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September 22, 1994

IN REPLY REFER TO

Ansley Watson, Jr.
P. O. Box 1531
Tampa, Florida 33601

VIA FEDERAL EXPRESS

Blanca S. Bayo, Director
Division of Records & Reporting
Florida Public Service Commission
Fletcher Building
101 East Gaines Street
Tallahassee, Florida 32301

Re: Docket No. 940660-GU -- Petition to resolve territorial dispute with Clearwater Gas System, a Division of the City of Clearwater, by Peoples Gas System, Inc.

Dear Ms. Bayo:

Enclosed for filing in the above docket on behalf of Peoples Gas System, Inc., please find the original and 12 copies of the Direct Testimony of Richard L. Firebaugh, to which are attached two exhibits (RLF-1 and RLF-2).

I also enclose the original and 12 copies of a certificate of service with respect to the enclosed testimony and exhibits.

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

Thank you for your assistance.

Sincerely,

Ansley Watson, Jr.
ANSLEY WATSON, JR.

- CK
- FA
- PP
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09803 SEP 23 1994
FPSC-RECORDS/REPORTING

Blanca S. Bayo, Director
September 22, 1994
Page 2

cc: William J. Peebles, Esquire
Martha Carter Brown, Esquire
Mr. Dan R. Pountney
Mr. M. Lee Young
Mr. Hugh M. Grey, III
Mr. Richard L. Firebaugh

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

ORIGINAL
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In re: Petition to resolve)
territorial dispute with Clearwater)
Gas System, a Division of the City)
of Clearwater, by Peoples Gas System,)
Inc.)

Docket No. 940660-GU

Submitted for Filing:
9-23-94

DIRECT TESTIMONY OF RICHARD L. FIREBAUGH
On Behalf of Peoples Gas System, Inc.

DOCUMENT NUMBER DATE

09803 SEP 23 1994

FPSC-RECORDS/REPORTING

1 Q. Please state your name, business address, and
2 by whom you are employed.

3 A. My name is Richard L. Firebaugh. My business
4 address is 1800 Ninth Avenue North, St. Petersburg,
5 Florida 33713-7117. I am employed by Peoples Gas System,
6 Inc. ("Peoples") as Division Manager of Peoples' St.
7 Petersburg Division.

8 Q. How long have you been employed by Peoples?

9 A. Since it acquired the retail distribution
10 assets of Florida Gas Company in 1978.

11 Q. Since that time, what positions have you held
12 with Peoples?

13 A. At the time Peoples acquired the assets of
14 Florida Gas, I was employed by Florida Gas as Division
15 Engineer at its Orlando Division. After the Peoples
16 acquisition, in 1980 I was promoted to the position of
17 Operations Manager in the Orlando Division. On April 1,
18 1984, Peoples relocated me to the Daytona Beach Division
19 as Division Manager, and on April 1, 1990, to St.
20 Petersburg as Division Manager of the St. Petersburg
21 Division. I have held my present position with Peoples
22 since then.

23 Q. What are your primary duties as Division
24 Manager of the St. Petersburg Division?

25 A. I am responsible for marketing, engineering,

1 customer service, distribution, service, propane and
2 administration for Peoples' St. Petersburg Division. I
3 also take part in the work of numerous committees as
4 assigned by Peoples' corporate offices to help establish
5 procedures, evaluate programs, and analyze the overall
6 relationship between division offices and corporate
7 support.

8 Q. Were you employed in the gas industry prior to
9 joining Peoples, and, if so, in what capacities?

10 A. I joined the natural gas industry in 1975 as
11 the North Division Engineer of Indiana Gas Company. In
12 March 1977, I became the District Manager for the Indiana
13 Gas Frankfort District.

14 Q. Please summarize your educational background
15 and professional qualifications.

16 A. I received my Bachelor of Science degree in
17 Electrical Engineering from Purdue University in 1975.
18 In addition, I have held a State of Florida propane 601
19 license since the early 1980s, and hold a Florida
20 Department of Professional Regulation license as a
21 Certified Air Conditioner Contractor.

22 Q. Do you actively participate in any gas industry
23 activities?

24 A. Yes. I have attended numerous Southern Gas
25 Association roundtable, seminars and middle management

1 training courses. I am also currently chairman of the
2 Florida Natural Gas Association Annual Convention
3 Committee.

4 Q. What is the purpose of your testimony in this
5 docket?

6 A. To describe Peoples, its organizational
7 structure, and the territory it presently serves, and to
8 present information regarding Peoples' planned expansion
9 into western and central Pasco County which will be
10 useful to the Commission in resolving the territorial
11 dispute in this docket between Peoples and Clearwater Gas
12 System ("Clearwater Gas").

13 Q. Please describe Peoples, its organizational
14 structure, and the territory it presently serves.

15 A. Peoples provides natural gas service to
16 residential, commercial and industrial users through
17 distribution systems located in twelve geographical areas
18 within the state of Florida. Each system or "Division"
19 serves one or more franchised areas, as well as adjacent
20 non-franchised areas, through delivery facilities common
21 to both. Each of these systems is under the
22 administration of a Division Office which is responsible
23 for all activities within the Division. The Division
24 Manager is the senior supervisor within a Division.
25 Division Offices are located at Miami, North Miami, West

1 Palm Beach, Avon Park, Sarasota, St. Petersburg, Tampa,
2 Lakeland, Orlando, Eustis, Daytona Beach and
3 Jacksonville. Company headquarters, located in Tampa,
4 includes corporate officers and staff, as well as support
5 services for the Divisions.

6 Peoples currently operates the largest natural gas
7 distribution system in Florida and, during the twelve-
8 month period ended September 30, 1993, delivered more
9 than 639,000,000 therms to its approximately 187,000
10 customers in all divisions.

11 Q. Does Peoples presently provide natural gas
12 service within the area in dispute in this docket between
13 Peoples and Clearwater Gas?

14 A. No. At present, neither Peoples nor Clearwater
15 Gas provides natural gas service in the disputed area.

16 Q. What do you consider to be the disputed area in
17 this docket?

18 A. In my opinion, the area in dispute between
19 Peoples and Clearwater Gas can generally be described as
20 that portion of western Pasco County bounded on the west
21 by the Gulf of Mexico, on the south by the Pinellas
22 County-Pasco County line, and on the east by the dividing
23 lines between Range 17 East and Range 18 East (but
24 including all of the development known as Serenova which
25 extends to the east of such dividing line). The northern

1 boundary of the disputed area is unclear, but is located
2 at least as far north as Denton Avenue.

3 The area is more specifically defined by the
4 extensions of facilities planned by Peoples to serve
5 customers in western Pasco County. Those extensions are
6 depicted by the written descriptions thereof and the map
7 which were filed with the Commission as Appendix A and
8 Appendix B, respectively, to Peoples' petition in this
9 docket. The written description of Peoples' proposed
10 extensions (Appendix A to Peoples' petition herein) is
11 submitted with my testimony as Exhibit ____ (RLF-1).

12 Q. Does Peoples presently provide natural gas
13 service to customers in Pasco County?

14 A. Yes. Peoples has been providing natural gas
15 service to customers in Pasco County since July 1982,
16 when Peoples' Lakeland Division began to provide service
17 through extended facilities to Dade City in the eastern
18 part of the county. In addition, Peoples' Tampa Division
19 currently serves approximately 210 homes in the Meadow
20 Point subdivision in south central Pasco County near
21 Interstate 75. The planned buildout of this development
22 is for 5,000 homes. As previously stated, however, no
23 natural gas service is presently provided in the disputed
24 area of western Pasco County.

25 Q. When did Peoples first plan to provide natural

1 gas service within the disputed area?

2 A. Those plans were first formulated in the late
3 1980s.

4 Q. What activities has Peoples undertaken in
5 furtherance of its plans to bring natural gas service to
6 western Pasco County?

7 A. In the late 1980s, Peoples' St. Petersburg
8 Division began discussions with a number of western Pasco
9 County communities regarding Florida Gas Transmission
10 Company's ("FGT's") proposed Phase III interstate
11 pipeline expansion in order to formulate the Company's
12 long-range plans for providing natural gas service to
13 portions of western and central Pasco County. In July
14 1990, Peoples was granted a franchise by the City of New
15 Port Richey and, during 1990, Peoples also engaged in
16 discussions with the cities of Crystal River (in Citrus
17 County), Brooksville (in Hernando County) and Port Richey
18 (in Pasco County). These discussions continued as more
19 about FGT's Phase III expansion became known. In July
20 1993, Peoples made formal franchise proposals to the
21 cities of Brooksville and Port Richey. Definitive
22 franchise agreements are still being negotiated.

23 Q. You have mentioned FGT's Phase III expansion.
24 Does Peoples presently have contracts with FGT which
25 would permit Peoples to receive deliveries of natural gas

1 from FGT within the disputed area?

2 A. Yes. Peoples presently has service agreements
3 with FGT which provide sufficient firm transportation
4 capacity to serve the projected natural gas requirements
5 of the potential customers in the disputed area for the
6 foreseeable future. Peoples has requested that FGT
7 construct a new delivery point on its Phase III
8 facilities which will permit Peoples to receive
9 deliveries of the gas necessary for the provision of
10 service in the disputed area. That application also
11 seeks a realignment of a portion of Peoples' existing
12 FTS-1 transportation capacity to permit deliveries in the
13 disputed area. FGT's application for authority to
14 construct and operate the new delivery point has been
15 noticed by the Federal Energy Regulatory Commission
16 ("FERC"), and it is likely that Clearwater Gas will
17 protest that application due to the territorial dispute
18 between Peoples and Clearwater in this docket. Peoples
19 has filed a protest to FGT's application to the FERC to
20 construct and operate a similar delivery point in the
21 disputed area for Clearwater Gas. As of the time this
22 testimony is being submitted for filing, it appears
23 likely that Peoples and Clearwater Gas, in cooperation
24 with FGT, will be able to reach an agreement which will
25 provide that disposition of the applications pending

1 before the FERC will be governed by the Commission's
2 decision in this docket.

3 Q. Has Peoples acquired the land on which the New
4 FGT delivery point would be constructed?

5 A. Although the closing has not occurred as of the
6 date this testimony is being filed, Peoples has
7 contracted for the purchase of approximately 6.5 acres at
8 the intersection of Hudson Avenue and Hayes Road in Pasco
9 County to be used for the new FGT gate station. That
10 property would also be available for an additional office
11 location in the future.

12 Q. What other steps has Peoples taken in an effort
13 to be able to provide natural gas service in central and
14 western Pasco County?

15 A. In April 1992, Peoples' St. Petersburg Division
16 opened an office in Holiday, located in western Pasco
17 County just north of the Pinellas-Pasco County line.
18 This new office initially served approximately 750
19 propane customers in northern Pinellas and western Pasco
20 Counties. At present, the office has six employees
21 assigned to it and serves more than 1,500 customers
22 propane customers. It is anticipated that many of these
23 existing propane customers will be converted to natural
24 gas when the Company's facilities are extended through
25 the various phases of system expansion described in

1 Exhibit ____ (RLF-1). The facility accommodates the
2 payment of customer bills, a parts warehouse for storage
3 of fittings, etc., and emergency response equipment. It
4 also provides office space for expanded Pasco County
5 operations.

6 Q. Does Peoples have existing mains near the
7 disputed area?

8 A. Yes. Peoples presently has a six-inch steel
9 main which extends from its Tampa North Gate Station to
10 a point approximately one-quarter mile north of the Pasco
11 County line. That main serves the Meadow Point
12 subdivision I have previously mentioned. In addition,
13 the Tampa Division also has a four-inch steel main
14 extending north along Dale Mabry Highway and terminating
15 approximately four miles south of the Pasco County line.

16 Q. Has Peoples received requests for gas service
17 from potential customers within the disputed area?

18 A. Yes. Numerous key account customers have
19 expressed a desire to have Peoples serve their natural
20 gas requirements in Pasco and north Pinellas Counties.

21 Q. Please explain your Exhibit ____ (RLF-1).

22 A. Exhibit ____ (RLF-1) provides information with
23 respect to each of the four phases of construction
24 Peoples proposes for the extension of its facilities in
25 the disputed area of Pasco County. The exhibit shows,

1 for each section of each phase, the number of each type
2 customer which Peoples projects will be served, and the
3 total number of therms which would be delivered to each
4 class of customer. It also shows the total cost Peoples'
5 estimates it will incur for the acquisition and
6 installation of the facilities necessary to provide
7 service to those customers. Peoples plans to begin the
8 extension process from the proposed new FGT delivery
9 point in the northern portion of the disputed area so as
10 to be able, early in the course of the overall expansion,
11 to provide natural gas service to customers in New Port
12 Richey, where Peoples already has a franchise agreement.

13 Q. What is the projected total cost to Peoples of
14 the main extensions and appurtenant facilities for the
15 planned expansion in the disputed area?

16 A. As shown on Exhibit ____ (RLF-1), the total cost
17 of Peoples' expansion of facilities to serve customers in
18 the disputed area is estimated at \$6,431,000.

19 Q. Do the extensions of facilities planned by
20 Peoples meet the feasibility criteria for main extensions
21 found in Peoples' natural gas tariff?

22 A. Yes. However, commencement of the permitting
23 and construction necessary to implement Peoples' plan has
24 been deferred pending the Commission's resolution of the
25 territorial dispute in this docket.

1 Q. Would any upgrades of Peoples' existing
2 distribution system be required in connection with
3 construction of the extensions described in Exhibit
4 ____ (RLF-1)?

5 A. No.

6 Q. What additional annual therm sales does Peoples
7 project it will be able to make to customers in the
8 disputed area?

9 A. The estimated annual therm sales for each phase
10 and sub-phase of the expansion in the disputed area are
11 shown on Exhibit ____ (RLF-1). To summarize that
12 exhibit, Peoples expects that, upon completion of the
13 four phases of expansion in approximately five years, the
14 expansion will result in additional annual sales of
15 approximately 5,421,000 therms. Further, at the end of
16 the following sixteen years (that is, by the year 2015),
17 Peoples' projected new customer totals and the annual
18 therm sales associated with those new customers are
19 projected to be as follows:

<u>New Customers</u>	<u>Annual Therm Sales</u>
21 4 Industrial	2,000,000 therms
22 592 Commercial	6,850,000 therms
23 10,000 Residential	5,000,000 therms

24 for a total of 10,596 customers and 13,850,000 therms.

25 Q. Does Peoples presently have sufficient gas

1 supply and system capacity to serve customers in the
2 disputed area?

3 A. Yes.

4 Q. Have you reviewed the deposition testimony of
5 Mr. Charles S. Warrington, Jr., of Clearwater Gas, and
6 the exhibits thereto, with respect to Clearwater Gas'
7 strategic plan for the expansion of its system in the
8 disputed area of western Pasco County?

9 A. Yes.

10 Q. Based on Mr. Warrington's deposition testimony
11 and the exhibits thereto, how does the Clearwater
12 strategic plan compare with Peoples' proposal to serve
13 customers in the disputed area?

14 A. Based on the respective projections of Peoples
15 and Clearwater Gas, Peoples' proposed expansions would
16 total about 64.5 miles of new mains, when complete in
17 approximately five years, and provide natural gas service
18 to about 1,530 customers, 1,192 of which would be
19 residential, at a total cost of approximately \$6,431,000.
20 Clearwater Gas' proposed expansions would total about
21 91.6 miles of new mains, when complete in about seven
22 years, and provide natural gas service to about 1,290
23 customers, 900 of which will be residential, at a total
24 cost of approximately \$10,000,000.

25 Q. If the Commission resolves this dispute in

1 favor of Peoples, would Peoples expect to be able to
2 offer natural gas service throughout the disputed area?

3 A. Yes, as previously indicated, Peoples has
4 sufficient capacity to serve needs in the disputed area
5 as they arise. Future requests for gas service -- and
6 any additional extensions or upgrades which may be
7 required to serve additional customers -- will be
8 considered and acted upon by Peoples pursuant to the
9 feasibility requirements set forth in its natural gas
10 tariff on file with the Commission.

11 Q. What is Peoples' policy with respect to the
12 conversion of existing residences (as opposed to
13 residences in new developments) to natural gas?

14 A. The Company's policy is the same whether a
15 residence is in a new development or an existing
16 neighborhood. In both situations, Peoples will provide
17 service requested by the customer as provided in its
18 tariff on file with this Commission. To the extent new
19 facilities are needed to provide the service requested,
20 whether such facilities will be installed without
21 Peoples' requiring a contribution-in-aid-of-construction
22 is governed by the feasibility criteria in Peoples'
23 tariff. In general, the tariff provides that Peoples
24 will make an extension at no cost to the customer if the
25 cost of the extension does not exceed five time the

1 annual non-gas revenue projected to be received by
2 Peoples from the customer.

3 It should be understood, of course, that it is
4 almost always more expensive to convert one residence --
5 or even several residences -- in an existing neighborhood
6 where pavement and or sidewalks must be cut and restored,
7 and the installation of service lines may disturb
8 landscaping and other improvements on the customers'
9 property, than it is to add new customers in a new
10 development. It is also easier, and generally less
11 costly, to install the required piping and venting in a
12 new residence than it is in an existing residence. The
13 additional costs associated with converting homes in
14 existing neighborhoods to natural gas is therefore
15 sometimes not feasible under Peoples' tariff without the
16 customer's making a contribution-in-aid-of-construction.

17 Q. Would Clearwater Gas face the same problem in
18 the disputed area?

19 A. Yes. While Clearwater Gas' feasibility formula
20 is based on a seven-year payback (as opposed to Peoples'
21 five-year payback), it also contemplates a 14% return on
22 investment (as opposed to Peoples' much lower overall
23 return). Therefore, I believe Clearwater would face the
24 same problems as Peoples faces with respect to the higher
25 costs associated with converting residences in existing

1 neighborhoods to natural gas.

2 Q. Is the residential market important to Peoples?

3 A. Yes. For many years, the residential market
4 has been an important part of Peoples' customer base. In
5 South Pinellas County, which is the area served by
6 Peoples with which I am most familiar and which is most
7 proximate to Clearwater Gas' service area, Peoples
8 provides natural gas service to more than 40,000
9 households. South Pinellas County's adult population is
10 about 381,450, which means that almost 20 percent of
11 South Pinellas households are served by Peoples.

12 Peoples continues to add natural gas customers in
13 existing neighborhoods, and has under contract 1,479
14 housing units with builders and developers, which will be
15 constructed during the next few years.

16 As previously indicated, Peoples' projects adding
17 1,192 new residential customers in the disputed area
18 alone over the next five years.

19 Q. How does Peoples' penetration of the
20 residential customer market in South Pinellas County
21 compare with the residential market penetration by
22 Clearwater Gas in North Pinellas County?

23 A. As I have done for Peoples, I can only estimate
24 the residential market penetration of Clearwater Gas in
25 the area it presently serves. Exhibit 14 to the

1 deposition testimony of Mr. Warrington indicates that
2 Clearwater Gas had an average of 9,029 residential
3 customers for its fiscal year ended September 30, 1993.
4 Assuming Clearwater now has approximately 10,000
5 residential customers, that would represent less than 10
6 percent of the households in North Pinellas County based
7 on its adult population of 308,133.

8 Q. Does Peoples offer any incentives to
9 residential customers to switch from electricity to
10 natural gas?

11 A. Yes. Under Peoples' energy conservation
12 programs approved by the Commission, a customer electing
13 to convert appliances used for heating, water heating,
14 cooking and clothes drying from electricity to natural
15 gas would be eligible for incentives or allowances from
16 Peoples totaling \$880. These allowances are available to
17 the customer to defray the cost of the gas appliances and
18 the cost associated with piping and venting those
19 appliances.

20 Q. Do you know whether Clearwater Gas offers
21 similar incentives?

22 A. Based on the deposition testimony of Mr.
23 Warrington, it is my understanding that Clearwater offers
24 residential customers a free water heater only for
25 converting from electricity to natural gas.

1 Q. On what basis are Peoples' customer service
2 personnel available to Peoples' natural gas customers?

3 A. Peoples' trained customer service employees are
4 available to respond to customer inquiries seven days a
5 week. Our normal hours are Monday through Friday, from
6 7 A.M. to 7 P.M., and Saturday and Sunday, from 8 A.M. to
7 4 P.M. Trained service personnel are scheduled to
8 provide normal service to our customers during the same
9 hours that our customer service employees answer our
10 telephones -- seven days per week. Emergency service is
11 provided 24 hours a day, 365 days a year. Our emergency
12 personnel respond not only to emergencies involving
13 Peoples' system, but also assist local fire departments
14 when personnel from other gas utilities cannot be
15 reached.

16 Q. Would the availability of these types of
17 services be any different if Peoples is permitted to
18 implement its planned expansion in the disputed area?

19 A. No. We would expect to provide service on the
20 same basis to customers in the disputed area. In fact,
21 Peoples already has emergency response employees living
22 in Pasco County who are responsible for responding to
23 emergencies experienced by Peoples' Pasco County
24 customers.

25 Q. Do you know on what basis employees of

1 Clearwater Gas are available to respond to customer
2 inquiries, make service calls and perform emergency
3 service?

4 A. Based on the deposition testimony of Mr.
5 Warrington, it is my understanding that Clearwater Gas
6 has no customer service employees, and that this function
7 is performed by employees of the City of Clearwater's
8 Utility Customer Service Department, which services all
9 of the utility services of the City of Clearwater. I
10 don't really know during what times and on what days the
11 services about which you have asked are available to
12 customers of Clearwater Gas.

13 Q. How do Peoples' rates compare with those of
14 Clearwater Gas?

15 A. An average residential customer's monthly bill
16 based on the general service rate of Clearwater Gas would
17 be slightly less than his or her bill would be using
18 Peoples' residential rate. While Peoples' total
19 residential rate per therm is less than the total per
20 therm rate of Clearwater Gas, Peoples' residential
21 customer charge is \$7 per month, compared with Clearwater
22 Gas' "account charge" of \$1 per month and its charge of
23 \$3 for the first three therms or less, which basically
24 equate to a customer charge of \$4 per month.

25 On the other hand, with the exception of a single

1 Clearwater Gas customer receiving a discounted
2 interruptible rate, Peoples' commercial and interruptible
3 rates are substantially less than the corresponding rates
4 of Clearwater Gas, even when Peoples' rates are compared
5 to discounted rates for firm and interruptible service
6 currently being charged by Clearwater Gas. Exhibit
7 ____ (RLF-2), which was prepared by me, is based on actual
8 bills of Clearwater Gas commercial customers, and shows,
9 for various time periods, the difference between the
10 amount due under the bill rendered by Clearwater Gas, and
11 the amount due for the same consumption based on Peoples'
12 applicable commercial rate. In every month included in
13 the comparison, the amount of the customer's bill using
14 Peoples' rate is less than the amount of the bill under
15 the rate charged by Clearwater Gas.

16 Q. In addition to sales service, does Peoples
17 offer transportation service to its customers?

18 A. Yes. Transportation service is available to
19 all of Peoples' customers eligible for service under
20 Peoples' interruptible rate schedules. In addition, firm
21 transportation service is available to any commercial or
22 industrial customer whose annual natural gas requirements
23 equal or exceed 500,000 therms, and to any customer --
24 regardless of its annual requirements -- for gas
25 delivered for compression and delivery into motor vehicle

1 fuel tanks or other transportation containers. Peoples
2 has made transportation service available to its
3 customers who meet the above qualifications in order to
4 permit them to acquire their own supplies of gas in the
5 competitive market which has developed since the advent
6 of "open access" transportation and the restructuring of
7 services available from FGT and other interstate
8 pipelines.

9 Q. Do you know whether Clearwater Gas offers, or
10 has plans to offer, transportation service to its
11 customers?

12 A. Based on the deposition testimony of Mr.
13 Warrington, it is my understanding that it does not
14 currently offer transportation service and that there are
15 currently no plans to do so.

16 Q. If this dispute is resolved in favor of
17 Clearwater Gas, what would be the effect of that decision
18 on Peoples?

19 A. It would obviously preclude Peoples from
20 providing natural gas service within the disputed area.
21 In addition, it would likely preclude any further
22 northward expansion of Peoples' distribution system on
23 the Florida West Coast.

24 Q. Has Peoples considered whether there is any way
25 in which this territorial dispute with Clearwater Gas

1 **might be compromised?**

2 A. Yes. The possibility of a compromise has been
3 considered both internally and in discussions with
4 representatives of Clearwater Gas and the Commission
5 Staff. However, Peoples has found no rational way to
6 divide the disputed area between itself and Clearwater
7 Gas which would preserve the feasibility of making the
8 expansion of its system in Pasco County. I would expect
9 that the same is true of Clearwater Gas.

10 Q. Does this conclude your direct testimony?

11 A. Yes, it does.

PEOPLES GAS SYSTEM, INC.
SYSTEM EXPANSION - PASCO COUNTY

PGS PHASE I EXPANSION FY94/95

SECTION A - HUDSON AVENUE FROM GATE STATION WEST TO US 19

7 Commercial Customers Using	515,900 Therms Per Year
91 Residential Customers Using	41,000 Therms Per Year
8 Miles of 6" Steel Main	\$ 752,000
7 Commercial Services	\$ 10,000
7 Commercial Meter Sets	\$ 5,000
1 Miles of Subdivision Mains	\$ 48,000
91 Residential Services	\$ 36,000
91 Residential Meter Sets	\$ 12,000

SECTION B - US19 FROM HUDSON AVENUE SOUTH TO JASMINE

34 Commercial Customers Using	333,300 Therms Per Year
3.5 Miles of 4" Steel Main	\$ 329,000
34 Commercial Services	\$ 48,000
34 Commercial Meter Sets	\$ 21,000

SECTION C - US19 FROM JASMINE SOUTH TO PORT RICHEY

33 Commercial Customers Using	331,600 Therms Per Year
3 Miles of 4" Steel Main	\$ 282,000
33 Commercial Services	\$ 47,000
33 Commercial Meter Sets	\$ 21,000

PGS PHASE II EXPANSION FY95/96

SECTION A - US19 SOUTH FROM PORT RICHEY TO SR 54

50 Commercial Customers Using	500,000 Therms Per Year
5 Miles of 4" Steel Main	\$ 470,000
50 Commercial Services	\$ 71,000
50 Commercial Meter Sets	\$ 31,000

**SECTION B - SR 54 EAST FROM US19 TO LITTLE ROAD AND NORTH STEEL
TO PITHLACHSCOTE RIVER**

70 Commercial Customers Using	700,000 Therms Per Year
300 Residential Customers Using	150,000 Therms Per Year
7 Miles of 4" Steel Main	\$ 658,000
70 Commercial Services	\$ 99,000
70 Commercial Meter Sets	\$ 44,000
4.5 Miles of Subdivision Mains	\$ 150,000
300 Residential Services	\$ 120,000
300 Residential Meter Sets	\$ 39,000

PGS PHASE III EXPANSION FY 96/97

**SECTION A - LITTLE ROAD FROM HUDSON AVENUE SOUTH TO RIDGE ROAD &
SR 52 FROM US19 TO LITTLE ROAD**

80 Commercial Customers Using	800,000	Therms Per Year	
200 Residential Customers Using	100,000	Therms Per Year	
8 Miles of 4" Steel Main			\$ 752,000
80 Commercial Services			\$ 110,000
80 Commercial Meter Sets			\$ 50,000
4.5 Miles of Subdivision Mains			\$ 100,000
200 Residential Services			\$ 80,000
200 Residential Meter Sets			\$ 26,000

**SECTION B - SERENOVA DEVELOPMENT EXTENSION TO SERVE 6000
RESIDENTIAL NEW HOMES OVER 20 YEARS**

10 Commercial Customers Using	100,000	Therms Per Year	
200 Residential Customers Using	100,000	Therms Per Year	
1 Distribution Regulator Station			\$ 6,000
2.5 Miles of Subdivision Main			\$ 100,000
10 Commercial Services			\$ 14,000
10 Commercial Meter Sets			\$ 6,000
200 Residential Services			\$ 80,000
200 Residential Meter Sets			\$ 26,000

PGS PHASE IV EXPANSION FY 97/98

SECTION A - RIDGE ROAD FROM US19 TO LITTLE ROAD

25 Commercial Customers Using	250,000	Therms Per Year	
200 Residential Customers Using	100,000	Therms Per Year	
2.5 Miles of 4" Steel Main			\$ 200,000
25 Commercial Services			\$ 35,000
25 Commercial Meter Sets			\$ 16,000
1 Distribution Regulator Station			\$ 6,000
4.5 Miles of Subdivision Main			\$ 100,000
200 Residential Services			\$ 80,000
200 Residential Meter Sets			\$ 26,000

**SECTION B - LITTLE ROAD FROM RIDGE ROAD SOUTH TO THE
PITHLACHSCOTE RIVER**

25 Commercial Customers Using	250,000	Therms Per Year	
200 Residential Customers Using	100,000	Therms Per Year	
3 Miles of 4" Steel Main			\$ 280,000
25 Commercial Services			\$ 35,000
25 Commercial Meter Sets			\$ 16,000
1 Distribution Regulator Station			\$ 6,000
4.5 Miles of Subdivision Main			\$ 100,000
200 Residential Services			\$ 80,000
200 Residential Meter Sets			\$ 26,000

SECTION C- SR 54 FROM LITTLE ROAD EAST TO WEST PASCO AIRPARK

2 Industrial Customers Using 1,000,000 Therms Per Year	
5 Commercial Customers Using 50,000 Therms Per Year	
3 Miles of 4" Steel Main	\$ 282,000
2 Industrial Services	\$ 20,000
2 Industrial Meter Sets	\$ 20,000
5 Commercial Services	\$ 7,000
5 Commercial Meter Sets	\$ 3,000

SUMMARY OF PHASES OF EXPANSION

PHASE #	NUMBER/TYPE CUSTOMER	EAT	COST TO SERVE
-	Proposed Gate Station Hudson @ Hayes		\$ 450,000
Phase I	74 Commercial	1,180,800	\$ 1,611,000
	91 Residential	41,000	
Phase II	120 Commercial	1,200,000	\$ 1,682,000
	300 Residential	150,000	
Phase III	90 Commercial	900,000	\$ 1,350,000
	400 Residential	200,000	
Phase IV	2 Industrial	1,000,000	\$ 1,338,000
	52 Commercial	550,000	
	400 Residential	200,000	
Totals			
	2 Industrial	1,000,000	\$ 6,431,000
	336 Commercial	3,830,000	
	1,192 Residential	591,000	

During the following 16 years, Peoples Gas projects that the industrial customer additions will total 2 customers. The commercial volumes will grow at a 5% per year rate and the residential growth will increase to 10,000 customers. The projected customer totals for the year 2015 will be the following:

4 Industrial	2,000,000 therms per year
592 Commercial	6,850,000 therms per year
10,000 Residential	5,000,000 therms per year

Clearwater Hooters Natural Gas Analysis

2800 Gulf to Bay Blvd.

Period	Clearwater Gas						Peoples Gas System, Inc.					
	Usage	Charge	Rate	Fee	Revised Rate (Inc. Fee)		PgS Rate	Charge	Fee	Revised Rate (Inc. Fee)		PgS Savings
06/20/94	1475	\$1,254.94	\$0.85081	\$1	\$1,255.94	\$0.85148	\$0.55860	\$823.94	\$17	\$840.94	\$0.57013	(\$415.01)
05/18/94	1,357	\$1,157.85	\$0.85324	\$1	\$1,158.85	\$0.85398	\$0.55360	\$751.24	\$17	\$768.24	\$0.56613	(\$390.61)
04/19/94	1,493	\$1,267.86	\$0.84920	\$1	\$1,268.86	\$0.84987	\$0.55317	\$825.88	\$17	\$842.88	\$0.56456	(\$425.98)
03/21/94	1,623	\$1,368.71	\$0.84332	\$1	\$1,369.71	\$0.84394	\$0.54817	\$889.68	\$17	\$906.68	\$0.55864	(\$463.03)
02/17/94	1,277	\$1,074.03	\$0.84108	\$1	\$1,075.03	\$0.84184	\$0.54817	\$700.01	\$17	\$717.01	\$0.56148	(\$358.02)
01/19/94	1,299	\$1,098.67	\$0.84578	\$1	\$1,099.67	\$0.84655	\$0.56817	\$738.05	\$17	\$755.05	\$0.58126	(\$344.62)
12/21/93	1,260	\$1,126.60	\$0.89413	\$1	\$1,127.60	\$0.89492	\$0.57817	\$728.49	\$17	\$745.49	\$0.59166	(\$382.11)
11/19/93	1,343	\$1,117.83	\$0.83234	\$1	\$1,118.83	\$0.83308	\$0.55756	\$748.80	\$17	\$765.80	\$0.57022	(\$353.03)
10/20/93	1,420	\$1,181.89	\$0.83232	\$1	\$1,182.89	\$0.83302	\$0.58559	\$831.54	\$17	\$848.54	\$0.59756	(\$334.35)
09/17/93	1,262	\$1,044.47	\$0.82763	\$1	\$1,045.47	\$0.82842	\$0.58559	\$739.01	\$17	\$756.01	\$0.59906	(\$289.46)
08/19/93	1,260	\$1,074.78	\$0.83967	\$1	\$1,075.78	\$0.84045	\$0.62222	\$796.44	\$17	\$813.44	\$0.63550	(\$262.34)
07/22/93	1,437	\$1,191.49	\$0.82915	\$1	\$1,192.49	\$0.82985	\$0.62222	\$894.13	\$17	\$911.13	\$0.63405	(\$281.36)
TOTAL						Average					Average	
CONSUMPTION	16,528	\$13,959.12		\$12	\$13,971.12	\$0.84562		\$9,467.22	\$204	\$9,671.22	\$0.58585	(\$4,299.90)

Exhibit No. (RFP-2)
 Docket No. 940650-00
 Witness: R.L. Firebaugh
 Page 1 of 7

Palm Harbor Hooters Natural Gas Analysis

36091 N. US Highway 19

Period	Usage	Clearwater Gas					Peoples Gas System, Inc.					
		Charge	Rate	Fee	Revised Rate (Inc. Fee)	PgS Rate	Charge	Fee	Revised Rate (Inc. Fee)	PgS Savings		
06/03/94	1270	\$1,127.75	\$0.88799	\$1	\$1,128.75	\$0.88878	\$0.55860	\$709.42	\$17	\$726.42	\$0.57199	(\$402.33)
05/04/94	1,187	\$1,057.08	\$0.89053	\$1	\$1,058.08	\$0.89137	\$0.55360	\$657.12	\$17	\$674.12	\$0.56792	(\$383.94)
04/07/94	1,328	\$1,177.02	\$0.88631	\$1	\$1,178.02	\$0.88708	\$0.55317	\$734.61	\$17	\$751.61	\$0.56597	(\$426.41)
03/09/94	1,448	\$1,275.18	\$0.88064	\$1	\$1,276.18	\$0.88133	\$0.54817	\$793.75	\$17	\$810.75	\$0.55991	(\$465.41)
02/04/94	1,267	\$1,112.70	\$0.87822	\$1	\$1,113.70	\$0.87901	\$0.54817	\$694.53	\$17	\$711.53	\$0.56159	(\$402.17)
12/08/93	1,244	\$1,076.09	\$0.86502	\$1	\$1,077.09	\$0.86583	\$0.56817	\$706.80	\$17	\$723.80	\$0.58184	(\$353.20)
11/08/93	1,304	\$1,133.34	\$0.86913	\$1	\$1,134.34	\$0.86989	\$0.57817	\$753.93	\$17	\$770.93	\$0.59121	(\$363.41)
10/07/93	1,337	\$1,162.01	\$0.86912	\$1	\$1,163.01	\$0.86987	\$0.55756	\$745.46	\$17	\$762.46	\$0.57028	(\$400.55)
09/07/93	1,152	\$995.59	\$0.86423	\$1	\$996.59	\$0.86510	\$0.58559	\$674.60	\$17	\$691.60	\$0.60035	(\$304.99)
08/09/93	1,327	\$1,162.83	\$0.87628	\$1	\$1,163.83	\$0.87704	\$0.58559	\$777.08	\$17	\$794.08	\$0.59840	(\$369.75)
07/07/93	157	\$138.40	\$0.86879	\$1	\$137.40	\$0.87516	\$0.62222	\$97.69	\$17	\$114.69	\$0.73050	(\$22.71)
TOTAL					Average					Average		
CONSUMPTION	13,021	\$11,415.95		\$11	\$11,426.95	\$0.87731		\$7,345.00	\$187	\$7,532.00	\$0.59090	(\$3,894.95)

Exhibit No. _____ (RFP-2)
 Document No. 940660-CU
 Witness: R. L. Firebaugh
 Page 2 of 7

Leverocks Natural Gas Comparison

Period	Clearwater Gas						Peoples Gas System, Inc.					
	Usage	Charge	Rate	Fee	Revised Rate (Inc. Fee)		PgS Rate	Charge	Fee	Revised Rate (Inc. Fee)		PgS Savings
05/27/94	1,723	\$1,228.13	\$0.71279	\$1	\$1,229.13	\$0.71337	\$0.55360	\$953.85	\$17	\$970.85	\$0.56347	(\$258.28)
04/02/94	1,803	\$1,288.73	\$0.71477	\$1	\$1,289.73	\$0.71532	\$0.55317	\$997.37	\$17	\$1,014.37	\$0.56260	(\$275.36)
03/31/94	1,937	\$1,377.95	\$0.71138	\$1	\$1,378.95	\$0.71190	\$0.55317	\$1,071.49	\$17	\$1,088.49	\$0.56195	(\$290.46)
02/28/94	2,270	\$1,599.60	\$0.70467	\$1	\$1,600.60	\$0.70511	\$0.54817	\$1,244.35	\$17	\$1,261.35	\$0.55506	(\$339.25)
02/04/94	1,663	\$1,168.85	\$0.70266	\$1	\$1,169.85	\$0.70346	\$0.54817	\$911.61	\$17	\$928.61	\$0.55839	(\$241.24)
12/30/93	1,619	\$1,144.36	\$0.70683	\$1	\$1,145.36	\$0.70745	\$0.56817	\$919.87	\$17	\$936.87	\$0.57867	(\$208.49)
12/01/92	1,569	\$1,301.76	\$0.82967	\$1	\$1,302.76	\$0.83031	\$0.53140	\$833.77	\$17	\$850.77	\$0.54223	(\$451.99)
10/30/92	1,487	\$1,277.28	\$0.85896	\$1	\$1,278.28	\$0.85964	\$0.51464	\$765.27	\$17	\$782.27	\$0.52607	(\$496.01)
10/01/92	1,536	\$1,195.14	\$0.77809	\$1	\$1,196.14	\$0.77874	\$0.51550	\$791.81	\$17	\$808.81	\$0.52657	(\$367.33)
09/02/92	1,810	\$1,326.02	\$0.73261	\$1	\$1,327.02	\$0.73316	\$0.52282	\$946.30	\$17	\$963.30	\$0.53221	(\$363.72)
07/31/92	1,575	\$1,149.80	\$0.73003	\$1	\$1,150.80	\$0.73067	\$0.52698	\$829.99	\$17	\$846.99	\$0.53777	(\$303.61)
07/02/92	1,573	\$1,148.40	\$0.73007	\$1	\$1,149.40	\$0.73071	\$0.52698	\$828.94	\$17	\$845.94	\$0.53779	(\$303.46)
06/03/92	1,752	\$1,279.87	\$0.73052	\$1	\$1,280.87	\$0.73109	\$0.52698	\$923.27	\$17	\$940.27	\$0.53668	(\$340.60)
TOTAL CONSUMPTION	22,317	\$16,485.89		\$13	\$16,498.89	Average \$0.74238		\$12,017.88	\$221	\$12,238.88	Average \$0.54770	(\$4,260.01)

Safety Harbor Spa and Resort Natural Gas Analysis

Combined

Period	<u>Clearwater Gas</u>			<u>Peoples Gas System, Inc.</u>		Combined PgS Savings
	Usage	Charge	Rate	Charge	Rate	
05/20/94	7,015	\$5,987.19	\$0.85348	\$3,788.86	\$0.54011	(\$2,198.33)
04/22/94	8,584	\$7,290.89	\$0.84936	\$4,579.89	\$0.53354	(\$2,711.00)
03/24/94	9,696	\$8,177.94	\$0.84343	\$5,150.93	\$0.53124	(\$3,027.01)
02/22/94	10,575	\$8,893.82	\$0.84102	\$5,558.17	\$0.52560	(\$3,335.65)
01/24/94	13,360	\$11,298.10	\$0.84567	\$7,002.48	\$0.52414	(\$4,295.62)
12/23/93	10,629	\$8,804.86	\$0.82838	\$5,798.67	\$0.54555	(\$3,006.19)
11/23/93	8,769	\$7,299.55	\$0.83243	\$4,883.72	\$0.55693	(\$2,415.83)
10/25/93	7,594	\$6,322.11	\$0.83251	\$4,301.11	\$0.56638	(\$2,021.00)
09/23/93	5,770	\$4,777.43	\$0.82798	\$3,281.02	\$0.56863	(\$1,496.41)
08/24/93	5,470	\$4,595.23	\$0.84008	\$3,115.56	\$0.56957	(\$1,479.67)
07/26/93	6,728	\$5,580.45	\$0.82944	\$4,065.32	\$0.60424	(\$1,515.13)
06/25/93	6,408	\$5,573.15	\$0.86972	\$3,872.78	\$0.60437	(\$1,700.37)
TOTAL			Average		Average	
CONSUMPTION	100,598	\$84,600.72	\$0.84	\$55,399	\$0.56	(\$29,202.20822)

Safety Harbor Spa and Resort Natural Gas Analysis

115 Main Street

Period	Usage	Clearwater Gas					Peoples Gas System, Inc.					
		Charge	Rate	Fee	Revised Rate (Inc. Fee)	PgS Rate	Charge	Fee	Revised Rate (Inc. Fee)	PgS Savings		
05/20/94	220	\$188.22	\$0.85555	\$1	\$189.22	\$0.86009	\$0.55860	\$122.89	\$17	\$139.89	\$0.83587	(\$49.33)
04/22/94	321	\$273.06	\$0.85065	\$1	\$274.06	\$0.85377	\$0.55360	\$177.71	\$17	\$194.71	\$0.60658	(\$79.35)
03/24/94	253	\$213.89	\$0.84542	\$1	\$214.89	\$0.84937	\$0.55317	\$139.95	\$17	\$156.95	\$0.62036	(\$57.94)
02/22/94	250	\$210.77	\$0.84308	\$1	\$211.77	\$0.84708	\$0.54817	\$137.04	\$17	\$154.04	\$0.61617	(\$57.73)
01/24/94	254	\$215.34	\$0.84780	\$1	\$216.34	\$0.85173	\$0.54817	\$139.24	\$17	\$156.24	\$0.61510	(\$60.10)
12/23/93	247	\$205.13	\$0.83049	\$1	\$206.13	\$0.83453	\$0.56817	\$140.34	\$17	\$157.34	\$0.63700	(\$48.79)
11/23/93	216	\$180.31	\$0.83477	\$1	\$181.31	\$0.83940	\$0.57817	\$124.88	\$17	\$141.88	\$0.65687	(\$39.43)
10/25/93	237	\$197.78	\$0.83451	\$1	\$198.78	\$0.83873	\$0.55756	\$132.14	\$17	\$149.14	\$0.62929	(\$49.64)
09/23/93	171	\$142.07	\$0.83082	\$1	\$143.07	\$0.83667	\$0.58559	\$100.14	\$17	\$117.14	\$0.68501	(\$25.93)
08/24/93	216	\$183.55	\$0.84197	\$1	\$184.55	\$0.84656	\$0.58559	\$127.66	\$17	\$144.66	\$0.66357	(\$39.89)
07/26/93	343	\$284.88	\$0.83055	\$1	\$285.88	\$0.83347	\$0.62222	\$213.42	\$17	\$230.42	\$0.67178	(\$55.46)
06/25/93	246	\$214.29	\$0.87110	\$1	\$215.29	\$0.87516	\$0.62222	\$153.07	\$17	\$170.07	\$0.69133	(\$45.22)
TOTAL						Average					Average	
CONSUMPTION	2,976	\$2,509.29		\$12	\$2,521.29	\$0.84721		\$1,708.47	\$204	\$1,912.47	\$0.64408	(\$608.82)

Safety Harbor Spa and Resort Natural Gas Analysis

105 N. Bayshore Blvd.

Period	USAGE	Clearwater Gas					Peoples Gas System, Inc.					PgS Savings
		CHARGE	Rate	Fee	Revised Rate (Inc. Fee)	PgS Rate	Charge	Fee	Revised Rate (Inc. Fee)			
05/20/94	748	\$638.49	\$0.85360	\$1	\$639.49	\$0.85493	\$0.52965	\$396.18	\$25	\$421.18	\$0.56307	(\$218.31)
04/22/94	1,100	\$934.28	\$0.84935	\$1	\$935.28	\$0.85025	\$0.52465	\$577.12	\$25	\$602.12	\$0.54738	(\$333.17)
03/24/94	1,657	\$1,397.37	\$0.84331	\$1	\$1,398.37	\$0.84392	\$0.52356	\$867.54	\$25	\$892.54	\$0.53865	(\$505.83)
02/22/94	1,849	\$1,554.83	\$0.84090	\$1	\$1,555.83	\$0.84144	\$0.51856	\$958.82	\$25	\$983.82	\$0.53208	(\$572.01)
01/24/94	2,342	\$1,980.32	\$0.84557	\$1	\$1,981.32	\$0.84599	\$0.51856	\$1,214.47	\$25	\$1,239.47	\$0.52923	(\$741.85)
12/23/93	2,107	\$1,745.06	\$0.82822	\$1	\$1,746.06	\$0.82869	\$0.53856	\$1,134.75	\$25	\$1,159.75	\$0.55043	(\$586.31)
11/23/93	2,000	\$1,664.37	\$0.83219	\$1	\$1,665.37	\$0.83269	\$0.54856	\$1,097.12	\$25	\$1,122.12	\$0.56106	(\$543.25)
10/25/93	1,133	\$943.14	\$0.83243	\$1	\$944.14	\$0.83331	\$0.55756	\$631.72	\$25	\$656.72	\$0.57963	(\$287.42)
09/23/93	446	\$369.53	\$0.82854	\$1	\$370.53	\$0.83078	\$0.55615	\$248.04	\$25	\$273.04	\$0.61220	(\$97.49)
08/24/93	313	\$263.27	\$0.84112	\$1	\$264.27	\$0.84431	\$0.55615	\$174.07	\$25	\$199.07	\$0.63602	(\$65.20)
07/26/93	324	\$269.13	\$0.83065	\$1	\$270.13	\$0.83373	\$0.59278	\$192.06	\$25	\$217.06	\$0.66994	(\$53.07)
06/25/93	567	\$493.24	\$0.86991	\$1	\$494.24	\$0.87168	\$0.59278	\$336.11	\$25	\$361.11	\$0.63687	(\$133.13)
TOTAL						Average					Average	
CONSUMPTION	14,586	\$12,253.03		\$12	\$12,265.03	\$0.84265		\$7,827.98	\$300	\$8,127.98	\$0.57971	(\$4,137.05)

Safety Harbor Spa and Resort Natural Gas Analysis

109 N. Bayshore Blvd.

Period	Usage	Cleanwater Gas					Peoples Gas System, Inc.					
		Charge	Rate	Fee	Revised Rate (Inc. Fee)	PgS Rate	Charge	Fee	Revised Rate (Inc. Fee)	PgS Savings		
05/20/94	6,047	\$5,157.48	\$0.85290	\$1	\$5,158.48	\$0.85306	\$0.52965	\$3,202.79	\$25	\$3,227.79	\$0.53378	(\$1,930.69)
04/22/94	7,163	\$6,080.55	\$0.84888	\$1	\$6,081.55	\$0.84902	\$0.52465	\$3,758.07	\$25	\$3,783.07	\$0.52814	(\$2,298.48)
03/24/94	7,786	\$6,563.68	\$0.84301	\$1	\$6,564.68	\$0.84314	\$0.52356	\$4,076.44	\$25	\$4,101.44	\$0.52677	(\$2,463.24)
02/22/94	8,476	\$7,125.22	\$0.84063	\$1	\$7,126.22	\$0.84075	\$0.51856	\$4,395.31	\$25	\$4,420.31	\$0.52151	(\$2,705.91)
01/24/94	10,764	\$9,099.44	\$0.84536	\$1	\$9,100.44	\$0.84545	\$0.51856	\$5,581.78	\$25	\$5,606.78	\$0.52088	(\$3,493.66)
12/23/93	8,275	\$6,851.67	\$0.82800	\$1	\$6,852.67	\$0.82812	\$0.53856	\$4,456.58	\$25	\$4,481.58	\$0.54158	(\$2,371.09)
11/23/93	6,553	\$5,451.87	\$0.83197	\$1	\$5,452.87	\$0.83212	\$0.54856	\$3,594.71	\$25	\$3,619.71	\$0.55238	(\$1,833.16)
10/25/93	6,224	\$5,178.19	\$0.83197	\$1	\$5,179.19	\$0.83213	\$0.55756	\$3,470.25	\$25	\$3,495.25	\$0.56158	(\$1,683.94)
09/23/93	5,153	\$4,262.83	\$0.82725	\$1	\$4,263.83	\$0.82745	\$0.55615	\$2,865.84	\$25	\$2,890.84	\$0.56100	(\$1,372.99)
08/24/93	4,939	\$4,145.41	\$0.83932	\$1	\$4,146.41	\$0.83952	\$0.55615	\$2,746.82	\$25	\$2,771.82	\$0.56121	(\$1,374.59)
07/26/93	6,061	\$5,023.44	\$0.82881	\$1	\$5,024.44	\$0.82898	\$0.59278	\$3,592.84	\$25	\$3,617.84	\$0.59690	(\$1,406.60)
06/25/93	5,595	\$4,862.62	\$0.86910	\$1	\$4,863.62	\$0.86928	\$0.59278	\$3,316.60	\$25	\$3,341.60	\$0.59725	(\$1,522.02)
TOTAL						Average					Average	
CONSUMPTION	83,036	\$69,802.40		\$12	\$69,814.40	\$0.84075		\$45,058.05	\$300	\$45,358.05	\$0.55025	(\$24,456.35)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

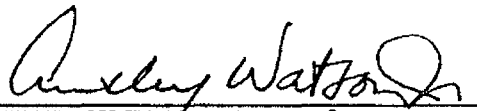
In re: Petition to resolve)
territorial dispute with Clearwater)
Gas System, a Division of the City)
of Clearwater, by Peoples Gas System,)
Inc.)
_____)

Docket No. 940660-GU

Submitted for Filing:
9-23-94

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the Direct Testimony of Richard L. Firebaugh on Behalf of Peoples Gas System, Inc., together with the exhibits attached thereto, has been furnished this 22nd day of September, 1994, via Federal Express, to William J. Peebles, Esquire, Moore, Williams, Bryant, Peebles & Gautier, P.A., 306 East College Avenue, Tallahassee, Florida 32301, and Martha Carter Brown, Esquire, Division of Legal Services, Florida Public Service Commission, Fletcher Building, 101 East Gaines Street, Tallahassee, Florida 32301.



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