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IN REPLY REFER TO:

Ansley Watson, Jr.
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May 2, 2016

VIA E-PORTAL FILING

Carlotta S. Stauffer
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Docket No. 160003-GU – Purchased gas adjustment (PGA) true-up

Dear Ms. Stauffer:

Attached for filing with the Commission on behalf of Peoples Gas System, please find the following:

- Peoples' Petition for Approval of True-Up Amount (for the period January through December 2015);
- 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 2, 2016.

Carlotta S. Stauffer, Commission Clerk
May 2, 2016
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Thank you for your usual assistance.

Sincerely,


ANSLEY WATSON, JR.

AWjr/a
Enclosures

cc: Parties of Record
Ms. Kandi M. Floyd

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 160003-GU
Submitted for Filing:
5-2-16

**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, 2015, 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., Esquire
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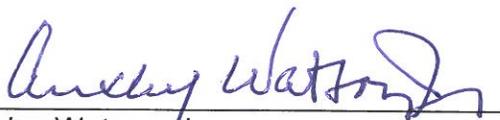
3. Pursuant to the requirements in this docket, Peoples has submitted for filing with this petition the testimony of Kandi M. Floyd and Exhibit ___(KMF-1),

consisting of Schedule A-7 of the purchased gas adjustment true-up reporting form supplied by the Commission Staff.

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, 2015, including interest and adjustment, net of the estimated true-up for the same period, is an underrecovery of \$3,375,041.

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, 2015.

Respectfully submitted,



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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 electronically, this 2nd day of May, 2016, to the following:

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Ansley Watson, Jr.



BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 160003-GU
IN RE: PURCHASED GAS ADJUSTMENT (PGA)
TRUE-UP BY PEOPLES GAS SYSTEM

TESTIMONY AND EXHIBIT
OF
KANDI M. FLOYD

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

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. I have caused to be prepared as Composite Exhibit
16 KMF-1 the following schedule with respect to the final
17 true-up for the period January 2015 through December
18 2015: A-7 - 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 2015 through
22 December 2015?

23

24 **A.** As shown on Schedule A-7 in KMF-1, the cost of gas
25 purchased, adjusted for company use, was \$138,539,694.

1 Q. What was the amount of gas revenue collected for the
2 period January 2015 through December 2015?
3
4 A. The amount of gas revenue collected to cover the cost of
5 gas was \$135,087,128.
6
7 Q. What was the final true-up amount for the period January
8 2015 through December 2015?
9
10 A. The final true-up amount for the period, including
11 interest and adjustments, is an under-recovery of
12 \$3,452,566.
13
14 Q. Is this amount net of the estimated true-up for the
15 period January 2015 through December 2015, which was
16 included in the January 2016 through December 2016 PGA
17 factor calculation?
18
19 A. No. The final true-up net of the estimated true-up for
20 the period January 2015 through December 2015 is an
21 under-recovery of \$5,631,989.
22
23 Q. Is this the final under-recovery amount to be included
24 in the January 2017 through December 2017 projection?
25

1 **A.** Yes.

2

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

4

5 **A.** Yes.

6

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PEOPLES GAS SYSTEM
DOCKET NO. 160003-GU
WITNESS: FLOYD

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 15 THROUGH DECEMBER 15

1	TOTAL ACTUAL FUEL COST FOR THE PERIOD	A-2 Line 3, Period To Date Dec.'15	\$138,539,694
2	TOTAL ACTUAL FUEL REVENUES FOR THE PERIOD	A-2 Line 6, Period To Date Dec.'15	\$135,087,128
3	ACTUAL OVER/(UNDER) RECOVERY FOR THE PERIOD (2-1)		(\$3,452,566)
4	INTEREST PROVISION	A-2 Line 8, Period To Date Dec.'15	(\$1,509)
5	ACTUAL OVER/(UNDER) RECOVERY FOR THE PERIOD (3+4)		(\$3,454,075)
6	ADJUSTMENTS	A-2 Lines 10a + 11a, Period To Date Dec.'15	\$79,034
7	NET OVER/(UNDER) RECOVERY FOR THE 12 MONTH PERIOD ENDING DECEMBER 31, 2015 (5+6)		(\$3,375,041)
8	LESS: ESTIMATED OVER/(UNDER) RECOVERY FOR THE PERIOD JANUARY '15 THROUGH DECEMBER '15 WHICH WAS INCLUDED IN THE CURRENT JANUARY '16 THROUGH DECEMBER '16 PERIOD	E-4 Line 4 Col. 4, PGACAP'16	\$2,256,948
9	FINAL FUEL OVER/(UNDER) RECOVERY TO BE INCLUDED IN THE PROJECTED JANUARY '17 THROUGH DECEMBER '17 PERIOD (7-8)	E-4 Line 4 Col. 3, (To Be on PGACAP'17)	(\$5,631,989)

7