

58

**ANNUAL REPORT OF
NATURAL GAS UTILITIES**

PEOPLES GAS SYSTEM
(EXACT NAME OF RESPONDENT)

**702 N. Franklin Street
Tampa, Florida 33602**
(ADDRESS OF RESPONDENT)

ECONOMIC REGULATION

01 APR 30 PM 3:13

FLORIDA PUBLIC SERVICE COMMISSION

TO THE

FLORIDA PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2000

Officer or other person to whom correspondence should be addressed concerning this report:

Name	Francis J. Sivard	Title	Vice President - Accounting
Address	P. O. Box 2562	City	Tampa
Telephone No.	(813) 228-4592	State	FL 33601-2562
			PSC/AFA 20 (4/96)

Report of Independent Certified Public Accountants

To the Board of Directors
Tampa Electric Company

Our regular examinations of the financial statements of Peoples Gas System, (a wholly-owned subsidiary of Tampa Electric Company) are conducted for the purpose of including such financial statements in the consolidated accounts of its parent company, which are included in an annual report to shareholders and on which we have reported separately for the years ended December 31, 2000 and 1999 under date of January 12, 2001. In connection with our examination of the financial statements of Peoples Gas System for the years then ended, we have also reviewed the Comparative Balance Sheet, Statement of Income, and Notes to Financial Statements for the years then ended and the Statement of Retained Earnings and Statement of Cash Flows for the year ended December 31, 2000, included in the accompanying Annual Report of Natural Gas Utilities as filed with the Florida Public Service Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note A, these financial statements were prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Peoples Gas System at December 31, 2000 and 1999, the results of its operations and its cash flows for the year ended December 31, 2000, and net income for the year ended December 31, 1999, in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.



This report is intended solely for the information and use of the board of directors and management of Tampa Electric Company and for filing with the Florida Public Service Commission and should not be used for any other purpose.

PriceWaterhouseCoopers LLP

January 12, 2001

ANNUAL REPORT OF NATURAL GAS UTILITIES

IDENTIFICATION

01 Exact Legal Name of Respondent Peoples Gas System, a Division of Tampa Electric Company	02 Year of Report 2000
03 Previous Name and Date of Change (if name changed during year)	
04 Address of Principal Office at End of Year (Street, City, State, Zip Code) 702 N. Franklin Street Tampa, Florida 33602	
05 Name of Contact Person Francis J. Sivard	06 Title of Contact Person Vice President - Accounting
07 Address of Contact Person (Street, City, State, Zip Code) P. O. Box 2562 Tampa, Florida 33601-2562	
08 Telephone of Contact Person, Including Area Code (813) 228-4592	09 Date of Report (Mo, Da, Yr) Dec. 31, 2000

ATTESTATION

I certify that I am the responsible accounting officer of

Peoples Gas System;

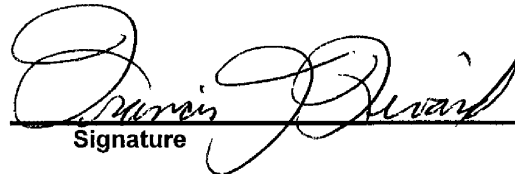
that I have examined the following report; that to the best of my knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from January 1, 2000 to December 31, 2000, inclusive.

I also certify that all affiliated transfer prices and affiliated cost allocations were determined consistent with the methods reported to this Commission on the appropriate forms included in this report.

I am aware that Section 837.06, Florida Statutes, provides:

Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in S. 775.082 and S. 775.083.

4-26-01
Date


Signature

Francis J. Sivard
Name

Vice President - Accounting
Title

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Name of Respondent	For the Year Ended
Peoples Gas System	Dec. 31, 2000

GENERAL INFORMATION

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Francis J. Sivard, Vice President - Accounting
702 N. Franklin Street
Tampa, Florida 33602

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

Florida, 1949

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

None

4. State the type of utility and nonutility services furnished by respondent during the year in each State in which the respondent operated.

Natural Gas Utility
All in the State of Florida

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

- (1) YES ...Enter the date when such independent accountant was initially engaged: _____
- (2) x NO

CONTROL OVER RESPONDENT

1. If any corporation, business trust, or similar organization or combination of such organizations jointly held control over the respondent at end of year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee (s), state name of

trustee (s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.

2 If the above required information is available from the SEC 10K Report Form filing, a specific reference to the report form (i.e. year and company title) may be listed provided the fiscal years for both the 10-K report and this report are compatible.

In June 1997, TECO Energy, Inc., acquired Lykes Energy, Inc. As part of this acquisition, Lykes' regulated gas distribution utility, Peoples Gas System, Inc., (PGS) was merged into Tampa Electric Company and now operates as the Peoples Gas System division. Also in June 1997, TECO Energy completed its acquisition of West Florida Natural Gas Company (West Florida), which was merged into Tampa Electric Company and now operates as part of the Peoples Gas System division.

The acquisitions of PGS and West Florida, were accounted for as poolings of interests and, accordingly, the 1997 financial statements filed with the Securities and Exchange Commission in Tampa Electric Company's Annual Report on Form 10-K included the financial results of PGS and West Florida. However, for purposes of this Annual Report, only the Financial and Operating results for the natural gas operation of Peoples Gas System (which includes West Florida) are presented herein.

CORPORATIONS CONTROLLED BY RESPONDENT

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|--|---|
| <p>1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.</p> <p>2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.</p> | <p>3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests</p> <p>4. If the above required information is available from the SEC 10-K Report Form filing, a specific reference to the report form (i.e. year and company title) may be listed in column (a) provided the fiscal years for both the 10-K report and this report are compatible.</p> |
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DEFINITIONS

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| <p>1. See the Uniform System of Accounts for a definition of control.</p> <p>2. Direct control is that which is exercised without interposition of an intermediary.</p> <p>3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.</p> <p>4. Joint control is that in which neither interest can effectively</p> | <p>control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.</p> |
|---|--|

Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
None			

OFFICERS

1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policymaking functions.

any position, show name and total remuneration of the previous incumbent, and date the change in incumbency was made.

3. Utilities which are required to file the same data with the Securities and Exchange Commission, may substitute a copy of item 4 of Regulation S-K (identified as this page). The substituted page(s) should be the same size as this page.

2. If a change was made during the year in the incumbent of

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c) (1)
1	President	W. N. Cantrell	\$280,000
2	Vice President - Marketing and Sales	P. L. Holdbrooks	121,500
3	Vice President - Accounting	F. J. Sivard	126,900
4	Vice President - Operations	R. B. Christmas	153,600
5	Vice President - Regulatory & Gas Supply	M J. Pennino	126,000
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40	(1) Amounts included in FPSC copies only.		
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Name of Respondent For the Year Ended

Peoples Gas System

Dec. 31, 2000

DIRECTORS

1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a) abbreviated titles of the directors who are officers of the respondent.

2. Designate members of the Executive Committee by an asterisk and the Chairman of the Executive Committee by a double asterisk.

Name (and Title) of Director (a)	Principal Business Address (b)	No. of Directors Meetings During Yr. (c)	Fees During Year (d)
<p>Peoples Gas System, as a division of Tampa Electric Company, has no directors. However, all directors of Tampa Electric Company, a wholly owned subsidiary of TECO Energy, Inc. (TECO Energy), are also directors of TECO Energy as reported in its definitive proxy statement dated March 5, 2001, for its Annual Meeting of Shareholders held on April 18, 2001.</p>			

SECURITY HOLDERS AND VOTING POWERS

1. Give the names and addresses of the 10 security holders of the respondents who, at the date of the latest closing of the stock book or compilation of the list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes which each would have had the right to cast on that date if a meeting were in order. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.) duration of the trust, and principal holders of beneficiary interests in the trust. If the stock book was not closed or a list of stockholders was not compiled within one year prior to the end of the year, or if since the previous compilation of a list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.

2. If any security other than stock carries voting rights, explain in a supplemental statement of circumstances whereby such security became vested with voting rights and

give other important particulars (details) concerning the voting rights of such security. State whether voting rights are actual or contingent. If contingent, describe the contingency.

3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote.

4. Furnish particulars (details) concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by any officer, director, associated company, or any of the ten largest security holders. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants or rights were issued on a prorata basis.

1. Give date of the latest closing of the stock book prior to the end year, and state the purpose of such closing:

2. State the total number of votes cast at the latest general meeting prior to the end of year for the election of directors of the respondents and number of such votes cast by proxy.

3. Give the date and place of such meeting

Total:
By Proxy:

VOTING SECURITIES

Number of votes as of (date):

Line No.	Name (Title) and Address of Security Holder (a)	Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
4	NONE				
5					
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7					
8	Peoples Gas System, as a division of Tampa Electric Company has no outstanding shares of common stock.				
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10	All outstanding shares of Tampa Electric Company common stock are held by its parent, TECO Energy, Inc.				
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IMPORTANT CHANGES DURING THE YEAR

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquires. Each inquiry should be answered. Enter "none" "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important information to franchise rights:

Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.

2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give name of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.

3. Purchase or sale of an operating unit or system: Give brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.

4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other conditions. State name of Commission authorizing lease and give reference to such authorization.

5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases,

development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements etc.

6. Obligations incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, including ordinary commercial paper maturing on demand or not later than one year after date of issue: State on behalf of whom the obligation was assumed and amount of the obligation. Give reference to Commission authorization if any was required.

7. Changes in articles of incorporation or amendments to charter. Explain the nature and purpose of such changes or amendments.

8. State the estimated annual effect and nature of any important wage scale changes during the year.

9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.

10. State briefly the status of any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on page 8, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.

11. Estimate increase or decrease in annual revenues due to important rate changes: State effective rate and approximate amount of increase or decrease from each revenue classification. State the number of customers affected.

12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by instruction 1 to 11 above, such notes may be attached to this page.

None

Name of Respondent		For the Year Ended		
Peoples Gas System		Dec. 31, 2000		
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)				
Line No.	Title of Account	Ref. Page No.	Balance at Beginning of Year	Balance at End of Year
	(a)	(b)	(c)	(d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	20-21	\$578,600,665	\$632,366,197
3	Construction Work in Progress (107)	20-21	11,640,853	26,726,263
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		590,241,518	659,092,460
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 111, 115)	20-21	210,550,321	222,291,741
6	Net Utility Plant (Enter Total of line 4 less 5)		379,691,197	436,800,719
7	Utility Plant Adjustments (116)	19		
8	Gas Stored (117.1, 117.2, 117.3, 117.4)	-		
9	OTHER PROPERTY AND INVESTMENTS			
10	Nonutility Property (121)	-		
11	(Less) Accum. Prov. for Depr. and Amort. (122)	-		
12	Investments in Associated Companies (123)	-		
13	Investment in Subsidiary Companies (123.1)	-		
14	Other Investments (124)	-		
15	Special Funds (125-128)	-		
16	TOTAL Other Property and Investments (Total of lines 10 through 15)		-	-
17	CURRENT AND ACCRUED ASSETS			
18	Cash (131)	-	(877,154)	(1,019,705)
19	Special Deposits (132-134)	-	12,352	37,352
20	Working Funds (135)	-	16,855	16,475
21	Temporary Cash Investments (136)	-	2,050,239	
22	Notes Receivable (141)	-		
23	Customer Accounts Receivable (142)	-	25,131,927	34,592,417
24	Other Accounts Receivable (143)	-	300,594	1,259,828
25	(Less) Accum. Prov. for Uncollectible Acct -Credit (144)	-	(107,000)	(307,726)
26	Notes Receivable from Associated Companies (145)	-		
27	Accounts Receivable from Assoc. Companies (146)	-		
28	Fuel Stock (151)	-		
29	Fuel Stock Expense Undistributed (152)	-		
30	Residuals (Elec) and Extracted Products (Gas) (153)	-		
31	Plant Material and Operating Supplies (154)	-	1,156,142	938,190
32	Merchandise (155)	-	98,630	77,200
33	Other Material and Supplies (156)	-		
34	Stores Expenses Undistributed (163)	-		
35	Gas Stored Undgrd. & Liq. Nat. Gas Stored (164.1-164.3)	-		
36	Prepayments (165)	32	667,947	612,021
37	Advances for Gas (166-167)	-		
38	Interest and Dividends Receivable (171)	-	11,174	11
39	Rents Receivable (172)	-		
40	Accrued Utility Revenues (173)	-	15,279,160	19,779,152
41	Miscellaneous Current and Accrued Assets (174)	-		
42	TOTAL Current and Accrued Assets (Enter Total of lines 18 through 41)		43,740,866	55,985,215
43	DEFERRED DEBITS			
44	Unamortized Debt Expense (181)	38	1,090,835	1,025,006
45	Extraordinary Property Losses (182.1)	32		
46	Unrecovered Plant and Regulatory Study Costs (182.2)	32		
47	Other Regulatory Assets (182.3)	33		
48	Prelim. Survey and Investigation Charges (Gas) (183.1, 183.2)	-		
49	Clearing Accounts (184)	-		
50	Temporary Facilities (185)	-		
51	Miscellaneous Deferred Debits (186)	34	3,437,799	1,997,780
52	Def. Losses from Disposition of Utility Plant. (187)	-		
53	Research, Devel. and Demonstration Expend. (188)	-		
54	Unamortized Loss on Reacquired Debt (189)	39		
55	Accumulated Deferred Income Taxes (190)	35	4,531,471	
56	Unrecovered Purchased Gas Costs (191)	-	585,095	17,467,446
57	TOTAL Deferred Debits (Enter Total of lines 44 through 56)		9,645,200	20,490,232
58	TOTAL Assets and other Debits (Enter Total of lines 6, 7, 8, 16, 42, 57)		\$433,077,263	\$513,276,166

Name of Respondent		For the Year Ended		
Peoples Gas System		Dec. 31, 2000		
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	PROPRIETARY CAPITAL			
2	Common Stock (201, 202, 203, 205, 206, 207)	-		
3	Preferred Stock Issued (204)	-		
4	Other Paid-In Capital (208-211) & Accounts 212, 213, 214	-	63,550,169	101,550,169
5	Retained Earnings (215, 215.1, 216)	15-16		
6	Unappropriated Undistributed Subsidiary Earnings (216.1)	15-16	112,476,557	112,775,496
7	(Less) Reacquired Capital Stock (217)	-		
8	TOTAL Proprietary Capital (Enter Total of lines 2 through 7)		176,026,726	214,325,665
9	LONG-TERM DEBT			
10	Bonds (221)	37		
11	(Less) Reacquired Bonds (222)	37		
12	Advances from Associated Companies (223)	37		
13	Other Long-Term Debt (224)	37	74,500,000	120,800,000
14	Unamortized Premium on Long-Term Debt (225)	38	152,933	1,316,233
15	(Less) Unamortized Discount on Long-Term Debt-Dr. (226)	38		
16	TOTAL Long-Term Debt (Enter Total of lines 10 through 15)		74,652,933	122,116,233
17	OTHER NONCURRENT LIABILITIES			
18	Obligations Under Capital Leases - Noncurrent (227)	-		
19	Accumulated Provision for Property Insurance (228.1)	-		
20	Accumulated Provision for Injuries and Damages (228.2)	-		
21	Accumulated Provision for Pensions and Benefits (228.3)	-	5,869,337	5,812,998
22	Accumulated Miscellaneous Operating Provisions (228.4)	-		
23	Accumulated Provision for Rate Refunds (229)	-		
24	TOTAL Other Noncurrent Liabilities (Enter Total of lines 18 through 23)		5,869,337	5,812,998
25	CURRENT AND ACCRUED LIABILITIES			
26	Notes Payable (231)	-	79,900,000	53,100,000
27	Accounts Payable (232)	-	16,416,056	41,724,685
28	Notes Payable to Associated Companies (233)	-		
29	Accounts Payable to Associated Companies (234)	-	9,961,775	9,576,591
30	Customer Deposits (235)	-	24,811,879	25,916,982
31	Taxes Accrued (236)	41	2,688,618	(5,478,180)
32	Interest Accrued (237)	-	1,203,901	4,777,768
33	Dividends Declared (238)	-		
34	Matured Long-Term Debt (239)	-		
35	Matured Interest (240)	-		
36	Tax Collections Payable (241)	-	2,071,077	2,894,370
37	Miscellaneous Current and Accrued Liabilities (242)	43	8,945,768	7,843,092
38	Obligations Under Capital Leases-Current (243)	-		
39				
40	TOTAL Current and Accrued Liabilities (Enter Total of lines 26 through 39)		145,999,074	140,355,308
41	DEFERRED CREDITS			
42	Customer Advances for Construction (252)	-	1,582,409	1,683,694
43	Other Deferred Credits (253)	43	60,516	42,175
44	Other Regulatory Liabilities (254)	45	601,506	601,506
45	Accumulated Deferred Investment Tax Credits (255)	42	358,807	315,420
46	Deferred Gains from Disposition of Utility Plant (256)	-		
47	Unamortized Gain on Reacquired Debt (257)	39		
48	Accumulated Deferred Income Taxes (281-283)	44	27,925,954	28,023,167
49	TOTAL Deferred Credits (Enter Total of lines 42 through 48)		30,529,192	30,665,962
50				
51	TOTAL Liabilities and Other Credits (Enter Total of lines 8, 16, 24, 40 and 49)		\$433,077,263	\$513,276,166
52				

STATEMENT OF INCOME

1. Report amounts for Accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (i,k,m,o) in a similar manner to a utility department. Spread the amount (s) over lines 01 through 24 as appropriate. Include these amounts in columns (c) and (d) totals.
2. Report amounts in Account 414, Other Utility Operating Income, in the same manner as Accounts 412 and 413 above.
3. Report data for lines 7,9,10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.
- 4 Use page 19 for important notes regarding the statement of income or any account thereof.
5. Give concise explanations on page 19 concerning

- unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power and gas purchases.
6. Give concise explanations on page 19 concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting

Line No.	Account (a)	Ref. Page No. (b)	Total Current Year (c)	Total Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	46-47	\$314,458,831	\$251,717,410
3	Operating Expenses			
4	Operation Expenses (401)	49-51	215,794,231	161,948,737
5	Maintenance Expenses (402)	49-51	3,773,211	3,245,465
6	Depreciation Expense (403)	55	24,975,519	22,253,454
7	Amort & Depl. of Utility Plant (404-405)	55	(29,080)	86,050
8	Amort. of Utility Plant Acq. Adj. (406)	-	156,372	156,372
9	Amort. of Property Losses, Unrecovered Plant and Regulatory Study Costs (407.1)	-		
10	Amort. of Conversion Expenses (407.2)	-		
11	Regulatory Debits (407.3) Environmental Amortization	-	639,996	639,996
12	(Less) Regulatory Credits (407.4)	-		
13	Taxes Other Than Income Taxes (408.1)	41	22,110,949	20,146,907
14	Income Taxes - Federal (409.1)	41	7,060,664	9,311,101
15	- Other (409.1)	41	1,542,677	1,540,798
16	Provision for Deferred Inc. Taxes (410.1)	35, 44	4,725,761	1,921,519
17	(Less) Provision for Deferred Income Taxes - Cr.(411.1)	35, 44		
18	Investment Tax Credit Adj. - Net (411.4)	42	(43,387)	(43,387)
19	(Less) Gains from Disp. of Utility Plant (411.6)	-		
20	Losses from Disp. of Utility Plant (411.7)	-		
21	(Less) Gains from Disposition of Allowances (411.8)	-		
22	Losses from Disposition of Allowances (411.9)	-		
23	TOTAL Utility Operating Expenses (Total of lines 4 -22)		280,706,913	221,207,012
24	Net Utility Operating Income (Total of line 2 less 23) (Carry forward to page 14, line 25)		\$33,751,918	\$30,510,398

STATEMENT OF INCOME (Continued)

revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.

7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be attached at page 19.

8. Enter on page 19 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of

allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.

9. Explain in a footnote if the previous year's figures are different from that reported in prior reports.

10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 2 to 22, and report the information in the blank space on page 19 or in a supplemental statement.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY - WATER		Line No.
Current Year (e)	Previous Year (f)	Current Year (g)	Previous Year (h)	Current Year (i)	Previous Year (j)	
		\$314,458,831	\$251,717,410			1
						2
		215,794,231	161,948,737			3
		3,773,211	3,245,465			4
		24,975,519	22,253,454			5
		(29,080)	86,050			6
		156,372	156,372			7
						8
						9
						10
		639,996	639,996			11
						12
		22,110,949	20,146,907			13
		7,060,664	9,311,101			14
		1,542,677	1,540,798			15
		4,725,761	1,921,519			16
						17
		(43,387)	(43,387)			18
						19
						20
						21
						22
		280,706,913	221,207,012			23
		\$33,751,918	\$30,510,398			24

Name of Respondent		For the Year Ended		
Peoples Gas System		Dec. 31, 2000		
STATEMENT OF INCOME (Continued)				
Line No.	Account (a)	Ref Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
25	Net Utility Operating Income (Carried forward from page 12)		\$33,751,918	\$30,510,398
26	Other Income and Deductions			
27	Other Income			
28	Nonutility Operating Income			
29	Revenues From Merchandising, Jobbing and Contract Work (415)	-	(611,996)	(471,916)
	(Less) Costs and Exp. of Merchandising, Job & Contract Work (416)	-		
31	Revenues From Nonutility Operations (417)	-		
32	(Less) Expenses of Nonutility Operations (417.1)	-		
33	Nonoperating Rental Income (418)	-		
34	Equity in Earnings of Subsidiary Companies (418.1)	15-16		
35	Interest and Dividend Income (419)	-	288,736	150,842
36	Allowance for Other Funds Used During Construction (419.1)	-		
37	Miscellaneous Nonoperating Income (421)	-	1,422,476	(12,847)
38	Gain on Disposition of Property (421.1)	-		
39	TOTAL Other Income (Enter Total of lines 29 through 38)		1,099,216	(333,921)
40	Other Income Deductions			
41	Loss on Disposition of Property (421.2)	-		
42	Miscellaneous Amortization (425)	56	-	-
43	Miscellaneous Income Deductions (426.1-426.5)	56	10,506	3,707
44	TOTAL Other Income Deductions (Total of lines 41 through 43)		10,506	3,707
45	Taxes Applicable to Other Income and Deductions			
46	Taxes Other Than Income Taxes (408.2)	41		
47	Income Taxes - Federal (409.2)	41	359,010	(94,341)
48	Income Taxes - Other (409.2)	41	59,880	(12,525)
49	Provision for Deferred Income Taxes (410.2)	35, 44		
50	(Less) Provision for Deferred Income Taxes - Cr. (411.2)	35, 44		
51	Investment Tax Credit Adj.- Net (411.5)	-		
52	(Less) Investment Tax Credits (420)	-		
53	TOTAL Taxes on Other Inc. and Ded. (Enter Total of 46 through 52)		418,890	(106,866)
54	Net Other Income and Deductions (Enter Total of lines 39,44,53)		669,820	(230,762)
55	Interest Charges			
56	Interest on Long-Term Debt (427)	37	7,488,540	6,584,403
57	Amortization of Debt Disc. and Expense (428)	38	286,692	278,458
58	Amortization of Loss on Recquired Debt (428.1)	-		
59	(Less) Amort. of Premium on Debt - Credit (429)	38	(351,700)	(99,200)
60	(Less) Amortization of Gain on Recquired Debt - Credit (429.1)	-		
61	Interest on Debt to Assoc. Companies (430)	56		
62	Other Interest Expense (431)	56	5,215,750	3,723,562
63	(Less) Allow. for Borrowed Funds Used During Const. - Cr. (432)	-		
64	Net Interest Charges (Total of lines 56 through 63)		12,639,282	10,487,223
65	Income Before Extraordinary Items (Enter Total of lines 25, 54 and 64)		21,782,456	19,792,413
66	Extraordinary Items			
67	Extraordinary Income (434)	-		
68	(Less) Extraordinary Deductions (435)	-		
69	Net Extraordinary Items (Enter Total of line 67 less line 68)			
70	Income Taxes - Federal and Other (409.3)	41		
71	Extraordinary Items After Taxes (Enter Total of line 69 less line 70)			
72	Net Income (Enter Total of lines 65 and 71)		\$21,782,456	\$19,792,413

STATEMENT OF RETAINED EARNINGS

1. Report all changes in appropriate retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.

2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).

3. State the purpose and amount for each reservation or appropriation of retained earnings.

4. List first Account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items, in that order.

5. Show dividends for each class and series of capital stock.

6. Show separately the state and federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.

7. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservations or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.

8. If any notes appearing in the report to stockholders are applicable to this statement attach them at page 19.

Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)		
1	Balance - Beginning of Year		\$112,476,557
2	Changes (Identify by prescribed retained earnings accounts)		
3	Adjustments to Retained Earnings (Account 439):		
4	Credit:		
5	Credit:		
6	Credit:		
7	Credit:		
8	Credit:		
9	TOTAL Credits to Retained Earnings (Account 439) (Enter Total of lines 4 through 8)		-
10	Debit:		
11	Debit:		
12	Debit:		
13	Debit:		
14	Debit:		
15	TOTAL Debits to Retained Earnings (Account 439) (Enter Total of lines 10 through 14)		-
16	Balance Transferred from Income (Account 433 less Account 418.1)		21,782,456
17	Appropriations of Retained Earnings (Account 436)		
18			
19			
20			
21	TOTAL Appropriations of Retained Earnings (Account 436)		
22	(Enter Total of lines 18 through 20)		
23	Dividends Declared - Preferred Stock (Account 437)		
24			
25			
26			
27			
28	TOTAL Dividends Declared - Preferred Stock (Account 437)		
29	(Enter Total of lines 24 through 27)		
30	Dividends Declared - Common Stock (Account 438)		
31	(Peoples Gas System share of Tampa Electric Company		21,483,517
32	dividend)		
33			
34			
35	TOTAL Dividends Declared - Common Stock (Account 438)		
36	(Enter Total of lines 31 through 34)		21,483,517
37	Transfers from Acct. 216.1, Unappropriated Undistributed Subsidiary Earnings		
38	Balance - End of Year (Enter Total of lines 01, 09, 15, 16, 22, 29, 36 and 37)		\$112,775,496

Name of Respondent

For the Year Ended

Peoples Gas System

Dec. 31, 2000

STATEMENT OF RETAINED EARNINGS (Continued)

Line No.	Item (a)	Amount (b)
	APPROPRIATED RETAINED EARNINGS (Account 215)	
	State balance and purpose of each appropriated retained earnings amount at end of year and give accounting entries for any applications of appropriated retained earnings during the year.	
39		
40		
41		
42		
43		
44		
45	TOTAL Appropriated Retained Earnings (Account 215)	-0-
	APPROPRIATED RETAINED EARNINGS - Amortization , Reserve, Federal (Account 215.1)	
	State below the total amount set aside through appropriations of retained earnings, as of the end of the year, in compliance with the provisions of Federally granted hydroelectric project licenses held by the respondent. If any reductions or changes other than the normal annual credits hereto have been made during the year, explain such items in a footnote.	
46	TOTAL Appropriated Retained Earnings - Amortization Reserve, Federal (Account 215.1)	-0-
47	TOTAL Appropriated Retained Earnings (Accounts 215, 215.1)(Enter Total of lines 45 & 46)	-0-
48	TOTAL Retained Earnings (Account 215, 215.1, 216)(Enter Total of lines 38 and 47)	\$112,775,496
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)	
49	Balance - Beginning of Year (Debit or Credit)	-0-
50	Equity in Earnings for Year (Credit) (Account 418.1)	
51	(Less) Dividends Received (Debit)	
52	Other Changes (Explain)	
53	Balance - End of year	-0-

Name of Respondent		For the Year Ended
Peoples Gas System		Dec. 31, 2000
STATEMENT OF CASH FLOWS		
<p>1. If the notes to the cash flow statement in the respondent's annual stockholders report are applicable to this statement, such notes should be attached to page 19. Information about noncash investing and financing activities should be provided on page 19. Provide also on page 19 a reconciliation between "Cash and Cash Equivalents at end of Year" with related amounts on the balance sheet.</p> <p>2. Under "Other" specify significant amounts and group others.</p> <p>3. Operating Activities - Other: include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on page 19 the amounts of interest paid (net of amounts capitalized) and income taxes paid.</p>		
Line No.	DESCRIPTION (See Instructions for Explanation of Codes) (a)	Amounts (b)
1	Net Cash Flow From Operating Activities:	
2	Net Income (Line 72(c) on page 14)	\$21,782,456
3	Non-Cash Charges (Credits) to Income:	
4	Depreciation and Depletion	24,975,519
5	Amortization of (Specify) Utility Plant	(29,080)
6	Acquisition Adjustment	156,372
7	Environmental	639,996
8	Deferred Income Taxes (Net)	97,214
9	Investment Tax Credit Adjustments (Net)	(43,387)
10	Net (Increase) Decreases in Receivables	(10,218,999)
11	Net (Increase) Decreases in Inventory	239,382
12	Net (Increase) Decreases in Allowances Inventory	
13	Net (Decrease) Increase in Payables and Accrued Expenses	21,156,234
14	Net (Increase) Decreases in Other Regulatory Assets	
15	Net (Decrease) Increase in Other Regulatory Liabilities	
16	(Less) Allowance for Other Funds Used During Construction	
17	(Less) Undistributed Earnings from Subsidiary Companies	
18	Other: Net (Increase) Decreases in Other Current and Accrued Assets	(4,457,904)
19	Net (Increase) Decreases in Deferred Debits	(11,485,028)
20	Net (Decrease) Increase in Deferred Credits and Other Noncurrent Liabilities	1,189,904
21	Net Cash Provided by (Used in) Operating Activities (Total of lines 2 through 20)	44,002,679
22		
23	Cash Flows from Investment Activities:	
24	Construction and Acquisition of Plant(including land):	
25	Gross Additions to Utility Plant	(82,212,332)
26	Gross Additions to Common Utility Plant	
27	Gross Additions to Nonutility Plant	
28	(Less) Allowance for Other Funds Used During Construction	
29	Other:	
30		
31		
32		
33	Cash Outflows for Plant (Total of lines 24 through 32)	(82,212,332)
34		
35	Acquisition of Other Noncurrent Assets (d)	
36	Proceeds from Disposal of Noncurrent Assets (d)	
37	Investment in and Advances to Assoc. and Subsidiary Companies	
38	Contributions and Advances from Assoc. and Subsidiary Companies	
39	Disposition of Investments in (and Advances to)	
40	Associated and Subsidiary Companies	
41	Purchases of Investment Securities (a)	
42	Proceeds from Sales of Investment Securities (a)	

Name of Respondent		For the Year Ended
Peoples Gas System		Dec 31, 2000
STATEMENT OF CASH FLOWS (Continued)		
4. Investing Activities		
<p>Include at other (line 31) net cash outflows to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed on page 19</p> <p>Do not include on this statement the dollar amount of leases capitalized per USofA General instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost on page 19</p>		
Line No.	DESCRIPTION (See Instruction No. 5 for Explanation of Codes) (a)	Amounts (b)
46	Loans Made or Purchased	
47	Collections on Loans	
48		
49	Net (Increase) Decrease in Receivables	
50	Net (Increase) Decrease in Inventory	
51	Net (Increase) Decrease in	
52	Allowances Held for Speculation	
53	Net Increase (Decrease) in Payables and Accrued Expenses	
54	Other	
55		
56	Net Cash Provided by (Used in) Investing Activities	
57	(Total of lines 33 through 55)	(82,212,332)
58		
59	Cash Flows From Financing Activities	
60	Proceeds from Issuance of	
61	Long-Term Debt (b)	51,515,000
62	Preferred Stock	
63	Common Stock	
64	Equity Contribution from Parent	38,000,000
65	Other	
66	Net Increase in Short-term Debt (c)	
67	Other	
68		
69		
70	Cash provided by Outside Sources (Total of lines 61 through 69)	89,515,000
71		
72	Payments of Retirement of:	
73	Long-Term Debt (b)	(4,052,000)
74	Preferred Stock	
75	Common Stock	
76	Other:	(1,163,000)
77		
78	Net Increase in Short-Term Debt (c)	(26,800,000)
79		
80	Dividends on Preferred Stock	
81	Dividends on Common Stock	(21,483,517)
82	Net Cash Provided by (Used in) Financing Activities	
83	(Total of lines 70 through 81)	36,016,483
84		
85	Net Increase (Decrease) in Cash and Cash Equivalents	
86	(Total of lines 21, 57, and 83)	(2,193,170)
87		
88	Cash and Cash Equivalents at Beginning of Year	1,189,940
89		
90	Cash and Cash Equivalents at End of Year	(1,003,230)

NOTES TO THE FINANCIAL STATEMENTS ON A CONSOLIDATED BASIS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Changes in Financial Position, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.

2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.

3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and

plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.

4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.

5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.

6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 12-18, such notes may be attached hereto.

The 2000 financial statements filed with the Securities and Exchange Commission in Tampa Electric Company's Annual Report on Form 10-K included the financial results of the electric division of Tampa Electric Company and Peoples Gas System. Attached are the Notes to the Financial Statements relevant to Peoples Gas System.

NOTES TO FINANCIAL STATEMENTS

A. Summary of Significant Accounting Policies

Basis of Accounting

Peoples Gas System's regulated gas operations maintain their accounts in accordance with recognized policies prescribed or permitted by the Florida Public Service Commission (FPSC). In addition, Peoples Gas System maintains its accounts in accordance with recognized policies prescribed or permitted by the Federal Energy Regulatory Commission (FERC). These policies conform with generally accepted accounting principles in all material respects.

The impact of Financial Accounting Standard (FAS) No. 71, Accounting for the Effects of Certain Types of Regulation, has been minimal in the experience of the regulated utilities, but when cost recovery is ordered over a period longer than a fiscal year, costs are recognized in the period that the regulatory agency recognizes them in accordance with FAS 71.

The use of estimates is inherent in the preparation of financial statements in accordance with generally accepted accounting principles.

Basis of Reporting

The financial statements are presented in accordance with the reporting requirements of the Federal Energy Regulatory Commission. Accordingly, the statements of retained earnings and cash flow for the prior year have been omitted and the current portion of long-term debt has not been classified as such. The current portion of long-term debt was \$16,100,000 and \$3,700,000 at December 31, 2000 and 1999, respectively.

Peoples Gas System does not publish an annual report for distribution to any security holders; Peoples Gas System is a subsidiary of Tampa Electric Company whose annual report includes the accounts of Peoples Gas System in published consolidated financial statements.

Revenues and Fuel Costs

Revenues include amounts resulting from cost recovery clauses which provide for monthly billing charges to reflect increases or decreases in fuel, purchased capacity, conservation and environmental costs for Tampa Electric and purchased gas, interstate pipeline capacity and conservation costs for Peoples Gas System. These adjustment factors are based on costs projected for a specific recovery period. Any over-recovery or under-recovery of costs plus an interest factor are taken into account in the process of setting adjustment factors for subsequent recovery periods. Over-recoveries of costs are recorded as deferred credits and under-recoveries of costs are recorded as deferred debits.

Certain other costs incurred by the regulated utilities are allowed to be recovered from customers through prices approved in the regulatory process. These costs are recognized as the associated revenues are billed.

The company accrues base revenues for services rendered but unbilled to provide a closer matching of revenues and expenses.

Depreciation

The company provides for depreciation primarily by the straight-line method at annual rates that amortize the original cost, less net salvage, of depreciable property over its estimated service life. The provision for utility plant in service, expressed as a percentage of the original cost of depreciable property, was 4.2% for 2000 and 3.95% for 1999.

The original cost of utility plant retired or otherwise disposed of and the cost of removal less salvage are charged to accumulated depreciation.

Asset Impairment

The company periodically assesses whether there has been a permanent impairment of its long-lived assets and certain intangibles held and used by it, in accordance with FAS 121, Accounting for the Impairment of Long-lived Assets and Long-Lived Assets to be Disposed of. No write-down of assets due to impairment was required in 2000 or 1999.

Reporting Comprehensive Income

In 1997, the Financial Accounting Standards Board issued FAS 130, Reporting Comprehensive Income, effective for fiscal years beginning after Dec. 15, 1997. The new standard requires that comprehensive income, which includes net income as well as certain changes in assets and liabilities recorded in common equity, be reported in the financial statements. There were no components of comprehensive income other than net income for the years ended Dec. 31, 2000 or 1999.

Deferred Income Taxes

The liability method is utilized in the measurement of deferred income taxes. Under the liability method, the temporary differences between the financial statement and tax bases of assets and liabilities are reported as deferred taxes measured at current tax rates. Peoples Gas System is regulated, and their books and records reflect approved regulatory treatment, including certain adjustments to accumulated deferred income taxes and the establishment of a corresponding net regulatory tax liability reflecting the amount payable to customers through future rates.

Investment Tax Credits

Investment tax credits have been recorded as deferred credits and are being amortized to income tax expense over the service lives of the related property.

Hedges - Gas Prices

Peoples Gas System enters into natural gas options contracts, from time to time, to limit its exposure to gas price increases.

Peoples Gas System does not use derivatives or other financial products for speculative purposes.

Accounting for Derivative Instruments and Hedging

In 1998, the Financial Accounting Standards Board issued FAS 133, Accounting for Derivative Instruments and Hedging, effective for fiscal years beginning after June 15, 1999. The new standard requires that an entity recognize derivatives as either assets or liabilities in the financial statements, to measure those instruments at fair value and to reflect the changes in fair value of those instruments as either components of comprehensive income or net income, depending on the types of those instruments. Tampa Electric Company does not use derivatives or other financial products for speculative purposes. The company has not yet determined to what extent the standard will impact its financial statements.

Mergers

In June 1997, TECO Energy, Inc. completed its merger with Lykes Energy, Inc. Concurrent with this merger, the regulated gas distribution utility, Peoples Gas System, Inc., was merged into Tampa Electric Company and now operates as the Peoples Gas System division of Tampa Electric Company.

Also in June 1997, TECO Energy completed its merger with West Florida Gas Inc. (West Florida). Concurrent with this merger, West Florida's regulated gas distribution utility, West Florida Natural Gas Company, was merged into Tampa Electric Company and now operates as part of the Peoples Gas System division.

These mergers were accounted for as poolings of interests and, accordingly, the company's Balance Sheet as of Dec. 31, 1997 and its Statements of Income and Cash Flows for the period ended Dec. 31, 1997 include the results of Peoples Gas System and West Florida.

Financial statements and all financial information presented for periods prior to 1997 have been restated to include the results of the Peoples Gas System. Prior period financial statements have not been restated to reflect the operations and financial position of West Florida Natural Gas due to its size.

Reclassifications and Restatements

Certain prior year amounts were reclassified or restated to conform with current year presentation.

B. Retained Earnings

Certain of Peoples Gas System's long-term debt issues contain provisions that limit the dividend payment on the company's common stock. At Dec. 31, 2000, substantially all of the company's retained earnings were available for dividends on its common stock.

C. Retirement Plan

Peoples Gas System is a participant in the comprehensive retirement plan of TECO Energy, including a non-contributory defined benefit retirement plan which covers substantially all employees. Benefits are based on employees' age, years of service and final average salary. Effective April 1, 2000, the plan was amended to provide for benefits to be earned and payable substantially on a lump sum basis through an age and service credit schedule for eligible participants leaving the company on or after July 1, 2001. Other significant provisions of the plan, such as eligibility, definitions of credited service, final average earnings, etc., remain largely unchanged. This amendment resulted in decreased pension expense of approximately \$2.0 million in 2000 and a reduction of benefit obligation of \$14.4 million at Dec. 31, 2000.

TECO Energy's policy is to fund the plan within the guidelines set by ERISA for the minimum annual contribution and the maximum allowable as a tax deduction by the IRS. About 68 percent of plan assets were invested in common stocks and 32 percent in fixed income investments at Dec. 31, 2000.

In 1997, the Financial Accounting Standards Board issued FAS 132, Employers' Disclosures about Pensions and Other Post Retirement Benefits. FAS 132 standardizes the disclosure requirements for pension and other postretirement benefits with additional information required on changes in the benefit obligations and fair values of plan assets. TECO Energy adopted FAS 132 with the additional disclosures included here and in Footnote E,

Postretirement Benefit Plan.

Components of net pension expense, reconciliation of the funded status and the accrued pension liability are presented below for TECO Energy consolidated.

Components of Net Pension Expense

(millions)	<u>2000</u>	<u>1999</u>
Service cost		
(benefits earned during the period)	\$10.7	\$12.9
Interest cost on projected benefit obligations	27.5	27.2
Less: Expected return on plan assets	(40.8)	(34.6)
Amortization of:		
Unrecognized transition asset	(1.0)	(0.9)
Prior service cost	0.2	1.2
Actuarial (gain) loss	(5.6)	5.2
Net pension expense	<u>(9.0)</u>	<u>11.0</u>
Special termination benefit charge	1.1	--
Curtailment charge	--	--
Net pension expense recognized in TECO Energy's Consolidated Statements of Income (1)	<u>\$ (7.9)</u>	<u>\$11.0</u>

(1) Peoples Gas System's portion was \$(1.6) million and \$.8 million for 2000 and 1999 respectively.

Reconciliation of the Funded Status of the Retirement Plan and the Accrued Pension Prepayment/(Liability)
(millions)

	<u>Dec. 31,</u> <u>2000</u>	<u>Dec. 31,</u> <u>1999</u>
Projected benefit obligation, beginning of year	\$360.4	\$414.9
Change in benefit obligation due to:		
Service cost	10.7	12.9
Interest cost	27.5	27.2
Actuarial (gain) loss	17.8	(68.1)
Curtailements	(14.4)	--
Special termination benefits	1.1	--
Gross benefits paid	(23.2)	(26.5)
Projected benefit obligation, end of year	<u>379.9</u>	<u>360.4</u>
Fair value of plan assets, beginning of year	512.1	468.7
Change in plan assets due to:		
Actual return on plan assets	6.2	65.3
Employer contributions	1.6	7.6
Gross benefits paid	(26.1)	(29.5)
Fair value of plan assets, end of year	<u>493.8</u>	<u>512.1</u>
Funded status, end of year	<u>113.9</u>	<u>151.7</u>
Unrecognized net actuarial gain	(127.8)	(188.6)
Unrecognized prior service cost	(3.3)	11.3
Unrecognized net transition asset	(4.7)	(5.7)
Accrued pension liability (2)	<u>\$ (21.9)</u>	<u>\$ (31.3)</u>

(2) Peoples Gas System's portion was \$4.1 million and \$4.1 million at Dec. 31, 2000 and 1999, respectively.

Assumptions Used in Determining Actuarial Valuations

	<u>2000</u>	<u>1999</u>
Discount rate to determine projected benefit obligation	7.50%	7.75%
Rates of increase in compensation levels	3.3-5.3%	3.3-5.3%
Plan asset growth rate through time	9%	9%

D. Postretirement Benefit Plan

Peoples Gas System currently provides certain postretirement health care benefits for substantially all employees retiring after age 55 meeting certain service requirements. The company contribution toward health care coverage for most employees retiring after Jan. 1, 1990 is limited to a defined dollar benefit based on years of service. Postretirement benefit levels are substantially unrelated to salary. Peoples Gas System reserves the right to terminate or modify the plan in whole or in part at any time.

**Components of Postretirement Benefit Cost
(millions)**

	<u>2000</u>	<u>1999</u>
Service cost (benefits earned during the period)	0.3	0.4
Interest cost on projected benefit obligations	0.5	0.4
Amortization of transition obligation (straight line over 20 years)	0.2	0.2
Amortization of Prior Service Cost	0.2	0.0
Amortization of actuarial loss/(gain)	<u>(0.2)</u>	<u>0.0</u>
Net periodic Postretirement benefit expense	<u><u>1.0</u></u>	<u><u>1.0</u></u>

Reconciliation of the Funded Status of the Postretirement Benefit Plan and the Accrued Liability (millions)

	<u>Dec. 31, 2000</u>	<u>Dec. 31, 1999</u>
Accumulated postretirement benefit obligation, beginning of year	4.3	4.9
Change in benefit obligation due to:		
Service cost	0.3	0.4
Interest cost	0.5	0.4
Plan participants' contributions	0.1	0.1
Plan amendments	2.7	0.0
Actuarial (gain) loss	(0.4)	(1.1)
Gross benefits paid	<u>(0.3)</u>	<u>(0.4)</u>
Accumulated postretirement benefit obligation, end of year	<u><u>7.2</u></u>	<u><u>4.3</u></u>
Funded status, end of year	(7.3)	(4.3)
Unrecognized net loss from past experience	(2.6)	(2.4)
Unrecognized prior service cost	3.0	0.4
Unrecognized transition obligation	<u>3.0</u>	<u>3.4</u>
Liability for accrued postretirement benefit	<u><u>(3.9)</u></u>	<u><u>(2.9)</u></u>

Assumptions Used in Determining Actuarial Valuations

	<u>2000</u>	<u>1999</u>
Discount rate to determine projected benefit obligation	7.50%	7.75%

The assumed health care cost trend rate for medical costs prior to age 65 was 7.25% in 2000 and decreases to 5.00% in 2002 and thereafter. The assumed health care cost trend rate for medical costs after age 65 was 6.25% in 2000 and decreases to 5.00% in 2002 and thereafter.

A 1-percent increase in the medical trend rates would produce a 10-percent (\$81 thousand) increase in the aggregate service and interest cost for 2000 and a 9-percent (\$614 thousand) increase in the accumulated postretirement benefit obligation as of Dec. 31, 2000.

A 1-percent decrease in the medical trend rates would produce an 8-percent (\$70 thousand) decrease in the aggregate service and interest cost for 2000 and a 7-percent (\$532 thousand) decrease in the accumulated postretirement benefit obligation as of Dec. 31, 2000.

E. Income Tax Expense

The company is included in the filing of a consolidated Federal income tax return with its parent and affiliates. The company's income tax expense is based upon a separate return computation. Income tax expense consists of the following components:

(millions of dollars)	<u>Federal</u>	<u>State</u>	<u>Total</u>
2000			
Currently payable	7.4	1.6	9.0
Deferred	4.4	0.3	4.7
Amortization of investment tax credits	0.0	--	0.0
Total income tax expense	<u>11.8</u>	<u>1.9</u>	<u>13.7</u>
Included in other income, net			0.4
Included in operating expenses			<u>13.3</u>
1999			
Currently payable	9.2	1.5	10.7
Deferred	1.6	0.3	1.9
Amortization of investment tax credits	0.0	--	0.0
Total income tax expense	<u>10.8</u>	<u>1.8</u>	<u>12.6</u>
Included in other income, net			0.1
Included in operating expenses			<u>12.7</u>

Deferred taxes result from temporary differences in the recognition of certain liabilities or assets for tax and financial reporting purposes. The principal components of the company's deferred tax assets and liabilities recognized in the balance sheet are as follows:

(millions of dollars)	<u>Dec. 31,</u> <u>2000</u>	<u>Dec. 31,</u> <u>1999</u>
Deferred tax assets(1)		
Property related	--	--
Energy Conservation Allowance	--	4.5
Leases	--	--
Insurance reserves	--	--
Early capacity payments	--	--
Other	--	--
Total deferred income tax assets	<u>0.0</u>	<u>4.5</u>
Deferred income tax liabilities(1)		
Property related	(30.0)	(33.2)
Other	2.0	5.3
Total deferred income tax liabilities	<u>(28.0)</u>	<u>(27.9)</u>
Accumulated deferred income taxes	<u>(28.0)</u>	<u>(23.4)</u>

(1) Certain property related assets and liabilities have been netted.

The total income tax provisions differ from amounts computed by applying the federal statutory tax rate to income before income taxes for the following reasons:

(millions of dollars)	<u>2000</u>	<u>1999</u>
Net income	21.8	19.8
Total income tax provision	<u>13.7</u>	<u>12.6</u>
Income before income taxes	<u><u>35.5</u></u>	<u><u>32.4</u></u>
Income taxes on above at federal statutory rate of 35%	12.4	11.3
Increase (decrease) due to State income tax, net of federal income tax	1.3	1.1
Amortization of investment tax credits	--	--
Equity portion of AFUDC	--	--
Other	<u>0.0</u>	<u>0.2</u>
Total income tax provision	<u><u>13.7</u></u>	<u><u>12.6</u></u>
Provision for income taxes as a percent of income before income taxes	<u><u>38.6%</u></u>	<u><u>38.9%</u></u>

H. Short-term Debt

Notes payable consisted primarily of commercial paper with weighted average interest rates of 6.53% and 5.95% at Dec. 31, 2000 and 1999, respectively. The carrying amount of notes payable approximated fair market value because of the short maturity of these instruments. Unused lines of credit at Dec. 31, 2000 were \$230 million. Certain lines of credit require commitment fees of .05% on the unused balances.

I. Related Party Transactions (millions)

Net transactions with affiliates are as follows:

	<u>2000</u>	<u>1999</u>
Administrative and general, net	\$16.4	\$4.8

Amounts due from or to affiliates of the company at year-end are as follows:

	<u>2000</u>	<u>1999</u>
Accounts receivable	\$11.4	\$ 3.6
Accounts payable	\$16.1	\$10.3

Accounts receivable and accounts payable were incurred in the ordinary course of business and do not bear interest.

J. Commitments and Contingencies

Peoples Gas System's capital expenditures are estimated to be \$73 million for 2001 and \$251 million for 2002 through 2005 for infrastructure expansion to grow the customer base and normal asset replacement.

Name of Respondent		For the Year Ended	
Peoples Gas System		Dec. 31, 2000	
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION			
Line No.	Item (a)	Total (b)	Electric (c)
1	UTILITY PLANT		
2	In Service		
3	101 Plant in Service (Classified)	599,062,801	
4	101.1 Property Under Capital Leases		
5	102 Plant Purchased or Sold		
6	106 Completed Construction not Classified	27,825,771	
7	103 Experimental Plant Unclassified		
8	104 Leased to Others		
9	105 Held for Future Use	228,955	
10	114 Acquisition Adjustments	5,248,671	
11	TOTAL Utility Plant (Enter Total of lines 3 through 10)	632,366,197	
12	107 Construction Work in Progress	26,726,263	
13	Accum. Prov. for Depr., Amort., & Depl.	(222,291,741)	
14	Net Utility Plant (Enter total of lines 11 plus 12 less line 13)	436,800,719	
15	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION		
16	In Service:		
17	108 Depreciation	(218,763,131)	
18	111 Amort. and Depl. of Producing Nat. Gas Land & Land Rights		
19	111 Amort. of Underground Storage Land and Land Rights		
20	119 Amort. of Other Utility Plant	(1,352,864)	
21	TOTAL in Service (Enter Total of lines 17 through 20)	(220,115,995)	
22	Leased to Others		
23	108 Depreciation		
24	111 Amortization and Depletion		
25	TOTAL Leased to Others (Enter Total of lines 23 and 24)		
26	Held for Future Use		
27	108 Depreciation		
28	111 Amortization		
29	TOTAL Held for Future Use (Enter. Tot. of lines 27 and 28)		
30	111 Abandonment of Leases (Natural Gas)		
31	115 Amort. of Plant Acquisition Adjustment	(2,175,745)	
32	TOTAL Acc. Provisions (Should agree with line 14 above) (Enter Total of lines 21, 25, 29, 30, and 31)	(222,291,741)	

SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS
FOR DEPRECIATION, AMORTIZATION AND DEPLETION (Continued)

Gas (d)	Water (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
599,062,801					3
					4
					5
					6
					7
					8
228,955					9
5,248,671					10
632,366,197					11
26,726,263					12
(222,291,741)					13
436,800,719					14
					15
					16
(218,763,131)					17
					18
					19
(1,352,864)					20
(220,115,995)					21
					22
					23
					24
					25
					26
					27
					28
					29
					30
(2,175,745)					31
(222,291,741)					32
					33

Analysis of Plant in Service Accounts

Acct. No.	Account Description	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass. Adjustments	Transfers	Ending Balance*
374-00	Land-Distribution		1,404,264		(27,487)		(130,197)	1,516,973
374-00	Land-Distribution WFG		270,393					
Amortizable General Plant Assets:								
301-00	Organization		11,636					12,620
301-00	Organization WFG		984					427,466
302-00	Franchises and Consents		391,326					
302-00	Franchises and Consents WFG		36,140					815,325
303-00	Miscellaneous Intangible Plant WFG		815,325					
374-02	Land Rights		1,072,516					1,072,516
386-08	NGV Projects		316,004					316,004
390-02	Improvements to Leased Property		305,969	1,370	(220,860)		(1,370)	84,044

Depreciable Assets: This schedule should identify each account/subaccount for which a separate depreciation rate has been approved by the FPSC.

303-01	Customized Software	9.5%	1,830,000	175,734			(1,165,655)	840,078
375-00	Structures and Improvements	2.7%	15,166,523	133,163	(414,293)		(225,934)	14,659,459
376-00	Mains - Other than Plastic	4.1%	183,061,870	8,711,588	(324,920)		242,729	191,691,267
376-02	Mains - Plastic	2.6%	104,286,796	6,893,500	(80,444)		986,387	112,033,728
378-00	Measuring and Regulating Stations - General	3.3%	2,744,675	54,759	(53,965)			2,745,469
379-00	Measuring and Regulating Stations - City Gate	3.1%	4,340,684	28,895	(69,091)	(16)	101,730	4,402,202
380-00	Service Lines - Other than Plastic	6.7%	33,145,098	1,390,194	(451,155)	(10,309)	(166,266)	33,907,562
380-02	Service Lines - Plastic	3.7%	74,626,234	10,174,592	(627,807)		(143,786)	84,029,233
381-00	Meters	3.4%	19,849,022	3,570,365	(1,265,327)	(198)	23,860	22,177,722
382-00	Meter Installations	8.0%	17,571,309	1,777,382	(339,427)		65,677	19,074,941
383-00	Regulators	3.5%	6,342,652	482,903	(306,995)	(16)	3,289	6,521,833
384-00	Regulator Installations	7.4%	5,811,047	592,452	(74,395)		(16,876)	6,312,228
385-00	Industrial Meas. & Reg. Sta. Eqpt.	3.0%	7,542,704	281,969	(7,066)		1,062	7,818,668
387-00	Other Distribution Equipment	7.9%	1,028,666	123,273	(120,495)	(27)		1,031,417
391-00	Office Furniture and Equipment	6.7%	2,508,674	5,977	(33,137)		(1,816)	2,479,698
391-01	Computer Equipment	9.5%	19,829,781	77,717	(3,743,134)			16,164,361
391-02	Office Machines	4.5%	486,251	2,531	(40,452)		(2,166)	446,164
392-01	Automobiles & Trucks thru 1 Ton	9.5%	8,144,537	1,366,426	(566,096)	(47)	(262,229)	8,682,590
392-03	Airplanes	6.3%	1,356,103		(1,356,103)			0
392-04	Other Transportation Equipment	3.3%	257,322	6,510	(8,417)		(9,384)	246,031
392-05	Trucks over 1 Ton	5.3%	963,442	(629)	(22,020)		(238,671)	702,122
393-00	Stores Equipment	11.3%	88,578		(2,207)		(17,311)	69,060
394-00	Tools, Shop and Garage Equipment	7.9%	3,125,764	142,605	(322,741)	(58)	(36,788)	2,908,782
395-00	Laboratory Equipment	5.4%	204,560		(92,639)	(82)		111,838
396-00	Power Operated Equipment	6.9%	1,724,411	31,233	(57,532)		(32,479)	1,665,634
397-00	Communication Equipment	4.6%	4,187,793		(788,960)			3,398,833
398-00	Miscellaneous Equipment	5.5%	209,709		(52,425)			157,284

Company: Peoples Gas System
For the Year Ended December 31, 2000

Acct. No.	Account Description (Continued)	WEST FLORIDA	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass. Adjustments	Transfers	Ending Balance*
303-01	Customized Software WFG		14.8%	10,414					10,414
375-00	Structures and Improvements		6.7%	36,470	86,132			(3,293)	119,309
376-00	Mains - Other than Plastic		3.2%	8,121,690	66,104	249			8,188,043
376-02	Mains - Plastic		2.8%	20,148,152	280,692	(1,289)			20,427,555
378-00	Measuring and Regulating Stations - General		3.7%	259,840					259,840
378-01	Meas. and Regulating Sta. - General/Electronic		16.8%	117,248					117,248
379-00	Measuring and Regulating Stations - City Gate		3.5%	608,377					608,377
379-01	Meas. and Regulating Sta. - City Gate/Electronic		16.7%						
380-00	Service Lines - Other than Plastic		3.3%	781,315	4,599	(29,082)			755,490
380-02	Service Lines - Plastic		3.3%	7,843,426	1,469,002	(46,444)		1,342	9,267,326
381-00	Meters		3.7%	2,271,941	(2,460)			(22,346)	2,224,939
381-01	Meters - Electronic		9.6%	3,190					3,190
382-00	Meter Installations		2.6%	1,755,038	394,526	(11,368)		9,400	2,147,597
383-00	Regulators		3.8%	1,204,749	74,226				1,278,975
384-00	Regulator Installations		2.9%	962,686	131,509	(4,428)		(9,400)	1,080,367
385-00	Industrial Meas. & Reg. Sta. Eqpt.		3.0%	123,480	64,299			22,346	210,125
387-00	Other Equipment		7.9%	11,978	12,841				24,819
390-00	Structures and Improvements		2.7%	983,765	(200)	(20,740)		3,293	966,118
391-00	Office Furniture and Equipment		5.2%	264,226	5,982				270,208
391-01	Computer Equipment		14.8%	196,690	1,824	(1,236)			197,278
391-02	Office Machines		13.5%	23,944		(9,046)			14,898
391-03	Computer Equipment - New		16.6%	653,431		(37,966)			615,465
392-01	Automobiles & Trucks thru 1 Ton		17.0%	304,176	91,407	43,780	(21,890)	0	417,473
392-04	Other Transportation Equipment		6.8%	13,915					13,915
392-05	Trucks over 1 Ton		8.3%	430,048		(45,372)		(18,375)	366,301
394-00	Tools, Shop and Garage Equipment		7.5%	212,845	5,029	(18,610)		19,549	218,813
394-01	Tools, Shop -CNG Equipment		6.7%	168,986					168,986
395-00	Laboratory Equipment		3.8%	17,902					17,902
396-00	Power Operated Equipment		6.4%	181,425				(9,725)	171,700
397-00	Communication Equipment		14.2%	201,873		(6,415)			195,458
398-00	Miscellaneous Equipment		5.5%	151,058					151,058
	NON-UTILITY								
386	Other Prop on Customer's Premises			0					0
	Mfd Prod Gas Plant			0					0

Annual Status Report
Analysis of Plant in Service Accounts

Company: Peoples Gas System
For the Year Ended December 31, 2000

Acct. No.	Account Description	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass. Adjustments	Transfers	Ending Balance*
(Continued)								
Capital Recovery Schedules:								
Total Account 101*								
Amortizable Assets:								
114	Acquisition Adjustment		2,301,792					5,248,671
114	Acquisition Adjustment WFG		2,946,879					228,955
118	Other Utility Plant							26,646,241
105	Property Held for Future Use		228,955					866,599
107	Construction Work In Progress		26,646,241					606,113,504
107	Construction Work In Progress WFG		866,599					161,676
	Total Utility Plant		606,113,504					599,062,801
			573,123,039	38,710,019	(11,679,750)	0	(1,252,183)	599,062,801

Note: * The total beginning and ending balances must agree to acct. 101, Plant in Service, Line 3, Page 20.

Annual Status Report
Analysis of Entries in Accumulated Depreciation & Amortization

Company: Peoples Gas System
 For the Year Ended December 31, 2000

Acct. No.	Account Description	Beginning Balance*	Accruals	Reclass.	Retirements	Gross Salvage	Cost of Removal	Adjustments	Transfers	Ending Balance*
Amortizable General Plant Assets:										
301-20	Organization	(3,116)								(3,116)
302-20	Franchises and Consents	(283,391)								(283,391)
302-20	Franchises and Consents WFG	0								0
303-20	Miscellaneous Intangible Plant WFG	(192,230)	(32,610)							(224,840)
374-22	Land Rights	(508,773)	(22,927)	0						(531,700)
390-22	Improvements to Leased Property	(305,969)	1,065		220,860					(84,044)
SUB-TOTAL		(1,293,479)	(54,472)	0	220,860	0	0	0	0	(1,127,091)
Items necessary to reconcile the total amortization accrual amount to Acct. 404.03, Amortization Expense, shown on page 12.										
386-28	NGV Projects	(196,324)	(29,449)							(225,773)
The contra account for this amortization is 907 under the Natural Gas Vehicle Program.										
TOTAL		(1,489,803)	(83,921)	0	220,860	0	0	0	0	(1,352,864)
Note: * The total ending balance must agree to Line 20, Page 20.										
This schedule should identify each account/subaccount for which a separate depreciation rate has been approved by the FPSC.										
303-51	Customized Software	(27,588)	(169,082)						83,552	(113,118)
374-00	Land	139,038			27,487	(110,934)			(26,815)	28,776
375-50	Structures and Improvements	(2,648,006)	(419,620)		414,293	(326,371)			(8,723)	(2,988,426)
376-50	Mains - Other than Plastic	(75,490,181)	(7,935,486)		324,920		160,003		(6,300)	(82,947,044)
376-52	Mains - Plastic	(21,798,929)	(2,879,692)		80,444		29,048		(36,586)	(24,605,715)
378-50	Measuring and Regulating Sta.- General	(777,689)	(101,604)		53,965					(825,327)
379-50	Measuring and Regulating Sta.- City Gate	(1,321,947)	(136,334)		69,091		6,430		8,062	(1,374,698)
380-50	Service Lines - Other than Plastic	(25,491,684)	(2,240,471)		451,155	(7,231)	756,488		15,460	(26,516,282)
380-52	Service Lines - Plastic	(23,894,382)	(2,889,951)		627,807	(9,840)	239,823		(15,460)	(25,942,003)
381-50	Meters	(9,120,505)	(716,295)		1,265,327	(21,308)	320,124		904	(8,271,753)
382-50	Meter Installations	(6,063,948)	(1,456,911)		339,427		54,289		(3,509)	(7,130,652)
383-50	Regulators	(2,155,516)	(223,100)		306,995					(2,071,621)
384-50	Regulator Installations	(1,946,543)	(444,910)		74,395		43,852		(7,425)	(2,280,632)
385-50	Industrial Meas. & Reg. Sta. Eqpt.	(2,293,005)	(229,279)		7,066				(10)	(2,515,229)
387-50	Other Distribution Equipment	(432,255)	(82,412)		120,495					(394,171)
391-50	Office Furniture and Equipment	(83,590)	(167,108)		33,137				1,268	(216,293)
391-51	Computer Equipment	(10,312,953)	(1,674,147)		3,743,134					(8,243,965)
391-52	Office Machines	(210,893)	(20,797)		40,452					(189,898)
392-51	Automobiles & Trucks thru 1 Ton	(1,911,878)	(842,026)		566,096	(57,785)			1,341	(2,118,772)
392-53	Airplanes	(1,031,109)			1,356,103				126,821	324,994
392-54	Other Transportation Equipment	(105,707)	(8,263)		8,417	(1,700)			2,418	(104,835)
392-55	Trucks over 1 Ton	(558,159)	(42,857)		22,020	(3,950)			110,231	(472,715)
393-50	Stores Equipment	(87,615)	4,304		2,207				12,044	(69,060)
394-50	Tools, Shop and Garage Equipment	(1,604,811)	(237,405)		322,741				15,773	(1,503,702)
395-50	Laboratory Equipment	65,980	(8,224)		92,639					150,395
396-50	Power Operated Equipment	(952,177)	(115,745)		57,532	(4,600)			29,297	(985,693)
397-50	Communication Equipment	(1,534,592)	(170,900)		788,960				226	(916,307)
398-50	Miscellaneous Equipment	(86,121)	(9,505)		52,425					(43,201)
SUB-TOTAL		(191,736,765)	(23,217,820)	0	11,248,729	(543,719)	1,610,056	0	302,569	(202,336,949)

Annual Status Report
Analysis of Entries in Accumulated Depreciation & Amortization

Company: Peoples Gas System
For the Year Ended December 31, 2000

Acct. No.	Account Description	Beginning Balance*	Accruals	Reclass.	Retirements	Gross Salvage	Cost of Removal	Adjustments	Transfers	Ending Balance*
(Continued)	WEST FLORIDA									
303-51	Customized Software WFG	(191)	(416)							(607)
375-50	Structures and Improvements	(5,292)	(7,579)						28	(12,843)
376-50	Mains - Other than Plastic	(3,960,300)	(261,498)		(249)					(4,222,048)
376-52	Mains - Plastic	(4,707,991)	(571,722)		1,289					(5,278,424)
378-50	Measuring and Regulating Stations - General	(42,439)	(9,870)							(52,309)
378-51	Meas. and Regulating Sta. - General/Electronic	(77,125)	(19,698)						(8,062)	(96,823)
379-50	Meas. and Regulating Stations - City Gate	(152,997)	(21,085)							(182,144)
379-51	Meas. and Reg. Sta. - City Gate/Electronic	(13,750)	(5,031)		29,082		21,247		44	(18,781)
380-50	Service Lines - Other than Plastic	(520,303)	(25,446)		46,444		14,197		(44)	(495,376)
380-52	Service Lines - Plastic	(1,957,219)	(276,215)		22,196				692	(2,172,837)
381-50	Meters	(1,179,006)	(83,439)							(1,239,557)
381-51	Meters - Electronic	(1,427)	(306)							(1,733)
382-50	Meter Installations	(413,481)	(49,633)		11,368	(47)	130		(356)	(452,020)
383-50	Regulators	(549,455)	(47,302)							(596,756)
384-50	Regulator Installations	(273,118)	(29,147)		4,428	(47)	58		307	(297,520)
385-50	Industrial Meas. & Reg. Sta. Equipment	(1,995)	(5,144)						(692)	(7,832)
387-50	Other Equipment	(153)	(1,491)							(1,644)
390-50	Structures and Improvements	(141,955)	(26,334)		20,740				(28)	(147,577)
391-50	Office Furniture and Equipment	(149,671)	(13,855)							(163,526)
391-51	Computer Equipment	(157,069)	(29,798)		1,236					(185,622)
391-52	Office Machines	(17,102)	(2,062)		9,046					(10,119)
391-53	Computer Equipment - New	(575,091)	(102,428)		37,966					(639,553)
392-51	Automobiles & Trucks thru 1 Ton	(64,901)	(58,826)		(43,780)				15,992	(151,516)
392-54	Other Transportation Equipment	(5,612)	(946)							(6,558)
392-55	Trucks over 1 Ton	(239,773)	(33,381)		45,372	(13,310)			(5,252)	(246,343)
394-50	Tools, Shop and Garage Equipment	(88,566)	(15,724)		18,610	(250)			(7,264)	(93,194)
394-51	Tools, Shop -CNG Equipment	(58,857)	(11,321)							(70,178)
395-50	Laboratory Equipment	(3,852)	(680)						6,147	(4,532)
396-50	Power Operated Equipment	(71,533)	(11,221)							(76,608)
397-50	Communication Equipment	(145,963)	(27,792)		6,415					(167,340)
398-50	Miscellaneous Equipment	(117,472)	(8,308)							(125,780)
SUB-TOTAL		(15,693,648)	(1,757,699)	0	210,161	(13,654)	35,631	0	1,510	(17,217,699)
319	NON-UTILITY Large Eqpt Mfg Gas Plant	0								0
320	Other Eqpt Mfg Gas Plant	0								0
386	Other Prop on Customer's Premises	0								0
		(0)	0	0						(0)

Acct. No.	Account Description	Beginning Balance*	Accruals	Reclass.	Retirements	Gross Salvage	Cost of Removal	Adjustments	Transfers	Ending Balance*
Capital Recovery Schedules: This schedule should identify each approved capital recovery schedule.										
	Subtotal	(207,430,413)	(24,975,519)	0	11,458,891	(557,373)	1,645,688	0	304,079	(219,554,647)
List any other items necessary to reconcile the total depreciation and amortization accrual amount to Acct. 403, Depreciation Expense, shown on page 12.										
	RETIREMENT WORK IN PROGRESS(108)	389,269			387,247			15,000		791,516
	Subtotal	389,269	0	0	387,247	0	0	15,000	0	791,516
	Grand Total	(207,041,144)	(24,975,519)	0	11,846,138	(557,373)	1,645,688	15,000	304,079	(218,763,131)
* The grand total of beginning and ending balances must agree to Line 17, Page 20.										
115	Acquisition Adjustment	(2,019,374)								(2,175,745)
Note: * The total ending balance must agree to Line 31, Page 20. The contra account for this adjustment(accrual) is 425.										
	TOTAL	(210,550,321)	(25,215,811)	0	12,066,997	(557,373)	1,645,688	15,000	304,079	(222,291,741)
Note: * The total ending balance must agree to Line 13 and Line 32, Page 20.										

Name of Respondent For the Year Ended

Peoples Gas System Dec. 31, 2000

CONSTRUCTION WORK IN PROGRESS-GAS (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (107).
 2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts).

3. Minor projects (less than \$500,000) may be grouped.

Line No.	Description of Project (a)	Construction Work in Progress-Gas (Account 107) (b)	Estimated Additional Cost of Project (c)
1	Service Lines	79,867	0
2	Revenue Mains	14,370,793	20,689,799
3	Main Replacements	176,967	1,285,033
4	Distribution System Improvements	1,014,043	297,357
5	Governmental Improvements	1,023,985	1,370,015
6	Cathodic Protection	67,879	246,621
7	Transportation Vehicles	762,482	1,575,078
9	Communication Equipment	326,570	1,046,959
10	Office Furniture & Equipment	2,857,712	159,088
11	Tools, Shop & Garage Equipment	73,782	436,568
12	Power-Operated Equipment	5,216	283,233
13	Testing, Measuring & Detecting Equipment	367,557	374,973
14	Franchise Acquisitions	0	0
15	Improvements to Property	2,767,757	2,510,037
16	Improvements to Leased Property	0	0
17	Meters	4,644	0
18	Regulators	2,536	0
19	Industrial Installations	1,971	0
20	Measuring & Regulating Station Equipment	1,495,351	0
21	Major Projects	33,490	0
22	Meter & Regulator Installations - Residential	18,564	0
23	Meter & Regulator Installations - Commercial	10,883	0
24	Reimbursable Construction-Net	917,659	0
34	Non Revenue Producing Miscellaneous	346,556	256,322
35	Revenue Producing Miscellaneous	0	0
36			
37			
38			
39			
40			
41	TOTAL	\$26,726,263	\$30,531,083

Name of Respondent		For the Year Ended	
Peoples Gas System		Dec. 31, 2000	
CONSTRUCTION OVERHEADS-GAS			
<p>1. List in column (a) the kinds of overheads according to the titles used by the respondent. Charges for outside professional services for engineering fees and management or supervision fees capitalized should be shown as separate items.</p> <p>2. On page 30 furnish information concerning construction overheads.</p> <p>3. A respondent should not report "none" to this page if no overhead apportionments are made, but rather should explain on page 30 the accounting procedures employed</p>		<p>and the amounts of engineering, supervision, and administrative costs, etc. which are directly charged to construction.</p> <p>4. Enter on this page engineering, supervision, administrative, and allowance for funds used during construction, etc. which are first assigned to a blanket work order and then prorated to construction jobs.</p>	
Line No.	Description of Overhead (a)	Total Amount Charged for the Year (b)	Total Cost of Construction to Which Overheads Were Charged (Exclusive of Overhead Charges) (c)
1	Plant Accounting Department Costs and Supervision	755,378	46,898,849
2	(These costs are allocated to C.W.I.P. as outlined in Instruction 4 above.)		
3			
4			
5			
6	Corporate G & A	\$3,998,352	\$46,898,849
7			
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36			
37			
38	TOTAL	\$4,753,730	\$46,898,849

GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE

1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.

See Page 29

Certain other general and administrative costs, such as Engineering Department Labor, are charged to Construction Jobs when appropriate.

Name of Respondent

For the Year Ended

Peoples Gas System

Dec. 31, 2000

ACCUMULATED PROVISION FOR DEPRECIATION OF GAS UTILITY PLANT (Account 108)

1. Explain in a footnote any important adjustments during year.

2. Explain in a footnote any difference between the amount for book cost of plant retired, line 11, column (c) and that reported for gas plant in service, pages 22 - 27, column (d), excluding retirements of non-depreciable property.

3. The provisions of Account 108 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If

the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.

4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Gas Plant in Service (c)	Gas Plant Held for Future Use (d)	Gas Plant Leased to Others (e)
1	Balance Beginning of Year	(207,041,144)	(207,041,144)		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	(24,975,519)	(24,975,519)		
4	(413) Exp. of Gas Plant. Leas. to Others				
5	Transportation Expenses-Clearing				
6	Other Clearing Accounts				
7	Other Accounts (Specify):				
8					
9	TOTAL Deprec. Prov. for Year (Total of lines 3 through 8)	(24,975,519)	(24,975,519)		
10	Net Charges for Plant Retired:				
11	Book Cost of Plant Retired	11,846,138	11,846,138		
12	Cost of Removal	1,645,688	1,645,688		
13	Salvage (Credit)	(557,373)	(557,373)		
14	TOTAL Net Charges. for Plant Ret. (Enter Total of lines 11 through 13)	12,934,453	12,934,453		
15	Other Debit or Credit Items (Describe)	319,079	319,079		
16					
17	Balance End of Year (Enter Total of lines 1, 9, 14, 15, and 16)	(218,763,131)	(218,763,131)		

Name of Respondent		For the Year Ended				
Peoples Gas System		Dec. 31, 2000				
PREPAYMENTS (Account 165)						
1. Report below the particulars (details) on each prepayment.						
Line No.	Nature of Prepayment (a)	Balance at End of Year (In Dollars) (b)				
1	Prepaid Insurance	184,174				
2	Prepaid Rents					
3	Prepaid Taxes (page 41)					
4	Prepaid Interest	424,847				
5	Gas Prepayments					
6	Miscellaneous Prepayments: Permits	3,000				
7	TOTAL	612,021				
EXTRAORDINARY PROPERTY LOSSES (Account 182.1)						
Line No.	Description of Extraordinary Loss [Include in the description the date of loss, the date of Commission authorization to use Account 182.1 and period of amortization (mo, yr, to mo, yr.)] (a)	Total Amount of Loss (b)	Losses Recognized During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	None					
2						
3						
4						
5						
6						
7						
8						
9	TOTAL					
UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)						
Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission authorization to use Account 182.2 and period of amortization (mo, yr, to mo, yr.)] (a)	Total Amount of Charges (b)	Costs Recognized During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
10	None					
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21	TOTAL					

Name of Respondent

For the Year Ended

Peoples Gas System

Dec. 31, 2000

OTHER REGULATORY ASSETS (Account 182.3)

1. Reporting below the particulars (details) called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includible in other amounts).

2. For regulatory assets being amortized, show period of amortization in column (a).

3. Minor items (amounts less than \$25,000) may be grouped by classes.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance Beginning of Year (b)	Debits (c)	Credits		Balance End of Year (f)
				Account Charged (d)	Amounts (e)	
1	None					
2						
3						
4						
5						
6						
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42						
43	TOTAL					

Name of Respondent				For the Year Ended		
Peoples Gas System				Dec 31, 2000		
MISCELLANEOUS DEFERRED DEBITS (Account 186)						
1. Report below the particulars (details) called for concerning miscellaneous deferred debits.			3. Minor items (amounts less than \$25,000) may be grouped by classes.			
2. For any deferred debit being amortized, show period of amortization in column (a).						
Line No.	Description of Miscellaneous Deferred Debit (a)	Balance at Beginning of Year (b)	Debits (c)	Credits		Balance End of Year (f)
				Account Charged (d)	Amount (e)	
1	Environmental Investigations	(\$553,613)	829,061	407	639,996	(364,548)
2						
3						
4	Other Work In Progress	\$3,991,413		Various	1,629,085	2,362,328
5						
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42						
43						
44						
45						
46						
47	Misc. Work in Progress	-				-
48	Deferred Regulatory Comm. Expenses					
49	(See Pages 58 - 59)			928	-	-
50	TOTAL	\$3,437,800				\$1,997,780

ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
 2. At Other (Specify), include deferrals relating to other income and deductions.
 3. If more space is needed, use separate pages as required.
 4. In the space provided below, identify by amount and classification, significant items for which deferred taxes are being provided.
 Indicate insignificant amounts listed under Other.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR			ADJUSTMENTS			Balance at End of Year (k)
			Amounts Debited to Acct. 410.1 (c)	Amounts Credited to Acct. 411.1 (d)	Amounts Debited to Acct. 410.2 (e)	Amounts Debited to Acct. 411.2 (f)	DEBITS Amount (g)	CREDITS Amount (i)	
1	ELECTRIC								
2									
3									
4									
5	TOTAL Electric (Lines 2 - 4)								
6	GAS								
7									
8		4,531,471					282	4,531,471	-
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19	Other								
20	TOTAL Gas (Lines 7 - 19)								
21	Other (Specify)								
22	TOTAL (Account 190) (Enter Total of lines 5, 20 & 21)	\$4,531,471						\$4,531,471	-

NOTES

SECURITIES ISSUED OR ASSUMED AND
SECURITIES REFUNDED OR RETIRED DURING THE YEAR

1. Furnish a supplemental statement giving a brief description of security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses, and related gains or losses. Identify as to Commission authorization numbers and dates.

2. Furnish particulars (details) showing fully the accounting for the total principal amount, par value, or stated value of each class and series of security issued, assumed, retired, or refunded and the accounting for premiums, discounts, expenses, and gains or losses relating to the securities. Set forth the facts of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses, and gains or losses relating to securities retired or refunded, including the accounting for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.

3. Included in the identification of each class and series of security, as appropriate, the interest or dividend rate,

nominal date of issuance, maturity date, aggregate principal amount, par value or stated value, and number of shares. Give also the issuance of redemption price and name of the of the principal underwriting firm through which the security transactions were consummated.

4. Where the accounting for amounts relating to securities refunded or retired is other than that specified in General Instruction 17 of the Uniform System of Accounts, give references to the Commission authorization for the different accounting and state the accounting method.

5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as particulars (details) of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discount, premiums, expenses, and gains or losses were taken over onto the respondent's books, furnish details of these amounts with amounts relating to refunded securities clearly earmarked.

Securities Retired

Long Term Note 10.35%	\$600,000
Long Term Note 10.33%	800,000
Long Term Note 10.30%	400,000
Long Term Note 09.93%	400,000
Long Term Note 08.00%	1,500,000
	\$3,700,000

Name of Respondent

For the Year Ended

Peoples Gas System

Dec. 31, 2000

LONG-TERM DEBT (Accounts 221, 222, 223, and 224)

1. Report by balance sheet Account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other Long-Term Debt. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form Filing, a specific reference to the report form (i.e. year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.

2. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.

3. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.

4. For receiver's certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.

5. In a supplemental statement, give explanatory particulars (details) for Accounts 223 and 224 of net changes

during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.

6. If the respondent has pledged any of its long-term debt securities, give particulars (details) in a footnote, including name of the pledgee and purpose of the pledge.

7. If the respondent has any long-term securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.

8. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest in column (f). Explain in a footnote any difference between the total of column (f) and the total of Account 427, Interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.

9. Give particulars (details) concerning any long-term debt authorized by a regulatory Commission but not yet issued.

Line No.	Series of Obligation and Name of Stock Exchange (a)	Nominal Date of Issue (b)	Date of Maturity (c)	INTEREST FOR YEAR			Total Amount Outstanding (g)
				Original Amount Issued (d)	Rate (in %) (e)	Amount (f)	
1							
2	Other Long Term Debt - Acct. 224						
3	Long Term Note 10.35%	06-26-87	07-02-07	10,000,000	10.35	610,823	5,600,000
4	Long Term Note 10.33%	06-29-88	07-02-08	10,000,000	10.33	785,310	7,200,000
5	Long Term Note 10.30%	06-28-89	07-02-09	10,000,000	10.30	885,914	8,400,000
6	Long Term Note 9.93%	12-20-90	07-02-10	10,000,000	9.93	873,950	8,600,000
7	Long Term Note 8.00%	12-03-92	07-02-12	35,000,000	8.00	2,380,333	29,000,000
8	Long Term Note 7.375%	08-30-00	09-01-01	50,000,000	7.375	1,239,410	50,000,000
9	Note issued by Tampa Electric	10-30-98	07-15-01	12,000,000	5.94	712,800	12,000,000
10							
11							
12							
13							
14							
15							
16							
17							
18							
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20							
21							
22							
23							
24							
25							
26							
27	TOTAL			\$137,000,000		\$7,488,540	\$120,800,000

UNAMORTIZED DEBT EXPENSE, PREMIUM AND DISCOUNT ON LONG-TERM DEBT (Accounts 181, 225, 226)

1. Report under separate subheadings for Unamortized Debt Expense, Unamortized Premium on Long-Term Debt and Unamortized Discount on Long-Term Debt, particulars (details) of expense, premium or discount applicable to each class and series of long-term debt
 2. Show premium amounts by enclosing the figures in parentheses
 3. In column (b) show the principal amount of bonds or other long-term debt originally issued.
 4. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.

5. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.
 6. Identify separately indisposed amounts applicable to issues which were redeemed in prior years.
 7. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and Expense, or credited to Account 429, Amortization of Premium on Debt - Credit.

Line No.	Designation of Long-Term Debt (a)	Principal Amount of Debt issued (b)	Total Expense Premium or Discount (c)	Amortization Period		Balance at Beginning of Year (f)	Debits (Credits) During Year (g)	Balance at End of Year (h)
				Date From (d)	Date To (e)			
1	Unamortized Debt Expense - Account 181							
2								
3	Long Term Note 10 35%	10,000,000	23,412	09-87	07-07	8,899	(1,187)	7,712
4	Long Term Note 10 33%	10,000,000	11,350	08-88	07-08	4,859	(572)	4,287
5	Long Term Note 10 30%	10,000,000	13,131	08-89	07-09	6,267	(660)	5,607
6	Long Term Note 9 93%	10,000,000	10,000	03-91	07-10	5,433	(517)	4,916
7	Long Term Note 8 00%	35,000,000	943,328	01-93	07-12	626,644	(50,131)	576,513
8	West Florida Natural Gas	15,600,000	788,542	06-97	04-08	387,818	(179,016)	208,802
9	Note issued by Tampa Electric	12,000,000	78,318 00	10-98	07-01	50,915	(33,026)	17,889
10	Long Term Note 7 375%	50,000,000	220,864	10-00	09-02	-	199,280	199,280
11								
12						1,090,835	(65,829)	1,025,006
13								
14								
15	Unamortized Debt Premium - Account 225							
16	Note issued by Tampa Electric	12,000,000	(297,600)	10-98	07-01	(152,933)	99,200	(53,733)
17	Long Term Note 7 375%	50,000,000	(1,515,000)	10-00	09-02	-	(1,262,500)	(1,262,500)
18								
19						(152,933)	(1,163,300)	(1,316,233)
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UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Accounts 189, 257)

1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, particulars (details) of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.
 2. In column (c) show the principal amount of bonds or other long-term debt reacquired.
 3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with

General Instruction 17 of the Uniform Systems of Accounts.
 4. Show loss amounts by enclosing the figures in parentheses.
 5. Explain in a footnote any debits and credits other than amortization debited to Account 428.1, Amortization of Loss on Reacquired Debt, or credited to Account 429.1, Amortization of Gain on Reacquired Debit-Credit.

Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Principal of Debt Reacquired (c)	Net Gain or Net Loss (d)	Balance at Beginning of Year (e)	Balance at End of Year (f)
1	None					
2						
3						
4						
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Name of Respondent		For the Year Ended
Peoples Gas System		Dec. 31, 2000
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES		
<p>1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.</p> <p>2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.</p>		
Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 14)	\$21,782,456
2	Reconciling Items for the Year	
3		
4	Taxable Income Not Reported on Books	
5	See attached schedule for details	1,000,000
6		
7	Deductions Recorded on Books Not Deducted for Return	
8	Income taxes - see attached schedule for details	12,145,228
9	Other items - see attached schedule for details	13,432,509
10		
11		
12		
13	Income Recorded on Books Not Included in Return	
14	See attached schedule for details	43,387
15		
16		
17		
18		
19		
20		
21	Deductions on Return Not Charged Against Book Income	
22	See attached schedule for details	28,480,474
23		
24		
25		
26		
27		
28		
29		
30	Federal Tax Net Income	19,836,332
31	Show Computation of Tax:	
32	Income before state taxes	21,439,095
33	Less - state income and emergency excise taxes, less credits	1,602,763
34		<u>19,836,332</u>
35	Federal income tax:	
36	Income tax at 35%	6,942,716
37	Prior year true-up provision to actual per return	478,218
39		<u>7,420,934</u>
40	Allocation to other income	<u>360,268</u>

PEOPLES GAS SYSTEM
RECONCILIATION OF REPORTED NET INCOME WITH
TAXABLE INCOME FOR FEDERAL INCOME TAXES
CYE December 31, 2000

<u>Line No.</u>	<u>Particulars</u>	<u>Amount</u>
5	Taxable income not reported on books: Contributions in aid of construction	1,000,000
		<u>1,000,000</u>
8	Deductions recorded on books not deducted for return - income taxes: Federal income taxes State income taxes (are deducted) Deferred income taxes	7,420,934 4,724,294
		<u>12,145,228</u>
9	Deductions recorded on books not deducted for return - other items: Interest during construction period capitalized Amortization - acquisition adjustment Post retirement benefit accrual Capitalized ECA costs Accrued vacation Insurance reserves Environmental disposal costs, net Miscellaneous	1,000,000 412,000 724,960 10,482,535 58,014 465,000 140,000 150,000
		<u>13,432,509</u>
14	Income reported on books not included in return: Amortization of investment tax credits	43,387
		<u>43,387</u>
22	Deductions on return not charged against book income: Depreciation and amortization of utility plant - excess over books Retirement cost overheads and removal costs Loss on abnormal and other retirements Unbilled competitive price adjustment Amortization of capitalized ECA costs Deferred compensation, net Accrued pension costs Deferred purchase gas adjustment	4,667,481 1,187,000 600,000 1,066,970 2,100,000 44,672 1,932,000 16,882,351
		<u>28,480,474</u>

Note on Consolidation Policy:

Peoples Gas System operates as a division of Tampa Electric Company (59-0475140). As such, its 2000 taxable income will be included in the consolidated income tax return of TECO Energy, Inc. , parent company of Tampa Electric Company. Income tax is allocated to Peoples Gas based on the computation as if a separate return is filed. There is no intercompany elimination which affects taxable income.

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

	Name of Taxing Authority	Federal Income	State Income	Real Property	Tangible Personal Property	Intangible Personal Property	FICA, SUTA, FUTA	Gross Receipts	Regulatory Assessment Fees	Environmental, Excise	Other	Total
1	TAXES (ACCRUED)/PREPAID BEG. OF YEAR	1,577,807	233,690	(6,794)	0	0	(74,300)	433,409	527,665	(2,860)	0	2,688,617
2	Taxes Charged During Year											
3		7,420,932	1,602,766	5,890,935			2,610,820	5,357,224	1,345,391	1,687	7,992,674	32,222,429
4												
5												
6												
7												
8												
9												
10												
11												
12	TOTAL TAXES CHARGED DURING YEAR (Lines 3-11)	7,420,932	1,602,766	5,890,935	0	0	2,610,820	5,357,224	1,345,391	1,687	7,992,674	32,222,429
13	Taxes Paid During Year											
14		15,330,865	1,980,201	5,884,140			2,599,467	5,149,852	1,228,057	1,723	7,992,674	40,166,980
15												
16												
17												
18												
19												
20												
21												
22												
23	TOTAL TAXES PAID DURING YEAR (Lines 14-22)	15,330,865	1,980,201	5,884,140	0	0	2,599,467	5,149,852	1,228,057	1,723	7,992,674	40,166,980
24	Adjustments (list)											
25	IRS Audit Adjustments	94,241	(356,183)									
26	Other	2,535	37,159									
27	TOTAL ADJUSTMENTS (Lines 24-26)	96,776	(319,024)	0	0	0	0	0	0	0	0	(222,247)
28	TAXES (ACCRUED)/PREPAID END OF YEAR											
29	(Lines 1+12-23+/-27)	(6,235,350)	(482,769)	0	0	0	(62,947)	640,780	645,000	(2,895)	0	(5,478,181)

DISTRIBUTION OF TAXES CHARGED

	Federal Income	State Income	Real Property	Tangible Personal Property	Intangible Personal Property	FICA, SUTA, FUTA	Gross Receipts	Regulatory Assessment Fees	Environmental, Excise	Other	Total
1											
2	Electric (Account 408 1, 409.1)										
3	Gas (Account 408.1, 409 1)										
4	Other Utility Departments (408.1, 409.1)										
5	Other Income and Deductions (408 2, 409.2)										
6	Extraordinary Items (Account 409.3)										
7	Other Utility Operating Income (408.1, 409.1)										
8	Adjust to Retained Earnings (Account 439)										
9	CWIP (Account 107)										
10	Other (list) Affiliated Companies (acct 146,234)										
11	Clearing Accounts (acct 163,184,143-20)										
12	Customer Accounts Receivable (acct 142)										
13	Other revenue/expense (488,495,804,880,6xx)										
14	TOTAL (Should equal Lines 12+/-Line 27, if applicable)	7,420,932	1,602,766	5,890,935		2,610,820	5,357,224	1,345,391	1,687	7,992,674	32,222,429

Report below the information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustment to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)	Balance at End Year (h)	Average Period of Allocation to Income (i)
			Acct. No. (c)	Amount (d)	Acct. No. (e)	Amount (f)			
1	Gas Utility								
2	3%	358,807			411	43,387		315,420	
3	4%								
4	7%								
5	10%								
6									
7									
8	TOTAL	358,807				43,387		315,420	
9	Other List separately and show 3%, 4%, 7%, 10% and TOTAL								

Notes

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Name of respondent For the Year Ended

Peoples Gas System

Dec. 31, 2000

MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (Account 242)

1. Describe and report the amount of other current and accrued liabilities at the end of year.

2. Minor items (less than \$50,000) may be grouped under appropriate title.

Line No.	Item (a)	Balance at End of Year (b)
1	Pension and Benefits	\$1,671,938
2	Audit Fees	-
3	Legal Fees	-
4	Consultants	-
5	Commercial A/C Unit Fund	25,050
6	Cash Exceptions	231,079
7	Unclaimed Funds	34,889
8	Insurance - Workman's Comp	2,697,758
9	Post Retirement Benefits	3,799,929
10	Conservation Cost True-up	(355,510)
11	NGV Program Cost True-up	(228,717)
12	Restricted Stock Compensation	(27,651)
13	CIS Revenue	(5,554)
14	Other	(119)
15		
16		
17		
18	TOTAL	\$7,843,092

OTHER DEFERRED CREDITS (Account 253)

1. Report below the particulars (details) called for concerning other deferred credits.

amortization.

2. For any deferred credit being amortized, show the period of

3. Minor Items (less than \$25,000) may be grouped by classes.

Line No.	Description of Other Deferred Credit (a)	Balance Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Deferred Compensation	60,516	232	18,341	-	42,175
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21	TOTAL	\$60,516		\$18,341	-	\$42,175

ACCUMULATED DEFERRED INCOME TAXES (Accounts 281, 282, 283)

Line No	Description	Balance at Beginning of Year	Changes During Year		Adjustments			Balance at End of Year
			Amounts Debited to Account 410.1	Amounts Credited to Account 411.1	Amounts Debited to Account 410.2	Amounts Credited to Account 411.2	Debits Account No.	
1								
2	ACCOUNT 281 - ACCELERATED AMORTIZATION PROPERTY							
3	Electric							
4	Gas							
5	Other							
6								
7	TOTAL ACCOUNT 281 (Lines 3 thru 6)							
8	ACCOUNT 282 - OTHER PROPERTY							
10	Electric							
11	Gas	27,925,954	4,725,761	(1,467)			(4,627,081)	28,023,167
12	Other							
13								
14	TOTAL ACCOUNT 282 (Lines 10 thru 13)	27,925,954	4,725,761	(1,467)			(4,627,081)	28,023,167
15								
16	ACCOUNT 283 - OTHER							
17	Electric							
18	Gas							
19	Other							
20								
21	TOTAL ACCOUNT 283 - OTHER (Lines 17 thru 20)							
22								
23	ELECTRIC							
24	Federal Income Tax							
25	State Income Tax							
26								
27	TOTAL ELECTRIC (Lines 24 thru 26)							
28								
29	GAS							
30	Federal Income Tax	24,193,157	4,369,207	(1,258)			(4,627,081)	23,934,025
31	State Income Tax	3,732,797	356,554	(209)				4,089,142
32								
33	TOTAL GAS (Lines 30 thru 32)	27,925,954	4,725,761	(1,467)			(4,627,081)	28,023,167
34								
35	OTHER							
36	Federal Income Tax							
37	State Income Tax							
38								
39	TOTAL OTHER (Lines 36 thru 38)							
40								
41	TOTAL (Total of lines 7, 14, 21 and Lines 27, 33, 39)	27,925,954	4,725,761	(1,467)			(4,627,081)	28,023,167
42								

NOTES (A) Deferred federal income tax adjustment includes:

- (1) Transfer from acct 190, Deferred Tax Asset (4,531,471)
- (2) Transfer AMT Credit Carryforward (92,651)
- (3) Other (2,959)

(4,627,081)

Name of Respondent

For the Year Ended

Peoples Gas System

Dec. 31, 2000

OTHER REGULATORY LIABILITIES (Account 254)

1. Reporting below the particulars (details) called for concerning other regulatory liabilities which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts).

3. Minor items (5% of the Balance at End of Year for Account 254 or amounts less than \$50,000, whichever is less) may be grouped by classes.

2. For regulatory liabilities being amortized, show period of amortization in column (a).

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance Beginning of Year (b)	Debits		Credits (d)	Balance End of Year (e)
			Contra Account (b)	Amount (c)		
1	SFAS No. 109 Implementation (1994)	\$260,518				\$260,518
2	West Florida Gas Tax Liability	\$340,988				\$340,988
3						
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41	TOTAL	601,506		0	0	601,506

GAS OPERATING REVENUES (Account 400)

1. Report below natural gas operating revenues for each prescribed account in tototal.
2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.
- 3 Report number of customers, columns (f) and (g), on the basis of meters, except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.
4. Report quantities of natural gas sold in therms (14.73 psia at 60 F).
5. Report gas service revenues and therms sold by rate schedule.

Line No.	Title of Account (a)	OPERATING REVENUES	
		Amount for Year (b)	Amount for Previous Year (c)
1	GAS SERVICE REVENUES		
2	FIRM SALES SERVICE		
3	480 Residential - includes Load Enhancement customers (LE)	73,232,105	59,064,991
4	481 Commercial Street Lighting	671,118	419,542
5	481 Small General Service - includes LE	3,283,893	2,728,867
6	481 General Service - includes LE	72,494,813	61,147,307
7	481 General Service Large Volume 1 - includes LE	39,554,981	39,275,212
8	481 General Service Large Volume 2 - includes LE	2,297,731	3,253,600
9	481 Natural Gas Vehicle Sales	297,940	260,324
10	INTERRUPTIBLE SALES SERVICE		
11	481 Small Interruptible Service	1,450,625	1,787,598
12	481 Interruptible Service	785,182	817,452
13	481 Interruptible Service Large Volume	(127,205)	155,178
14	481 Off System Sales	38,762,037	16,165,307
15	FIRM TRANSPORTATION SERVICE		
16	489 Natural Gas Vehicles	18,100	9,719
17	489 Small General Service - includes LE	53,204	22,077
18	489 General Service - includes LE	6,678,683	3,562,646
19	489 General Service Large Volume 1 - includes LE	16,391,362	11,511,984
20	489 General Service Large Volume 2 - includes LE	4,017,967	3,272,341
21	INTERRUPTIBLE TRANSPORTATION SERVICE		
22	489 Small Interruptible Transportation Service	4,907,646	4,745,736
23	489 Interruptible Transportation Service	5,524,870	5,290,311
24	489 Interruptible Transportation Service Large Volume	11,073,335	10,725,772
25	482 Other Sales to Public Authorities	-	-
26	484 Flex Rate - Refund	-	-
27	TOTAL Sales to Ultimate Consumers	281,368,387	224,215,964
28	483 Sales for Resale	70,982	49,540
29	489 Off-System Transportation Sales for Resale	-	-
30	TOTAL Nat. Gas Service Revenues	281,439,369	224,265,504
31	TOTAL Gas Service Revenues	281,439,369	224,265,504
32	OTHER OPERATING REVENUES		
33	485 Intracompany Transfers	-	-
34	487 Forfeited Discounts	731,280	641,401
35	488 Misc. Service Revenues	3,004,891	2,563,341
36	488 Gross receipts tax and franchise fee collections	13,221,801	12,185,653
37	488 Individual Transportation Charge	69,850	-
38	489 Rev. from Trans. of Gas of Others (not included in above rate schedules)	-	-
39	493 Rent from Gas Property	103,388	-
40	494 Interdepartmental Rents	-	-
41	495 Other Gas Revenues		
42	Initial Connection		
43	Reconnect for Cause		
44	Collection in lieu of disconnect		
45	Returned Check		
46	Other Gas Revenues	16,100,117	12,225,239
47	495.5 Overrecoveries Purchased Gas	(211,865)	(163,728)
48	TOTAL Other Operating Revenues	33,019,462	27,451,906
49	TOTAL Gas Operating Revenues	314,387,849	251,667,870
50	(less: 495.10 Provision for Rate Refunds)	-	-
51	TOTAL Gas Operating Revenues Net of Provision for Refunds	314,387,849	251,667,870
52	Sales for Resale	70,982	49,540
53	Other Sales to Public Authority	-	-
54	Interdepartmental Sales	-	-
55	TOTAL	314,458,831	251,717,410

Name of Respondent		For the Year Ended		
Peoples Gas System		Dec. 31, 2000		
GAS OPERATING REVENUES (ACCOUNT 400) (Continued)				
6. If increases or decreases from previous year (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.				
7. See page 9, Important Changes During Year, for important new territory added and important rate increases or decreases.				
THERMS OF NATURAL GAS SOLD		AVG. NO. OF NAT. GAS CUSTOMERS PER MO.		Line No.
Quantity for Year (d)	Quantity for Previous Year (e)	Number for Year	Number for Previous Year (g)	
				1
				2
57,631,593	52,068,056	230,049	221,410	3
1,148,541	940,391	84	73	4
3,003,006	2,752,068	4,756	4,998	5
97,076,529	99,689,926	16,795	18,163	6
55,903,495	69,490,955	1,172	1,861	7
3,858,133	6,913,597	14	52	8
528,522	649,883	18	21	9
				10
2,911,502	4,396,899	5	81	11
1,495,791	2,539,649	-	23	12
1,163,688	2,412,917	-	7	13
95,776,080	58,065,050	7	-	14
				15
262,675	119,685	3	1	16
86,715	20,272	129	72	17
26,105,893	13,996,198	2241	1052	18
74,946,613	53,251,269	797	461	19
29,051,872	25,601,127	48	35	20
				21
64,952,867	63,564,910	73	72	22
152,953,154	148,693,004	24	24	23
473,477,599	457,389,428	6	6	24
				25
				26
1,142,334,268	1,062,555,284	256,221	248,412	27
104,173	102,999	2	2	28
-	-	-	-	29
				30
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				32
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1,142,438,441	1,062,658,283			56

Name of Respondent		For the Year Ended	
Peoples Gas System		Dec. 31, 2000	
RESIDENTIAL AND COMMERCIAL SPACE HEATING CUSTOMERS			
A residential space heating customer is a customer whose major fuel for heating is gas.			
Line No.	Item (a)	Residential (b)	Commercial (c)
1	Average Number of Space Heating Customers for the Year (Estimate if not known. Designate with an asterisk if estimated.)	Not Available	Not Available
2	For Space Heating Only, Estimated Average Therms (14.73 psia at 60 degrees F) Per Customer for the Year	Not Available	Not Available
3	Number of Space Heating Customers Added During the Year	Not Available	Not Available
4	Number of Unfilled Application for Space Heating at End of Year	Not Available	Not Available
INTERRUPTIBLE, OFF PEAK, AND FIRM SALES TO DISTRIBUTION SYSTEM INDUSTRIAL CUSTOMERS			
1. Report below the average number of interruptible, off peak, and firm industrial customers on local distribution systems of the respondent, and the Therms of gas sales to these customers for the year.		by law, ordinance, directive, or other requirement of government authority. State in a footnote the basis on which interruptible customers are reported.	
2. Interruptible customers are those to whom service may be interrupted under terms of the customer's gas contract, or to whom service is required to be interrupted, regardless of the contractual arrangements in emergency periods,		3. Off peak sales are seasonal and other sales which do not occur during wintertime demands.	
		4. Report pressure base of gas volumes at 14.73 psia at 60 degrees F.	
Line No.	Item (a)	Number/Amount (b)	
1	Interruptible Customers		
2	Average Number of Customers for the Year	5	
3	Therms of Gas Sales for the Year	5,570,980	
4	Off Peak Customers		
5	Average Number of Customers for the Year	n/a	
6	Therms of Gas Sales for the Year		
7	Firm Customers		
8	Average Number of Customers for the Year	n/a	
9	Therms of Gas Sales for the Year		
10	TOTAL Industrial Customers		
11	Average Number of Customers for the Year	5	
12	Therms of Gas Sales for the Year	5,570,980	

Name of Respondent		For the Year Ended	
Peoples Gas System		Dec. 31, 2000	
GAS OPERATION AND MAINTENANCE EXPENSES			
If the amount for previous year is not derived from previously reported figures, explain in footnotes			
Line No.	Account	Amount for Current Year	Amount for Previous Year
1	1. PRODUCTION EXPENSES		
2	A. Manufactured Gas Production		
3	B. TOTAL Natural Gas Prod. and Gathering (Enter Total of Accts. 750 - 769)		
4	C. TOTAL Products Extraction (Enter Total of Accounts 770 through 791)		
5	D. TOTAL Exploration and Development (Enter Total of Accts. 795 through 798)		
6	E. Other Gas Supply Expenses		
7	Operation		
8	800 Natural Gas Well Head Purchases		
9	800.1 Natural Gas Well Head Purchases, Intracompany Transfers		
10	801 Natural Gas Field Line Purchases	135,149,941	72,369,659
11	802 Natural Gas Gasoline Plant Outlet Purchases		
12	803 Natural Gas Transmission Line Purchases		
13	804 Natural Gas City Gate Purchases	38,829,504	40,497,116
14	804.1 Liquefied Natural Gas Purchases		
15	805 Other Gas Purchases		
16	(Less) 805.1 Purchased Gas Cost Adjustments	(16,886,987)	(5,072,963)
17	TOTAL Purchased Gas (Enter Total of Lines 8 to 16)	157,092,458	107,793,812
18	806 Exchange Gas		
19	Purchased Gas Expenses		
20	807.1 Well Expenses--Purchased Gas		
21	807.2 Operation of Purchased Gas Measuring Stations		
22	807.3 Maintenance of Purchased Gas Measuring Stations		
23	807.4 Purchased Gas Calculations Expenses		
24	807.5 Other Purchased Gas Expenses		
25	TOTAL Purchased Gas Expenses (Enter Total of lines 20 through 24)		
26	808.1 Gas Withdrawn from Storage--Debit		
27	(Less) 808.2 Gas Delivered to Storage--Credit		
28	809.1 Withdrawals of Liquefied Natural Gas for Processing--Debit		
29	(Less) 809.2 Deliveries of Natural Gas for Processing--Credit		
30	Gas Used in Utility Operations--Credit		
31	810 Gas Used for Compressor Station Fuel--Credit		
32	811 Gas Used for Products Extraction--Credit		
33	812 Gas Used for Other Utility Operations--Credit	(113,227)	(85,842)
34	TOTAL Gas Used in Utility Operations--Credit (Lines 31 through 33)	(113,227)	(85,842)
35	813 Other Gas Supply Expenses		
36	TOTAL Other Gas Supp. Exp. (Total of Lines 17,18,25,26 through 29,34,35)	156,979,231	107,707,970
37	TOTAL Production Expenses (Enter Total of Lines 2,3,4,5 and 36)	156,979,231	107,707,970
38	2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES		
39	A. TOTAL Underground Storage Expenses (Total of Accounts 814 through 837)		
40	B. TOTAL Other Storage Expenses (Enter Total of Accounts 840 through 843.9)		
41	C. TOTAL Liquefied Nat Gas Terminaling & Processing Expenses (Enter Total of Accounts 844.1 through 847.8)		
42	TOTAL Natural Gas Storage (Enter Total of lines 39, 40, and 41)		
43	3. TRANSMISSION EXPENSES		
44	TOTAL Transmission Expenses (Enter Total of Accounts 850 through 867)		
45			
46			

Name of Respondent		For the Year Ended	
Peoples Gas System		Dec. 31, 2000	
GAS OPERATION AND MAINTENANCE EXPENSES (Continued)			
Line No.	Account	Amount for Current Year	Amount for Previous Year
47	4. DISTRIBUTION EXPENSES		
48	Operation		
49	870 Operation Supervision and Engineering	314,438	316,184
50	871 Distribution Load Dispatching	58,833	81,410
51	872 Compressor Station Labor and Expenses	11,250	394
52	873 Compressor Station Fuel and Power		
53	874 Mains and Services Expenses	4,468,846	3,975,792
54	875 Measuring and Regulating Station Expenses--General	88,519	89,136
55	876 Measuring and Regulating Station Expenses--Industrial	84,354	83,070
56	877 Measuring and Regulating Station Expenses--City Gate Check Sta.	69,911	39,691
57	878 Meter and House Regulator Expenses	2,051,716	1,803,852
58	879 Customer Installations Expenses	2,235,083	2,327,761
59	880 Other Expenses	703,684	680,798
60	881 Rents	30,657	31,113
61	TOTAL Operation (Enter Total of lines 49 through 60)	10,117,291	9,429,201
62	Maintenance		
63	885 Maintenance Supervision and Engineering		
64	886 Maintenance of Structures and Improvements	211,003	231,526
65	887 Maintenance of Mains	1,247,496	1,111,674
66	888 Maintenance of Compressor Station Equipment		
67	889 Maintenance of Meas. and Reg. Sta. Equip.--General	161,841	154,463
68	890 Maintenance of Meas. and Reg. Sta. Equip.--Industrial	258,698	174,650
69	891 Maintenance of Meas. and Reg. Sta. Equip.--City Gate Check Sta.	359,360	212,404
70	892 Maintenance of Services	548,404	456,936
71	893 Maintenance of Meters and House Regulators	559,027	549,073
72	894 Maintenance of Other Equipment	164,607	131,965
73	TOTAL Maintenance (Enter Total of Lines 63 through 72)	3,510,436	3,022,691
74	TOTAL Distribution Expenses (Enter Total of Lines 61 and 73)	13,627,727	12,451,892
75	5. CUSTOMER ACCOUNTS EXPENSES		
76	Operation		
77	901 Supervision		-
78	902 Meter Reading Expenses	1,715,104	1,595,485
79	903 Customer Records and Collection Expenses	5,122,152	4,839,722
80	904 Uncollectible Accounts	1,253,034	840,514
81	905 Miscellaneous Customer Accounts Expenses		
82	TOTAL Customer Accounts Expenses (Enter Total of Lines 77 through 81)	8,090,290	7,275,721
83	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
84	Operation		
85	907 Supervision		(1,103)
86	908 Customer Assistance Expenses	10,768,784	7,867,255
87	909 Informational and Instructional Expenses	975,693	1,982,835
88	910 Miscellaneous Customer Service and Informational Expenses		
89	TOTAL Customer Service and Informational Expenses (Enter Total of Lines 85 through 88)	11,744,477	9,848,987
90	7. SALES EXPENSES		
91	Operation		
92	911 Supervision		-
93	912 Demonstrating and Selling Expenses	3,022,421	3,084,752
94	913 Advertising Expenses	840,943	357,942
95	916 Miscellaneous Sales Expenses	(8,490)	
96	TOTAL Sales Expenses (Enter Total of lines 92 through 95)	3,854,874	3,442,694
97			

Name of Respondent		For the Year Ended	
Peoples Gas System		Dec. 31, 2000	
GAS OPERATION AND MAINTENANCE EXPENSES (Continued)			
Line No.	Account	Amount for Current Year	Amount for Previous Year
98	8. ADMINISTRATIVE AND GENERAL EXPENSES		
99	Operation		
100	920 Administrative and General Salaries	7,531,903	6,474,926
101	921 Office Supplies and Expenses	17,470,757	15,653,870
102	(Less) (922) Administrative Expenses Transferred--Cr.	(4,976,435)	(4,662,663)
103	923 Outside Services Employed	551,944	77,362
104	924 Property Insurance	216,626	222,357
105	925 Injuries and Damages	1,220,565	1,511,404
106	926 Employee Pensions and Benefits	2,146,316	3,769,319
107	927 Franchise Requirements		
108	928 Regulatory Commission Expenses		
109	(Less) (929) Duplicate Charges--Cr.		
110	930.1 General Advertising Expenses		
111	930.2 Miscellaneous General Expenses	402,394	588,943
112	931 Rents	443,998	608,644
113	TOTAL Operation (Enter Total of lines 100 through 112)	25,008,068	24,244,162
114	Maintenance		
115	932 Maintenance of General Plant	262,775	222,776
116	TOTAL Administrative and General Exp. (Total of lines 113 and 115)	25,270,843	24,466,938
117	TOTAL Gas O. and M. Exp. (Lines 37, 42, 44, 74, 82, 89, 96, and 116)	219,567,442	165,194,202
118			
119			
120			
121			
122			
123			
124			
125			
126			
127			
128			
129			
130	NUMBER OF GAS DEPARTMENT EMPLOYEES		
131			
132	1. The data on number of employees should be reported for payroll period ending nearest to October 31,		
133	or any payroll period ending 60 days before or after October 31.		
134	2. If the respondent's payroll for the reporting period includes any special construction personnel,		
135	include such employees on line 3, and show the number of such special construction employees in a footnote.		
136	3. The number of employees assignable to the gas department from joint functions of combination utilities		
137	may be determined by estimate, on the basis of employee equivalents. Show the estimated number of		
138	equivalent employees attributed to the gas department from joint functions.		
139			
140	1. Payroll Period Ended (Date)	12-31-00	
141	2. Total Regular Full-Time Employees	749	
142	3. Total Part-Time and Temporary Employees	4	
143	4. Total Employees	753	
144			
145			
146			
147			

Peoples Gas System

Dec. 31, 2000

GAS PURCHASES (Accounts 800, 800.1, 801, 802, 803, 804, 804.1, 805, 805.1)

1. Provide totals for the following accounts:

800	Natural Gas Well Head Purchases
800.1	Natural Gas Well Head Purchases, Intracompany Transfers
801	Natural Gas Field Line Purchases
802	Natural Gas Gasoline Plant Outlet Purchases
803	Natural Gas Transmission Line Purchases
804	Natural Gas City Gate Purchases
804.1	Liquefied Natural Gas Purchases
805	Other Gas Purchases
805.1	Purchase Gas Cost Adjustments

The totals shown in columns (b) and (c) should agree with the books of account. Reconcile any differences in a footnote.

2. State in column (b) the volume of purchased gas as finally measured for the purpose of determining the amount payable for the gas. Include current year receipts of makeup gas that was paid for in prior years.

3. State in column (c) the dollar amount (omit cents) paid and previously paid for the volumes of gas shown in column (b).

4. State in column (d) the average cost per Therm to the nearest hundredth of a cent. (Average means column (c) divided by column (b) multiplied by 100.)

Line No	Account Title (a)	Gas Purchased- Therms (14.73 psia 60 F) (b)	Cost of Gas (In dollars) (c)	Average Cost Per Therm (To nearest .01 of a cent) (d)
1	800 - Natural Gas Well Head Purchases			
2	801 - Natural Gas Field Line Purchases	343,921,751	\$135,149,942	39.30
3	804.1 - Gas Accounting, and Gas Control Expenses		\$430,479	
4	804.2 - Natural Gas City Gate Purchases - Commodity	3,215,092	\$610,427	18.99
5	804.3 - Natural Gas City Gate Purchases - Odorant		\$503,820	
6	804.4 - Legal Costs		\$28,239	
7	804.5 - Natural Gas City Gate Purchases - Demand/Reservation		\$37,256,538	
8	804.6 - Natural Gas City Gate Penalty Transportation System		-	
9	805.1 - Purchased Gas Cost Adjustments		(\$16,886,987)	
10	TOTAL (Enter Total of lines 1 through 9)	347,136,843	\$157,092,458	45.25

NOTES TO GAS PURCHASES

Name of Respondent

For the Year Ended

Peoples Gas System

Dec. 31, 2000

GAS USED IN UTILITY OPERATIONS - CREDIT (Accounts 810, 811, 812)

1. Report below particulars (details) of credits during the year to Accounts 810, 811 and 812 which offset charges to operating expenses or other accounts for the cost of gas from the respondent's own supply.
2. Natural gas means either natural gas unmixed, or any mixture of natural and manufactured gas.
3. If the reported Therms for any use is an estimated quantity, state such fact in a footnote.

4. If any natural gas was used by the respondent for which a change was not made to the appropriate operating expense or other account, list separately in column (c) the Therms of gas used, omitting entries in columns (d) and (e).
5. Report pressure base of measurement of gas volumes at 14.73 psia at 60 degrees F.

Line No.	Purpose for Which Gas Was Used (a)	Account Charged (b)	Therms of Gas Used (c)	Natural Gas		Manufactured Gas	
				Amount of Credit (d)	Amount per Therm (In cents) (e)	Therms of Gas Used (f)	Amount of Credit (g)
1	810 Gas used for Compressor Station Fuel -- Cr.						
2	811 Gas used for Products Extraction -- Cr.						
3	Gas Shrinkage and Other Usage in Respondent's Own Proc.						
4	Gas Shrinkage, Etc. for Respondent's Gas Processed by Others						
5	812 Gas used for Other Util. Oprs-- Cr. (Report separately for each principal uses. Group minor uses)						
6	Operations Expense	880-01	171,445	88,902	51.85		
7	Transportation Clearing Acct (CNG)	184-01	36,515	18,413	50.43		
8	Utilities Clearing Acct	184-90	24,501	13,262	54.13		
9	Sales Tax Acct	241-50	n/a	(7,350)	n/a		
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20	TOTAL		232,461	113,227	48.71		

Name of Respondent		For the Year Ended
Peoples Gas System		Dec. 31, 2000
OTHER GAS SUPPLY EXPENSES (Account 813)		
Report other gas supply expenses by descriptive titles which clearly indicate the nature of such expenses. Show maintenance expenses separately. Indicate the functional classification and purpose of property to which any expenses relate.		
Line No.	Description (a)	Amount (in dollars) (b)
1	None	
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14	TOTAL	
MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (Gas)		
Line No.	Description (a)	Amount (b)
1	Industry Association Dues	\$257,287
2	Experimental and General Research Expenses: (a) Gas Research Institute (GRI) (b) Other	- -
3	Publishing and distributing information and reports to stockholders; trustee, registrar, and transfer agent fees and expenses, and other expenses of servicing outstanding securities of the Respondent	-
4	Other expenses (items of \$5,000 or more must be listed separately in this column showing the (1) purpose, (2) recipient and (3) amount of such items. Amounts of less than \$5,000 may be grouped by classes if the number of items so grouped is shown)	
5	Employee Home Sales	-
6	Employee Moving Expenses	29,494
7	Other Dues	8,240
8	Miscellaneous	107,373
9		
10		
11		
12		
13		
14		
15		
16		
17		
18	TOTAL	\$402,394

DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (Accounts 403,404.1,404.2,404.3,405)
(Except Amortization of Acquisition Adjustments)

1. Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown.

A. Summary of Depreciation, Depletion, and Amortization Charges

Line No.	Functional Classification	Depreciation Expense (Account 403)	Amortization & Depletion of Prod. Nat. Gas Land & Land Rights (Account 404.1)	Amortization of Underground Storage Land & Land Rights (404.2)	Amortization of Other Limited-term Gas Plant (Account 404.3)	Amortization of Other Gas Plant (Account 405)	Total (b to f) (g)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Intangible Plant *				32,610		32,610
2	Production plant, manufactured gas						
3	Production and gathering plant, nat. gas						
4	Products extraction plant						
5	Underground gas storage plant						
6	Other storage plant						
7	Base load LNG term. & proces. plant						
8	Transmission Plant						
9	Distribution Plant	21,170,672			22,927		21,193,599
10	General Plant *	3,804,847			(1,065)		3,803,782
11	Common Plant-Gas						
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30	*Accruals for Acct 404.3 does not						
31	tie to page 12 due to a transfer out						
32	of \$83,552 that was done to 303.51						
33	Customized Software. The entry						
34	was done to Acct 404.3 and should						
35	have been done to Acct 403.1.						
36							
37	TOTAL	24,975,519			54,472		25,029,991

**PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND
INTEREST CHARGES ACCOUNTS**

Report the information specified below, in the order given for the respective income deduction and interest charges accounts. Provide a subheading for each account and total for the account. Additional columns may be added if deemed appropriate with respect to any account.

(a) Miscellaneous Amortization (Account 425) - Describe the nature of items included in this account, the contra account charged, the total of amortization charged for the year, and the period of amortization.

(b) Miscellaneous Income Deductions - Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2 Life Insurance; 426.3 Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than \$25,000 may be grouped by classes within the above accounts.

(c) Interest on Debt to Associated Companies (Account 430) - For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest.

Explain the nature of other debt on which interest was incurred during the year.

(d) Other Interest Expense (Account 431) - Report particulars (Details) including the amount and interest rate for each other interest charges incurred during the year.

Line No.	Item (a)	Amount (b)
1	Account 426-01 Donations	221
2	Account 426-04 Lobbying	6209
3	Account 426-05 Other	4,076
4		10,506
5		
6		
7	Account 431 Other Interest Charges:	
8	Customer Deposits	1,725,500
9	PGA	4,636
10	ECCR	80,264
11	Commercial Paper	3,250,225
12	Miscellaneous	155,125
13		5,215,750
14		
15		
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27		

Name of Respondent		For the Year Ended		
Peoples Gas System		Dec. 31, 2000		
DISTRIBUTION OF SALARIES AND WAGES				
Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.				
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	TOTAL Operation and Maintenance - Electric			
3	Gas			
4	Operation			
5	Production - Manufd. Gas & Nat. Gas (inc. Expl. and Dev.); Other Gas Supply; Storage, LNG, Termn. & Proces.			
6	Transmission			
7	Distribution	6,649,644		
8	Customer Accounts	2,131,085		
9	Customer Service and Informational	656,022		
10	Sales	1,744,903		
11	Administrative and General	7,610,849		
12	TOTAL Operation (Enter Total of lines 5 through 11)	18,792,503		
13	Maintenance			
14	Production - Manufd. Gas & Nat. Gas (inc. Expl. and Dev.); Other Gas Supply; Storage, LNG, Termn. & Proces.			
15	Transmission			
16	Distribution	1,705,706		
17	Administrative and General	2,757,929		
18	TOTAL Maintenance (Enter Total of lines 14 through 17)	4,463,636		
19	Total Operation and Maintenance	23,256,139		
20	Production - Manufd. Gas & Nat. Gas (inc. Expl. and Dev.); Other Gas Supply; Storage, LNG, Termn. & Proces.			
21	Transmission (Enter Total of lines 6 and 15)			
22	Distribution (Enter Total of lines 7 and 16)	8,355,350		
23	Customer Accounts (Transcribe from line 8)	2,131,085		
24	Customer Service and Informational (Transcribe from line 9)	656,022		
25	Sales (Transcribe from line 10)	1,744,903		
26	Administrative and General (Enter Total of lines 11 and 17)	10,368,778		
27	TOTAL Operation and Maint. (Total of lines 20 through 26)	23,256,139	19,711	23,275,850
28	Other Utility Departments			
29	Operation and Maintenance			
30	TOTAL All Utility Dept. (Total of lines 2, 27, and 29)	23,256,139	19,711	23,275,850
31	Utility Plant			
32	Construction (By Utility Departments)			
33	Electric Plant			
34	Gas Plant	5,309,845	7,749	5,317,594
35	Other			
36	TOTAL Construction (Enter Total of lines 33 through 35)	5,309,845	7,749	5,317,594
37	Plant Removal (By Utility Department)			
38	Electric Plant			
39	Gas Plant	833,481	1,393	834,874
40	Other			
41	TOTAL Plant Removal (Enter Total of lines 38 through 40)	833,481	1,393	834,874
42				
43	Other Accounts (Specify):			
44	Accounts Receivable - Associated Companies	4,118,986	-	4,118,986
45	Stores Expense	214,937	-	214,937
46	Other Work-In-Progress	35,646	-	35,646
47	Merchandise/Jobbing	76,400	77	76,477
48	Miscellaneous - Lobbying	459	-	459
49				
50				
51				
52				
53	TOTAL Other Accounts	4,446,428	77	4,446,505
54	TOTAL SALARIES AND WAGES	33,845,893	28,930	33,874,823

Name of Respondent

For the Year Ended

Peoples Gas System

Dec. 31, 2000

REGULATORY COMMISSION EXPENSES (Account 928)

1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years if being amortized) relating to formal cases before a regulatory body, or cases in which such a body was a party.

2. In columns (b) and (c), indicate whether the expenses were assessed by a regulatory body or were otherwise incurred by the utility.

Line No.	Description of regulatory commission or body, the docket or case number, and a description of the case.) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses to Date (d)	Deferred in Account 186 at Beginning of Year (e)
1	None				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
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32					
33					
34					
35					
36					
37					
38					
39					
40	TOTAL				

Name of Respondent				For the Year Ended			
Peoples Gas System				Dec. 31, 2000			
REGULATORY COMMISSION EXPENSES (Account 928) (Continued)							
3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.				for Account 186.			
4. The totals of columns (e), (i), (k), and (l) must agree with the totals shown at the bottom of page 34				5. List in column (f), (g) and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.			
				6. Minor items (less than \$25,000) may be grouped.			
EXPENSES INCURRED DURING YEAR			AMORTIZED DURING YEAR			Deferred in	
CHARGED CURRENTLY TO						Account 186	
Department (f)	Account No. (g)	Amount (h)	Deferred to Account 186 (i)	Contra Account (j)	Amount (k)	End of Year (l)	Line No.
None							1
							2
							3
							4
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Name of Respondent	For the Year Ended
Peoples Gas System	Dec. 31, 2000

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. (These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation, partnership, organization of any kind, or individual [other than for services as an employee or for payments made for medical and related services] amounting to more than \$25,000, including payments for legislative services, except those which should be reported in Account 426.4 Expenditures for Certain Civic, Political and Related Activities.

(a) Name and address of person or organization rendering services,
(b) description of services received during year and project or case to which services relate,
(c) basis of charges,
(d) total charges for the year, detailing utility department and account charged.

2. For any services which are of a continuing nature, give the date and term of contract and date of Commission authorization, if contract received Commission approval.

3. Designate with an asterisk associated companies.

1	Description	Amount	
	(a)	(b)	
2	American Gas Association	930 - dues	178,343
3	Motor Fuelers, Inc	186 - CNG	447,789
4	Pitney Bowes Credit Corporation	903 - mail machine leasing	29,489
5	PriceWaterHouseCoopers	923 - auditing	54,500
6	Southern Cross Corp.	892 - leak detection instrument	101,875
7	Air Quality Control, Inc.	614 - jobbing	159,609
8	Velocity Express, Inc.	903 - courier service	48,094
9	Sunshine State, One-call	874 - locating service	284,563
10	Automated Presort, Inc.	903 - postage	94,252
11	GBS Printed Products & Systems	921 - forms management	345,680
12	S M R Communities	909 - advertising	43,150
13	Environmental Consulting & Technology	186 - environmental consulting	397,914
14	Loomis, Fargo & Company	921 - office expense	120,235
15	E-Prime	804 - cost of gas	131,313
16	Typestyles & Design, Inc.	921 - uniforms	65,864
17	American Mail-Well Envelopes	921 - envelopes	87,910
18	Boise Cascade Office Products	921 - office expenses	88,017
19	Akerman, Senterfitt & Edison, P.A.	925/186 - legal fees	42,686
20	GEI Consultants, Inc.	186 - environmental consulting	84,959
21	Seven Trent-Avatar Utility Services	902 - meter reading	256,616
22	KTM Communications	909/912/921 - office expenses	113,416
23	Holland & Knight, LLP	923/plant accounts - legal fees	39,198
24	Larry Foster Consulting, Inc.	908 - consultant	76,656
25	Clear Channel Networks, Inc	908/909 - advertising	170,100
26	Information Intellect, Inc.	921/plant accounts - consulting	922,994
27	Gale Force Holdings - TECO Arena	912/913/921 - advertising	204,346
28	Marlin Energy, Inc.	804 - cost of gas	325,181
29	Hallmark/Tassone	909 - advertising	472,628
30	Ranstad	903/921 - temporary	124,475
31	Del Webb	908 - energy conservation	88,650
32	Perry Gas Companies, Inc.	804 - cost of gas	377,368
33	Hesco	804 - cost of gas	97,577
34	ATC Associates, Inc.	186 - environmental consulting	232,773
35	D.M Mestas, JR	921 - consultant	77,128
36	Patterson & Associates	186 - legal & consulting	219,173
37	Enron Energy Services	804 - cost of gas	138,676
38	American Express	921 - office/employee expenses	97,534
39	Bracewell and Patterson	804/923 - legal	25,123
40	MacFarlane Furguson & McMullen	186/908/923 - legal	519,397

Name of Respondent	For the Year Ended
Peoples Gas System	Dec. 31, 2000

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. (These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation, partnership, organization of any kind, or individual [other than for services as an employee or for payments made for medical and related services] amounting to more than \$25,000, including payments for legislative services, except those which should be reported in Account 426.4 Expenditures for Certain Civic, Political and Related Activities.

(a) Name and address of person or organization rendering services,
(b) description of services received during year and project or case to which services relate,
(c) basis of charges,
(d) total charges for the year, detailing utility department and account charged.

2. For any services which are of a continuing nature, give the date and term of contract and date of Commission authorization, if contract received Commission approval.

3. Designate with an asterisk associated companies

1	Description (a)	Amount (b)
2	Natural Gas Odorizing 804 - cost of gas	136,954
3	Paradigm National Yellow Pages Group 909/921 - advertising	115,008
4	Raytheon Aircraft Services, Inc. 921 - aircraft maintenance	70,147
5	Universal Sports America, Inc. 908/909 - advertising	107,077
6	The Villages 908 - energy conservation	1,031,600
7	Westfield Development 909 - advertising	49,500
8	Host Communications, Inc 909 - advertising	88,052
9	Powerhill A New Energy Solution, Inc. 908 - energy conservation	80,000
10	Downs & Associate Trust Account 921 - legal settlement	80,000
11	Tampa Electric Company * various expense accounts	16,047,638
12	TECO Energy * various expense accounts	8,387,852
13		
14	The following vendors and \$ amounts all to plant accounts	
15	Autoway Chevrolet vehicles	887,367
16	Florida Industrial Products galvanized fittings	308,104
17	Fisher Controls International, Inc. regulators	143,037
18	Gulfcoast Utility Contractors, Inc. sub contractor	92,707
19	American Meter Division meters	1,182,911
20	Avanto Company valves, equipment	823,199
21	YZ Systems, Inc. odorant equipment	38,109
22	Bob's Barricades Inc. barricades rental	46,123
23	James W Carden engineering consultant	45,065
24	Bill Currie Ford, Inc. vehicles	112,029
25	Heath Consultants Inc locating equipment	94,389
26	CSX Transportation right of ways	71,193
27	M.T. Deason Company, Inc. regulators & materials	393,595
28	Metretek Inc. measurement equipment	214,547
29	Commercial Appliance Service, Inc. sub contractor	80,243
30	Eastern Pipeline Construction, Inc. sub contractor	756,000
31	Peninsula Design & Engineering, Inc. engineering services	321,510
32	Bohne, Runyan & Wall, Inc. sub contractor	2,845,702
33	S.G.S., Inc. meter parts	113,239
34	Global Piping, Inc sub contractor	54,736
35	Gezelman/Wood Plumbing & LP Gas sub contractor	79,661
36	Space Science Services, Inc. sub contractor	99,334
37	Visk Construction, Inc. sub contractor	454,472
38	American Metro/Study Corp. gas meters	74,580
39	N.D.E. Inc. sub contractor	67,579
40	Atlantic Gulf Surveying CO surveying	40,611

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. (These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation, partnership, organization of any kind, or individual [other than for services as an employee or for payments made for medical and related services] amounting to more than \$25,000, including payments for legislative services, except those which should be reported in Account 426.4 Expenditures for Certain Civic, Political and Related Activities.

(a) Name and address of person or organization rendering services,
 (b) description of services received during year and project or case to which services relate,
 (c) basis of charges,
 (d) total charges for the year, detailing utility department and account charged.

2. For any services which are of a continuing nature, give the date and term of contract and date of Commission authorization, if contract received Commission approval.
 3. Designate with an asterisk associated companies.

1	Description (a)	Amount (b)	
2	Mooney Controls, Inc	materials	206,623
3	Mesa Corrosions Control	sub contractor	232,134
4	Image Graphic Systems, Inc.	mapping contractor	119,653
5	Keystone Pipeline Services, Inc.	sub contractor	644,469
6	A.E.I. International, Corp	sub contractor	101,514
7	Knight Enterprises	sub contractor	833,451
8	Central Florida Gas Company	sub contractor	357,131
9	C & M Communication Contractors, Inc.	sub contractor	218,492
10	Bosek, Gibson & Associates, Inc.	sub contractor	547,900
11	Peaden AC & Heating, Inc	sub contractor	56,112
12	Am-Pm Plumbing, Inc.	sub contractor	96,655
13	Schuler Manufacturing Company	meter sets	225,375
14	The Milestone Company of Jacksonville, Inc.	sub contractor	4,557,549
15	Dufresne-Henry, Inc	consulting	426,614
16	Gasmaster, Inc.	sub contractor	247,216
17	Tommy Thomas Chevrolet	vehicles	88,408
18	Florida Environmental Inc.	environmental services	43,069
19	Gas Solutions, Inc	sub contractor	50,820
20	Autoway Ford	vehicles	125,827
21	Associated Gas Specialists, Inc	sub contractor	88,196
22	Mechanical Services of Orlando, Inc.	sub contractor	57,550
23	Southeastern Surveying	sub contractor	58,499
24	Little Sumter Utility CO	sub contractor	103,483
25	Periphonics Corp.	software/voice response	48,700
26	Systems Alpha Inc.	consulting	59,900
27	Ybor Engineering Services, Inc.	sub contractor	200,701
28	Sub-Surface Construction Company	sub contractor	1,924,357
29	Expert Gas Plumbing, Inc	sub contractor	68,028
30	Volt Telecommunications Group, Inc.	sub contractor	1,975,696
31	Big Warrior Corporation	sub contractor	11,735,997
32	Orion Construction Company, Inc.	sub contractor	151,273
33	Billy Brinson	consulting	69,952
34	Robert R. Mumbauer	consulting	88,190
35	Overstreet Paving Company	sub contractor	68,984
36	JJD Contracting, Inc.	sub contractor	690,860
37	Half Acre Construction Company	sub contractor	811,726
38	CPN Contractors, Inc.	sub contractor	1,657,837
39	Broadband Telecommunications, Inc.	sub contractor	360,283
40	Sam Galloway Ford, Inc.	vehicles	57,484

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. (These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation, partnership, organization of any kind, or individual [other than for services as an employee or for payments made for medical and related services] amounting to more than \$25,000, including payments for legislative services, except those which should be reported in Account 426.4 Expenditures for Certain Civic, Political and Related Activities.

(a) Name and address of person or organization rendering services,
 (b) description of services received during year and project or case to which services relate,
 (c) basis of charges,
 (d) total charges for the year, detailing utility department and account charged.

2. For any services which are of a continuing nature, give the date and term of contract and date of Commission authorization, if contract received Commission approval.

3. Designate with an asterisk associated companies.

	Description	Amount
1	(a)	(b)
2	Michael Minks Meters, Inc. sub contractor	88,734
3	A & L Underground Inc. sub contractor	186,454
4	George F. Young, Inc. sub contractor	228,038
5	T B Landmark Construction, Inc. sub contractor	1,168,239
6	S & R Construction sub contractor	1,135,970
7	The Hodges Group, Inc. sub contractor	104,449
8	Walker Ford vehicle	62,063
9	Comark Inc. computers	474,796
10	Florida Gas & Electric Corp. natural gas	1,822,029
11	Adaytum Software software	55,581
12	Bristol Babcock materials	63,141
13	Consolidated Pipe & Supply Company pipe, valve, & fittings	11,199,964
14	T & T Pipeline Company, Inc. sub contractor	3,152,803
15	Exelon Infrastructure Services sub contractor	1,637,486
16	Dresser Measurement Company meters	218,238
17	Invensys Energy Metering meters	1,689,044
18	St. Pete Paving Company, Inc. sub contractor	292,467
19	Florida Gas Transmission sub contractor	441,431
20	Ryland Homes sub contractor	78,810
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Reconciliation of Gross Operating Revenues Annual Report versus Regulatory Assessment Fee Return

Company: Peoples Gas System

For the Year Ended December 31, 2000

For the current year, reconcile the gross operating revenues as reported on Page 46 of this report with the gross operating revenues as reported on the utility's regulatory assessment fee return. Explain and justify any differences between the reported gross operating revenues in column (f).

(a) Line No.	(b) Description	(c) Gross Operating Revenues per Page 46	(d) Interstate and Sales for Resale Adjustments	(e) Adjusted Intrastate Gross Operating Revenues	(f) Intrastate Gross Operating Revenues per RAF Return	(g) Difference (d) - (e)
1	Total Sales to Ultimate Customers (480-482, 484)	\$281,368,387	-	\$281,368,387	\$281,368,387	-
2	Sales for Resale (483)	\$70,982	-	\$70,982	\$70,982	-
3	Total Natural Gas Service Revenues	\$281,439,369	-	\$281,439,369	\$281,439,369	-
4	Total Other Operating Revenues (485-495)	\$33,019,462	-	\$33,019,462	\$33,019,462	-
5	Total Gas Operating Revenues	\$314,458,831	-	\$314,458,831	\$314,458,831	-
6	Provision for Rate Refunds (495.10)					
7	Other (Specify) Sales for Resale				(\$70,982)	\$70,982
8	Revenue from Electric Generation Customer				(\$40,479,842)	\$40,479,842
9	Unbilled Revenue Adjustment				(\$3,239,575)	\$3,239,575
10	True-up of Energy Conservation				\$22,952	(\$22,952)
11						-
12	Total Gross Operating Revenues	\$314,458,831	-	\$314,458,831	\$270,691,384	\$43,767,447

Notes:

Differences due to RAF Return adjustments for exempt revenue.

CORPORATE STRUCTURE

Company: Peoples Gas System
For the Year Ended December 31, 2000

Provide an updated organizational chart showing all affiliated companies, partnerships, etc.

Effective
Date 01/01/01

- TM Power Ventures, LLC
 - Mosbacher Power Group LLC
 - TM Czech Power LLC
 - TM Kladno Electricidad, s.r.l.
 - TM Kladno, B.V.
 - Nations Kladno, B.V.
 - Matra Powerplant Holdings, B.V.
 - TM Eck, LLC
 - Nations Kladno (II) B.V.
 - TM Delmarva Power LLC
 - TMPV Caledonia LLC
- TPS International Power, Inc.
 - TPS San Jose International, Inc.
 - TPS San Jose, LDC
 - Palm Import and Export Corporation
 - Triangle Finance Company, LLC
 - San Jose Power Holding Company, Ltd.
 - TPS Palmera, LDC
 - Tasajero I, LDC
 - TPS Operaciones de Guatemala, Ltda.
 - TPS Administraciones, Ltda.
 - TPS de Ultramar, Ltd.
 - TPS De Ultramar Guatemala, S.A.
 - Distribucion Electrica CentroAmericana II, S.A.
 - Navega.com, S.A.
 - Carieegsa, S.A.
 - Commercializadora Electrica de Guatemala S.A.
 - Energica, S.a.
 - Transportista Electrica CentroAmericana, S.A.
 - Generacion Electrica CentroAmericana, S.A.
 - Administradora de Inmuebles Santo Tomas, S.A.
- TPS Escuintla I, LDC
 - Generadora Electrica CentroAmerica, Ltd.
- TPS Pavana, Ltd
- TM Global Power, LLC
 - Bear Energy Corporation
 - CPC Limited Partnership
 - Cambodia Power Company
 - Mosbacher Power International, LLC
 - Mosbacher Power Brasil, Ltda.
 - Ram Power India I, Ltd.
 - TM Turkish Holdings, LLC
 - Nuh Yapi Urunleri ve Mabina Sanayi a.s.

CORPORATE STRUCTURE

Company: Peoples Gas System
For the Year Ended December 31,2000

Provide an updated organizational chart showing all affiliated companies, partnerships, etc.

Effective
Date 01/01/01

Tampa Electric Company
 TERMCO, Inc.
 Power Engineering & Construction, Inc.
TECO Investments, Inc.
TECO Inventory Company
TECO Finance, Inc.
TECO Oil & Gas, Inc.
TECO Diversified, Inc.
 TECO Coal Corporation
 Bear Branch Coal company
 Raven Rock Development
 Clintwood elkhorn Mining
 Gatliff Coal Company
 Pike-Letcher Land Company
 Rich Mountain Coal Company Clintwood Elkhorn Mining Company
 Premier Elkhorn Coal Company
 Rich Mountain Coal Company
 Perry County Coal Corporation
 Ray Coal Company , Inc.
 Whitaker Coal Corporation
TECO Coalbed Methane, Inc.
TECO Solutions, Inc.
 TECO BGA, Inc.
 BGA Special Project One
 TECO AGC, Inc.
 TECO AGC, Limited
TECO Gas Services, Inc
TECO Properties Corporation
 CPSC, Inc.
 30th Street R&D Park, Inc.
 UTC II, Inc
 Brandon Properties Partners, Ltd.
 Southshore Residential, Inc.
 South Shore Properties Partners, Ltd.
 K-T No. 1, LLC
TECO Partners, Inc.
BCH Mechanical, Inc.
 SDB Leasing Corporation
 Staffing Systems, Inc.
TECO Transport Coporation
 Electro-Coal Transfer Corporation
 Gulfcoast Transit Company
 Mid-South Towing Company
 TECO Towing Company
TECO Stevedoring Services, Inc.
Peoples Sales & Service Company
TECO Propane Ventrues, LLC
 U.S. Propane, LLC
 U.S. Propane, LP
 Heritage Holdings, Inc.

CORPORATE STRUCTURE

Company: Peoples Gas System

For the Year Ended December 31,2000

- TECO Propane Properties, Inc.
- Swannee Gas Marketing, Inc.
 - Florida Natural Fuels, Ltd.
 - Seminole Gas Marketing
- Peoples Gas System (Florida), Inc.
- TECO Funding Company I, LLC
- TECO Funding Company II, LLC
- TECO Funding Company III, LLC
 - TECO Transport Coporation
 - Electro-Coal Transfer Corporation
 - Gulfcoast Transit Company
 - Mid-South Towing Company
 - TECO Towing Company
 - TECO Stevedoring Services, Inc.
 - Peoples Sales & Service Company
 - TECO Propane Ventrues, LLC
 - U.S. Propane, LLC
 - U.S. Propane, LP
 - Heritage Holdings, Inc.
- TECO Propane Properties, Inc.
- Swannee Gas Marketing, Inc.
 - Florida Natural Fuels, Ltd.
 - Seminole Gas Marketing
- Peoples Gas System (Florida), Inc.
- TECO Funding Company I, LLC
- TECO Funding Company II, LLC
- TECO Funding Company III, LLC
- TECO Power Services Corporation
 - Hardee Power I, Inc.
 - Hardee Power II, Inc.
 - Hardee Power Partners, Ltd.
 - TPS Hamakua, Inc.
 - TPS Hawaii, Inc.
 - TPS Hamakua Land, Inc.
 - TPS Virginia Operations Company
 - TECO Power Ventures, Inc.
 - TPS Power Ventures, LLC
 - TPS LP, Inc.
 - TPS GP, Inc.
 - TECO-Panda Generating Company, LP
 - Union Power I, LLC
 - Union Power II, LLC
 - Panda Gia River, I, LLC
 - Panda gila River II, LLC
 - Panda Gila River Pipeline, LLC
 - Trans-Union Interstate I, LLC
 - Trans-Union Interstate II, LLC

CORPORATE STRUCTURE - CONTINUED

Company: Peoples Gas System

For the Year Ended December 31,2000

- TPS Holdings, Inc.
- TPS Guatemala One, Inc.
- TPS Operations Company
- TECO EnergySource, Inc.
- TPS Materials, Inc.
- TM Power Ventures, LLC
 - Mosbacher Power Group LLC
 - TM Czech Power LLC
 - TM Kladno Electricidad, s.r.l.
 - TM Kladno, B.V.
 - Nations Kladno, B.V.
 - Matra Powerplant Holdings, B.V.
- TM Eck, LLC
 - Nations Kladno (II) B.V.
- TM Delmarva Power LLC
- TMPV Caledonia LLC
- TPS International Power, Inc.
 - TPS San Jose International, Inc.
 - TPS San Jose, LDC
 - Palm Import and Export Corporation
 - Triangle Finance Company, LLC
 - San Jose Power Holding Company, Ltd.
 - TPS Palmera, LDC
 - Tasajero I, LDC
 - TPS Operaciones de Guatemala, Ltda.
 - TPS Administraciones, Ltda.
 - TPS de Ultramar, Ltd.
 - TPS De Ultramar Guatemala, S.A.
 - Distribucion Electrica CentroAmericana II, S.A.
 - Navega.com, S.A.
 - Carieegsa, S.A.
 - Commercializadora Electrica de Guatemala S.A.
 - Energica, S.a.
 - Transportista Electrica CentroAmericana, S.A.
 - Generacion Electrica CentroAmericana, S.A.
 - Administradora de Inmuebles Santo Tomas, S.A.
- TPS Escuintla I, LDC
 - Generadora Electrica CentroAmerica, Ltd.
- TPS Pavana, Ltd
- TM Global Power, LLC
 - Bear Energy Corporation
 - CPC Limited Partnership
 - Cambodia Power Company
 - Mosbacher Power International, LLC
 - Mosbacher Power Brasil, Ltda.
 - Ram Power India I, Ltd.
 - TM Turkish Holdings, LLC
 - Nuh Yapi Urunleri ve Mabina Sanayi a.s.

NEW OR AMENDED CONTRACTS WITH AFFILIATED COMPANIES

COMPANY: Peoples Gas System

For the Year Ended December 31, 2000

Provide a synopsis of each new or amended contract, agreement, or arrangement with affiliated companies for the purchase, lease, or sale of land, goods, or services (excluding tariffed items). The synopsis shall include, at a minimum, the terms, price, quantity, amount, and duration of the contracts.

Name of Affiliated Company (a)	Synopsis of Contract (b)
None	

INDIVIDUAL AFFILIATED TRANSACTIONS IN EXCESS OF \$25,000

Company: Peoples Gas System

For the Year Ended December 31, 2000

Provide information regarding individual affiliated transactions in excess of \$25,000. Recurring monthly affiliated transactions which exceed \$25,000 per month should be reported annually in the aggregate. However, each land or property sales transaction even though similar sales recur, should be reported as a "non-recurring" item for the period in which it occurs.

Name of Affiliate (a)	Description of Transaction (b)	Dollar Amount (c)
Peoples Gas Company (for transaction before merging with Heritage, Inc.)	Monthly Income Tax Adjustments	(50,062)
	Monthly Cash Receipts/Cash Disbursements	(2,798,787)
	Monthly Accounts Payable	3,804,493
	Monthly Inventory Control	122,433
	Monthly Payroll	4,552,817
	Monthly non-utility Accounts Receivable	(73,833)
	Monthly Propane Purchases	(158,433)
	Monthly Plant Transaction & Adjustments	(941,346)
	Monthly General & Administrative Allocation	914,083
Peoples Sales & Service	Monthly Cash Receipts/Cash Disbursements	(4,851,101)
	Monthly Accounts Payable	128,889
	Monthly Non-Utility A/R - Net of Write-offs	869,694
Peoples CoGeneration Co.	Monthly Cash Receipts/Cash Disbursements	39,129
Suwannee Gas Marketing, Inc.	Monthly Accounts Payable	(32,491)
TECO Gas Services, Inc.	Monthly Cash Receipts/Cash Disbursements	(1,270,775)
	Monthly Accounts Payable	(4,597,879)
	Monthly Payroll	312,817
	Monthly General & Administrative Allocation	64,000
TECO Propane Ventures, LLP	Monthly Accounts Payable	821,333
	Monthly Payroll	56,629
Tampa Electric Company	Monthly Income Tax Adjustments	(5,125,527)
	Monthly Cash Receipts/Cash Disbursements	21,586,738
	Monthly Accounts Payable	12,300,885
	Monthly Plant Transaction & Adjustments	(285,085)
	Monthly Rent	48,540
	Monthly Commercial Paper Allocation	(30,238,946)

SUMMARY OF AFFILIATED TRANSFERS AND COST ALLOCATIONS

Company: Peoples Gas System

For the Year Ended December 31, 2000

Grouped by affiliate, list each contract, agreement, or other business transaction exceeding a cumulative amount of \$300 in any one year, entered into between the Respondent and an affiliated business or financial organization, firm, or partnership identifying parties, amounts, dates, and product, asset, or service involved.

- (a) Enter name of affiliate.
- (b) Give description of type of service, or name the product involved.
- (c) Enter contract or agreement effective dates.
- (d) Enter the letter "p" if the service or product is a purchased by the Respondent: "s" if the service or product is sold by the Respondent.
- (e) Enter utility account number in which charges are recorded.
- (f) Enter total amount paid, received, or accrued during the year for each type of service or product listed in column (c). Do not net amounts when services are both received and provided.

Name of Affiliate (a)	Type of Service and/or Name of Product (b)	Relevant Contract or Agreement and Effective Date (c)	Total Charge for Year		
			"p" or "s" (d)	Account Number (e)	Dollar Amount (f)
Peoples Gas Company	Income Tax Adjustments			Various	(50,063)
	Cash				(2,798,787)
	Accounts Payable				3,804,493
	Inventory Control		s		122,433
	Payroll		s		4,552,817
	Non-Utility Accounts Receivable				(73,833)
	-Net of Write-offs				
	Propane Purchases		p		(158,433)
	Plant Transaction & Adjustments		s		(941,346)
	Stores Clearing Allocation		s		14,921
	Clearing Account Allocation		s		5,797
	G & A Allocation		s		914,083
	Company Aircraft Allocation		s		7,452
Peoples Sales & Service	Cash				(4,851,101)
	Accounts Payable				128,889
	Non-Utility Accounts Receivable				(869,694)
-Net of Write-offs					
Peoples Cogeneration Co.	Cash				39,129
Suwannee Gas Marketing	Accounts Payable				(32,491)
TECO Gas Services, Inc.	Cash				(1,270,775)
	Accounts Payable				(4,597,879)
	Payroll				312,817
	Plant Transaction & Adjustments				23,062
	G & A Allocation		s		64,000
TECO Propane Ventures, L	Accounts Payable				821,333
	Payroll				56,629
Pas Power Company	Accounts Payable				1,088

INDIVIDUAL AFFILIATED TRANSACTIONS IN EXCESS OF \$25,000

Company: Peoples Gas System
For the Year Ended December 31, 2000

Provide information regarding individual affiliated transactions in excess of \$25,000. Recurring monthly affiliated transactions which exceed \$25,000 per month should be reported annually in the aggregate. However, each land or property sales transaction even though similar sales recur, should be reported as a "non-recurring" item for the period in which it occurs.

Name of Affiliate (a)	Description of Transaction (b)	Dollar Amount (c)
TECO Power Services	Monthly Cash Receipts/Cash Disbursements	(2,560,696)
	Monthly Accounts Payable	33,436
	Monthly Non-Utility A/R - Net of Write-offs	2,680,502
Bosek, Gibson, & Associates	Monthly Cash Receipts/Cash Disbursements	384,597
	Monthly Accounts Payable	(526,855)
	Monthly Payroll	54,150
TECO Energy, Inc.	Monthly Income Tax Adjustments	(123,641)
	Monthly Cash Receipts/Cash Disbursements	5,376,056
	Monthly Accounts Payable	1,675,787
	Monthly Payroll	(180,143)

SUMMARY OF AFFILIATED TRANSFERS AND COST ALLOCATIONS

Company: Peoples Gas System
For the Year Ended December 31, 2000

Grouped by affiliate, list each contract, agreement, or other business transaction exceeding a cumulative amount of \$300 in any one year, entered into between the Respondent and an affiliated business or financial organization, firm, or partnership identifying parties, amounts, dates, and product, asset, or service involved.

- (a) Enter name of affiliate.
- (b) Give description of type of service, or name the product involved.
- (c) Enter contract or agreement effective dates.
- (d) Enter the letter "p" if the service or product is a purchased by the Respondent: "s" if the service or product is sold by the Respondent.
- (e) Enter utility account number in which charges are recorded.
- (f) Enter total amount paid, received, or accrued during the year for each type of service or product listed in column (c). Do not net amounts when services are both received and provided.

Name of Affiliate (a)	Type of Service and/or Name of Product (b)	Relevant Contract or Agreement and Effective Date (c)	Total Charge for Year		
			"p" or "s" (d)	Account Number (e)	Dollar Amount (f)
Tampa Electric Company	Income Tax Adjustments				(5,125,527)
	Cash				21,586,738
	Accounts Payable				12,300,885
	Payroll		s		22,716
	Plant Transaction & Adjustments		s		(285,085)
	Rent Allocation		s		48,540
	Company Aircraft Allocation		s		21,739
Commercial Paper Allocation		s		(30,238,946)	
TECO Power Services	Cash				(2,560,696)
	Accounts Payable				33,436
	Payroll				5,417
	Non-Utility Accounts Receivable -Net of Write-offs				2,680,502
	Company Aircraft Allocation		s		6,750
Bosek, Gibson, & Associate	Cash				384,597
	Accounts Payable				(526,855)
	Payroll				54,150
TECO Energy, Inc.	Income Tax Adjustments				(123,641)
	Cash				5,376,056
	Accounts Payable				1,675,787
	Payroll				(180,143)
	Company Aircraft Allocation				4,185

ASSETS OR RIGHTS PURCHASED FROM OR SOLD TO AFFILIATES

Company: Peoples Gas System
For the Year Ended December 31, 2000

Provide a summary of affiliated transactions involving asset transfers or the right to use assets.

Name of Affiliate	Description of Asset or Right	Cost/Orig. Cost	Accumulated Depreciation	Net Book Value	air Marke Value	Purchase Price	Title Passed Yes/No
Purchases from Affiliates:		\$	\$	\$	\$	\$	
Peoples Gas Company	Struct & Impr	234,932	4,177	230,755	230,755	230,755	N
	Meters	15,386	1,890	13,496	13,496	13,496	N
	Computer Eq	1,816	1,268	548	548	548	N
	Vehicles	556,295	264,007	292,288	292,288	292,288	N
	Shop Eq	59,443	44,178	15,266	15,266	15,266	N
Teco Gas Service	Vehicles	23,528	466	23,062	23,062	23,062	N
Total						\$575,415	
Sales to Affiliates:		\$	\$	\$	\$	Sales Price	
Peoples Gas Company	Struct & Impr	8,998	5,861	3,137	3,137	3,137	N
	Mains **	1,091,434	42,886	1,048,548	*****	1,048,548	N
	Meters & Install	14,828	2,931	11,897	11,897	11,897	N
	Vehicles	51164	14262	36,902	36,902	36,902	N
Total						\$1,100,484	
** World Golf Village/Jacksonville							

EMPLOYEE TRANSFERS

Company: Peoples Gas System

For the Year Ended December 31, 2000

List employees earning more than \$30,000 annually transferred to/from the utility to/from an affiliate company.

Company Transferred From	Company Transferred To	Old Job Assignment	New Job Assignment	Transfer Permanent or Temporary and Duration
NONE				