

MACFARLANE FERGUSON & McMULLEN

ATTORNEYS AND COUNSELORS AT LAW

ONE TAMPA CITY CENTER, SUITE 2000
201 NORTH FRANKLIN STREET
P.O. BOX 1531 (ZIP 33601)
TAMPA, FLORIDA 33602
(813) 273-4200 FAX (813) 273-4396

www.mfmlegal.com
EMAIL: info@mfmlegal.com

625 COURT STREET
P.O. BOX 1669 (ZIP 33757)
CLEARWATER, FLORIDA 33756
(727) 441-8966 FAX (727) 442-8470

IN REPLY REFER TO:

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

October 4, 2016

VIA E-PORTAL FILING

Ms. 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 electronic filing in the above docket on behalf of Peoples Gas System, please find Peoples' Prehearing Statement.

We appreciate your usual assistance.

Sincerely,


Ansley Watson, Jr.

AWjr/a
Attachment

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:
10-4-16

**PEOPLES GAS SYSTEM'S
PREHEARING STATEMENT**

Peoples Gas System ("PGS"), by its undersigned attorneys, submits the following Prehearing Statement for the hearing scheduled to be held in the above docket commencing November 1, 2016.

A. WITNESSES

<u>Witness</u>	<u>Subject Matter</u>	<u>Issues</u>
(Direct)		
Kandi M. Floyd (PGS)	Projected gas costs, therm sales and weighted average cost of gas ("WACOG"); final PGA true-up amount for January 2015 - December 2015; estimated PGA true-up amounts for January 2016 - December 2016; total PGA true-up amount for January 2016 - December 2016; and levelized PGA cost recovery (cap) factor for January 2017 - December 2017	1-6

B. EXHIBITS

<u>Exhibit</u>	<u>Witness</u>	<u>Description</u>
_____ (KMF-1)	Floyd	Calculation of final true-up for January 2015 - December 2015 (Schedule A-7)
_____ (2nd Revised KMF-2)	Floyd	Calculation of estimated true-up for January 2016 - December 2016; total

true-up for January 2016 – December 2016); calculation of PGA factor for January 2017 – December 2017 (Schedules E-1 through E-5)

C. STATEMENT OF BASIC POSITION

PGS's Statement of Basic Position:

The Commission should approve PGS's final PGA true-up amount of \$5,631,990 under-recovery for the period January 2015 through December 2015; its actual/estimated PGA true-up amount of \$6,539,298 over-recovery for the period January 2016 through December 2016; and its levelized PGA (cap) factor of \$0.90908 per therm for the period January 2017 through December 2017. (Floyd)

D. STATEMENT OF ISSUES AND POSITIONS

Generic Purchased Gas Adjustment Issues

ISSUE 1: What are the final purchased gas adjustment true-up amounts for the period January 2015 through December 2015?

PGS: \$5,631,990 under-recovery (Floyd)

ISSUE 2: What are the actual/estimated purchased gas adjustment true-up amounts for the period January 2016 through December 2016?

PGS: \$6,539,298 over-recovery (Floyd)

ISSUE 3: What are the total purchased gas adjustment true-up amounts to be collected during the period January 2017 through December 2017?

PGS: \$907,309 over-recovery (Floyd)

ISSUE 4: What are the levelized purchased gas cost recovery (cap) factors for the period January 2017 through December 2017?

PGS: \$0.90908 per therm (Floyd)

ISSUE 5: What should be the effective date of the new purchased gas adjustment charge for billing purposes?

PGS: The charge should be effective beginning with the specified purchased gas cost recovery cycle and thereafter for the period January 2017 through December 2017. Billing cycles may start

before January 1, 2017, and the last cycle may be read after December 31, 2017, so that each customer is billed for twelve months regardless of when the adjustment charge became effective. (Floyd)

ISSUE 6: Should the Commission approve revised tariffs reflecting the new purchased gas adjustment charges determined to be appropriate in this proceeding?

PGS: The Commission should approve revised tariffs reflecting the new purchased gas adjustment charges determined to be appropriate in this proceeding. The Commission should direct staff to verify that the revised tariffs are consistent with the Commission's decision. (Floyd)

E. STIPULATED ISSUES

None as to PGS.

F. PENDING MOTIONS

None as to PGS.

G. PENDING CONFIDENTIALITY CLAIMS OR REQUESTS

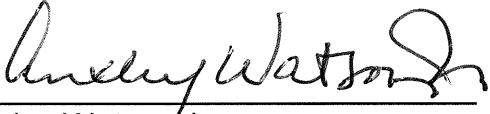
PGS has no pending confidentiality claims or requests at this time.

H. COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE

PGS has complied with all requirements of the Order Establishing Procedure in this docket.

Dated this 4th day of October, 2016.

Respectfully submitted,

A handwritten signature in black ink that reads "Ansley Watson Jr." The signature is written in a cursive style with a horizontal line underneath it.

Ansley Watson Jr.

Phone: (813) 273-4321

Macfarlane Ferguson & McMullen

P. O. Box 1531

Tampa, Florida 33601-1531

Fax: (813) 273-4396

Attorney for Peoples Gas System

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing Prehearing Statement have been furnished by electronic mail this 4th day of October, 2016, to the following:

Margo Leathers, Esquire
Office of General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
mleather@psc.state.fl.us

Office of Public Counsel
J.R. Kelly/Patricia Christensen
c/o The Florida Legislature
111 West Madison St., Room 812
Tallahassee, FL 32399-1400
Kelly.jr@leg.state.fl.us

Beth Keating, Esquire
Gunster Law Firm
215 South Monroe St. Suite 601
Tallahassee, FL 32301
bkeating@gunster.com


Mr. Charles Shoaf
St. Joe Natural Gas Company, Inc.
P. O. Box 549
Port St. Joe, FL 32457-0549
Andy@stjoegas.com

Ms. Carolyn Bermudez
Florida City Gas
933 East 25th Street
Hialeah, FL 33013-3340
cbermude@aglresources.com

Paula K. Brown/Kandi M. Floyd
Regulatory Affairs
Peoples Gas System
P. O. Box 111
Tampa, FL 33601-0111
regdept@tecoenergy.com

Mike Cassel
Florida Public Utilities Company
1641 Worthington Road, Suite 220
West Palm Beach, FL 33409-6703
Mike_Cassel@fpuc.com

Elizabeth Wade
AGL Resources Inc.
Ten Peachtree Place
Location 1470
Atlanta, GA 30309
ewade@aglresources.com



Ansley Watson, Jr.