

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 020003-GU  
ORDER NO. PSC-02-1734-FOF-GU  
ISSUED: December 10, 2002

The following Commissioners participated in the disposition of this matter:

LILA A. JABER, Chairman  
J. TERRY DEASON  
BRAULIO L. BAEZ  
MICHAEL A. PALECKI  
RUDOLPH "RUDY" BRADLEY

APPEARANCES:

WAYNE SCHIEFELBEIN, ESQUIRE, Rose, Sundstrom & Bentley, LLP, 2548 Blaiirstone Pines Drive, Tallahassee, Florida, 32301  
On behalf of Florida Division of Chesapeake Utilities Corporation (CUC).

RICHARD D. MELSON, ESQUIRE, and GARY V. PERKO, ESQUIRE, Hopping Green & Sams, P.A., P. O. Box 6526, Tallahassee, Florida, 32314  
On behalf of City Gas Company of Florida (City Gas).

NORMAN H. HORTON, JR., ESQUIRE, and FLOYD R. SELF, ESQUIRE, Messer, Caparello & Self, P.A., Suite 701, Sun Trust Bank Building, P. O. Box 1876, Tallahassee, Florida, 32302-1876  
On behalf of Florida Public Utilities Company (FPU); Sebring Gas System, Inc. (Sebring).

MATTHEW R. COSTA, ESQUIRE, Corporate Counsel, TECO Energy, Inc., P. O. Box 111, Tampa, Florida, 33601  
On behalf of Peoples Gas System (Peoples).

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ROBERT D. VANDIVER, ESQUIRE, Associate Public Counsel,  
Office of Public Counsel, c/o The Florida Legislature,  
111 West Madison Street, Room 812, Tallahassee, Florida  
32399-1400  
On behalf of the Citizens of the State of Florida (OPC).

KATHERINE N. ECHTERNACHT, Florida Public Service  
Commission, 2540 Shumard Oak Boulevard, Tallahassee,  
Florida 32399-0850  
On behalf of the Florida Public Service Commission  
(Staff).

ORDER APPROVING PURCHASED GAS ADJUSTMENT TRUE-UP AMOUNTS  
AND ESTABLISHING PURCHASED GAS COST RECOVERY FACTORS TO BE  
APPLIED DURING THE PERIOD JANUARY 2003 THROUGH DECEMBER 2003

As part of this Commission's continuing purchased gas adjustment true-up proceedings, an administrative hearing was held November 20, 2002, in this docket. Chesapeake Utilities Corporations, Florida Division; City Gas Company of Florida; Florida Public Utilities Company; Indiantown Gas Company; Peoples Gas System; Sebring Gas System, Inc.; and St. Joe Natural Gas Company submitted testimony and exhibits in support of their proposed final and estimated true-up amounts and their proposed purchased gas cost recovery factors. The Office of Public Counsel ("OPC") also participated in this proceeding. Prior to hearing, the parties reached agreement concerning all issues identified for resolution at hearing. These issues were presented to us as a stipulation.

The parties stipulated to the final and estimated true-up amounts and purchased gas cost recovery factors appropriate for each utility. We accept and approve the stipulations as reasonable and supported by competent, substantial evidence of record.

We find that the appropriate final purchased gas adjustment true-up amounts for the period January 2001 through December 2001 are as follows:

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Chesapeake Utilities Corporation	\$223,376	Overrecovery
City Gas Company of Florida	\$1,370,047	Overrecovery
Florida Public Utilities	\$1,467,999	Overrecovery
Indiantown Gas Company	\$32,134	Overrecovery
Peoples Gas System	\$2,948,202	Underrecovery
Sebring Gas System, Inc.	\$25,341	Underrecovery
St. Joe Natural Gas Company	\$40,051	Underrecovery

We find that the estimated purchased gas adjustment true-up amounts for the period January 2002 through December 2002 are as follows:

Chesapeake Utilities Corporation	\$93,231	Overrecovery
City Gas Company of Florida	\$739,924	Underrecovery
Florida Public Utilities	\$1,234,930	Underrecovery
Indiantown Gas Company	\$40,126	Overrecovery
Peoples Gas System	\$6,783,915	Overrecovery
Sebring Gas System, Inc.	\$10,763	Overrecovery
St. Joe Natural Gas Company	\$10,253	Underrecovery

We find that the total purchased gas adjustment true-up amounts to be collected during the period January 2003 through December 2003 are as follows:

Chesapeake Utilities Corporation	\$316,607	Overrecovery
City Gas Company of Florida	\$630,123	Overrecovery
Florida Public Utilities	\$233,069	Overrecovery
Indiantown Gas Company	\$72,260	Overrecovery
Peoples Gas System	\$3,835,711	Overrecovery

Sebring Gas System, Inc.	\$14,799	Underrecovery
St. Joe Natural Gas Company	\$50,304	Underrecovery

We find that the appropriate levelized purchased gas cost recovery (cap) factors for the period January 2003 through December 2003 are as follows:

Chesapeake Utilities Corporation	87.382 cents per therm
City Gas Company of Florida	79.429 cents per therm
Florida Public Utilities	82.860 cents per therm
Indiantown Gas Company	84.280 cents per therm
Peoples Gas System	97.855 cents per therm
Sebring Gas System, Inc.	52.751 cents per therm
St. Joe Natural Gas Company	75.400 cents per therm

We find that these factors shall be effective for all meter readings on or after January 1, 2003, beginning with the first or applicable billing cycle, for the period January 2003 through December 2003.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the stipulations, findings, and rulings set forth in the body of this Order are hereby approved. It is further

ORDERED that each utility that was a party to this docket shall abide by the stipulations, findings, and rulings herein which are applicable to it. It is further

ORDERED that the utilities named herein are authorized to collect the purchased gas adjustment amounts and utilize the factors approved herein effective with all meter readings on or after January 1, 2003, beginning with the first or applicable billing cycle for the period January 2003 through December 2003.

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By ORDER of the Florida Public Service Commission this 10th day of December, 2002.



BLANCA S. BAYÓ, Director  
Division of the Commission Clerk  
and Administrative Services

( S E A L )

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by

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the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of the Commission Clerk and Administrative Services and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.