\$2,153,153
9	FINAL FUEL OVER/(UNDER) RECOVERY TO BE INCLUDED IN THE PROJECTED JANUARY '11 THROUGH DECEMBER '11 PERIOD (7-8)	E-4 Line 4 Col. 3, (To Be on PGACAP'11)	(\$8,770,782)

PEOPLES GAS SYSTEM
DOCKET NO. 100003-GU
EXHIBIT NO. _____ (KMF-1)
WITNESS: FLOYD
DOCUMENT NO. 1
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