

# MACFARLANE AUSLEY FERGUSON & McMULLEN

ATTORNEYS AND COUNSELORS AT LAW

111 MADISON STREET, SUITE 2300  
P.O. BOX 1531 (ZIP 33601)  
TAMPA, FLORIDA 33602  
(813) 273-4200 FAX (813) 273-4396

227 SOUTH CALHOUN STREET  
P.O. BOX 391 (ZIP 32302)  
TALLAHASSEE, FLORIDA 32301  
19041 224-9115 FAX 19041 222-7560

400 CLEVELAND STREET  
P. O. BOX 1669 (ZIP 34617)  
CLEARWATER, FLORIDA 34615  
(813) 441-8966 FAX (813) 442-8470

IN REPLY REFER TO:

January 15, 1996

Matthew R. Costa  
P. O. Box 1531  
Tampa, FL 33601

### VIA FEDERAL EXPRESS

Blanca S. Bayo, Director  
Division of Records & Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

ORIGINAL  
FILE COPY

ACK  Re: Docket No. 960003-GU -- Purchased Gas Adjustment (PGA) Clause  
True-Up Projections and Testimony for April 1996 - March 1997.

AFA

APP   
CAF  Dear Ms. Bayo:

CMU   
CTR  Enclosed for filing in the above docket on behalf of Peoples Gas System, Inc.  
ENC  ("Peoples"), please find the original and 15 copies of its Petition for Approval of PGA Factor  
LEG  for Application to Bills to be Rendered During the Period April 1996 Through March 1997.

LIN  Enclosed also for filing on behalf of Peoples, please find 15 copies of the Direct  
OPC  Testimony of W. Edward Elliott on behalf of Peoples, as well as 15 copies of Composite  
RCH  Exhibit EE-2 to Mr. Elliott's testimony.

SEC  Please acknowledge your receipt and filing of the enclosures by stamping the  
WAS  duplicate copy of this letter which is enclosed and returning the same to the undersigned.

OTH

RECEIVED & FILED

FPSC BUREAU OF RECORDS

test & sub  
DOCUMENT NUMBER-DATE

00486 JAN 16 96

FPSC-RECORDS/REPORTING

petition  
DOCUMENT NUMBER-DATE

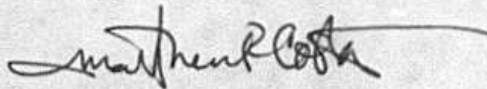
00485 JAN 16 96

FPSC-RECORDS/REPORTING

Blanca S. Bayo, Director  
January 15, 1996  
Page 2

Thank you for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Matthew R. Costa". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

MATTHEW R. COSTA

MRC/m  
Enclosures

cc: Mr. Hugh M. Grey, III  
Ms. Adriene W. Guidry  
Mr. W. Edward Elliott  
All Parties of Record

ORIGINAL  
FILE COPY

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas : Docket No. 960003-GU  
Adjustment (PGA) True-Up :  
: Submitted for Filing: 01-16-96

PETITION OF PEOPLES GAS SYSTEM, INC., FOR APPROVAL  
OF PGA FACTOR FOR APPLICATION TO BILLS TO BE RENDERED  
DURING THE PERIOD APRIL 1996 THROUGH MARCH 1997

Peoples Gas System, Inc. ("Peoples"), by its undersigned attorneys, hereby files its petition for approval of its purchased gas adjustment ("PGA") factor to be applied to bills rendered for meter readings taken between April 1, 1996 and March 31, 1997, inclusive, and in support thereof says:

1. The name of the petitioner and the mailing address of its principal office is:

Peoples Gas System, Inc.  
P. O. Box 2562  
Tampa, Florida 33601-2562

2. The names and mailing address of the persons authorized to receive notices and communications with respect to this petition are:

Ansley Watson, Jr., Esq., and  
Matthew R. Costa, Esq.  
Macfarlane Ausley Ferguson & McMullen  
P. O. Box 1531  
Tampa, Florida 33601-1531

3. By its Orders Nos. 24463 and 24463-A in this docket, the Commission adopted a revised method for the recovery of purchased gas costs by regulated natural gas utilities, to be used for the recovery of such costs commencing October 1, 1991.

Submitted herewith is Peoples' Composite Exhibit EE-2,

DOCUMENT NUMBER-DATE

00485 JAN 16 96

FPSC-RECORDS/REPORTING

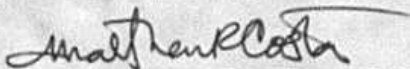
consisting of Schedules E-1, E-1/R, E-2, E-3, E-4 and E-5. The schedules in Composite Exhibit EE-2 are used to compute a maximum PGA factor for application to bills rendered for gas sold by Peoples during the twelve-month period of April 1, 1996 through March 31, 1997 (the "Projection Period").

4. The maximum PGA factor calculated in Composite Exhibit EE-2 basically represents (A) the sum of the final net true-up amount for the period April 1, 1994 through March 31, 1995, the estimated or projected true-up (based on actual data for eight months and projected data for four months) for the period April 1, 1995 through March 31, 1996, both true-up amounts including interest, and Peoples' projected cost of purchased gas for the April 1996 - March 1997 period, without interest, (B) divided by Peoples' projected therm sales for the Projection Period.

5. The maximum (cap) PGA factor for which Peoples seeks approval for the Projection Period is shown on Line 45, Page 3 of Schedule E-1 of Composite Exhibit EE-2, and is 38.469 cents per therm.

WHEREFORE, Peoples Gas System, Inc., respectfully requests that the Commission enter its order approving Peoples' proposed maximum (cap) PGA factor of 38.469 cents per therm for application to bills rendered for meter readings taken from April 1, 1996 through March 31, 1997.

Respectfully submitted,

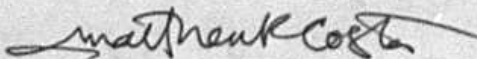


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Ansley Watson, Jr.  
Matthew R. Costa of  
Macfarlane Ausley Ferguson & McMullen  
P. O. Box 1531  
Tampa, Florida 33601  
(813) 273-4321  
Attorneys for Peoples Gas System, Inc.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing  
Petition and the Direct Testimony of W. Edward Elliott has been  
furnished by regular U.S. Mail this 15th day of January, 1996, to  
all known parties of record in Docket No. 960003-GU.



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Matthew R. Costa