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February 15, 1995

ORIGINAL
FILE COPY

RE REPLY REFER TO

Matthew R. Costa
P. O. Box 1531
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VIA FEDERAL EXPRESS

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

Re: Docket No. 950003-GU -- Purchased Gas
Adjustment (PGA) True-up

Dear Ms. Bayo:

Enclosed for filing in the above docket please find the original and 15 copies of Peoples Gas System's Prehearing Statement. We enclose also a computer diskette (IBM-DOS 4.0, WP5.1) containing the enclosed Prehearing Statement.

Please acknowledge your receipt of the enclosures to the undersigned on the duplicate copy of this letter enclosed for that purpose. A pre-addressed envelope is enclosed to assist you.

With appreciation for your assistance, I am

RECEIVED & FILED

Sincerely,

hca
BUREAU OF RECORDS

Matthew R. Costa

MATTHEW R. COSTA

Enclosures

cc: Mr. Hugh M. Grey, III
Mr. Ed Elliott
All Parties of Record

DOCUMENT NUMBER-DATE

01833 FEB 16 1995

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas :
Adjustment (PGA) True-Up :
_____ :

DOCKET NO. 950003-GU
Filed: 2-16-95

PREHEARING STATEMENT OF PEOPLES GAS SYSTEM, INC.

A. APPEARANCES:

MATTHEW R. COSTA, Esquire,
Macfarlane, Ausley, Ferguson, & McMullen
P. O. Box 1531, Tampa, Florida 33601
On behalf of Peoples Gas System, Inc.

B. WITNESSES:

<u>Witness</u>	<u>Subject Matter</u>	<u>Issues</u>
(Direct)		
1. H.M. Grey, III (PGS)	Projected gas costs, therm sales and weighted average cost of gas ("WACOG"); final PGA true-up amount (October 1993 - March 1994 and April 1994 - September 1994); revised PGA true-up amounts (April 1994 - March 1995); and calculation of PGA Factor (April 1995 - March 1996).	1 - 5

C. EXHIBITS:

<u>Exhibit</u>	<u>Witness</u>	<u>Description</u>
<u>(HMG-1)</u>	Grey	Calculation of final true-up for October 1993 - March 1994 and for April 1994 - September 1994 (Schedules A-1 through A-6)
<u>(HMG-2)</u>	Grey	Calculation of estimated true-up for April 1994 - March 1995; Calculation of PGA factor for April 1995 - March 1996 (Schedules E-1 through E-5)

DOCUMENT NUMBER-DATE

01833 FEB 16 95

FPSC-RECORDS/REPORTING

D. STATEMENT OF BASIC POSITION:

PGS's Statement of Basic Position:

The Commission should approve PGS's final PGA true-up amount for the period October, 1993 through March, 1994 of \$326,822 (overrecovery), its final true-up amount for the period April, 1994 through September, 1994 of \$2,674,712 (overrecovery), its estimated PGA true-up amount of \$16,738 (overrecovery) for the period April, 1994 through March, 1995, and its levelized PGA (cap) factor of \$0.32844 per therm for application to customers' bills during the period April 1, 1995 through March 31, 1996.

E. STATEMENT OF ISSUES AND POSITIONS:

Generic Purchased Gas Adjustment Issues

ISSUE 1: What are the appropriate final purchased gas adjustment true-up amounts for the period October, 1993 through March, 1994?

POSITION:

PGS: \$326,822 overrecovery. (Grey)

ISSUE 2: What are the appropriate estimated purchased gas adjustment true-up amounts for the period April, 1994 through March, 1995?

POSITION:

PGS: \$16,738 overrecovery. (Grey)

ISSUE 3: What are the total purchased gas adjustment true-up amounts to be collected or refunded during the period April, 1995 through March, 1996?

POSITION:

PGS: \$343,560 overrecovery. (Grey)

ISSUE 4: What is the appropriate levelized purchased gas cost recovery (cap) factor for the period April, 1995 through March, 1996?

POSITION:

PGS: 32.844 cents per therm. (Grey)

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

POSITION:

PGS: Agree with Staff. (Grey)

F. STIPULATED ISSUES:

None as to PGS at this time.

G. MOTIONS:

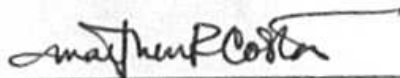
PGS has no pending motions at this time.

H. OTHER MATTERS:

None as to PGS at this time.

Dated this 15th day of February, 1995.

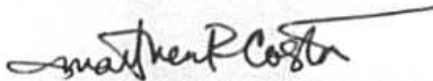
Respectfully submitted,



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Matthew R. Costa of
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(813) 273-4200
Attorneys for Peoples Gas System, Inc.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Prehearing Statement of Peoples Gas System, Inc., has been furnished this 15th day of February, 1995, by regular U.S. Mail, to all known parties of record in Docket No. 950003-GU.



Matthew R. Costa