

ORIGINAL  
FILE COPY

# SEBRING GAS SYSTEM, INC.

3515 U.S. Hwy. 27, South  
Sebring, FL 33870-5452  
(813) 385-0194

January 17, 1997

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

RE: Docket No. **970003-GU**  
Purchased Gas Adjustment (PGA)

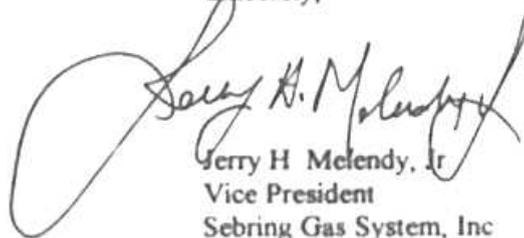
Dear Ms. Bayo:

Enclosed for filing in the above docket on behalf of Sebring Gas System, Inc., please find an original and ten copies of the following:

1. Petition for Approval of Sebring Gas System's Purchased Gas Adjustment True-Up Factor,
2. Direct Testimony of Jerry H. Melendy, Jr.,
3. Purchased Gas Projection Filing (April, 1997 - March, 1998), including PGA Schedules

E-1	E-1/R
E-2	E-3
E-4	E-5

Sincerely,



Jerry H. Melendy, Jr.  
Vice President  
Sebring Gas System, Inc

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*Test.*  
 DOCUMENT NUMBER DATE  
 00837 JAN 23 5

*Petition*  
 DOCUMENT NUMBER DATE  
 00836 JAN 23 5

BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas True-up )  
\_\_\_\_\_ )

DOCKET NO 97003-GU

**PETITION FOR APPROVAL OF  
SEBRING GAS SYSTEM'S  
PURCHASED GAS ADJUSTMENT FACTOR**

Sebring Gas System, Inc. ("the Company"), pursuant to the requirements of this docket, petitions the Commission for approval of the Company's final true-up factor related to the twelve month period ended March 31, 1998. In support hereof, the Company states

1. The exact name of the Company and the address of its principal business office is:

Sebring Gas System, Inc.  
3515 U.S. Hwy 27, South  
Sebring, Fl 33870

2. The names and addresses of the persons authorize to receive notices and communications in respect to this docket is

Jerry H. Melendy, Jr.  
3515 U.S. Hwy 27, South  
Sebring, Fl 33870

3. Pursuant to the requirements of this docket, Sebring Gas has prefiled the PGA true-up forms supplied by the Electric and Gas Department for the April 1995 - March 1996 period in a manner consistent with the Department's instructions

4. As indicated in the prefiled true-up forms, Sebring Gas has experienced an underrecovery of \$3,081 for the April 1995 - March 1996 period. In a FPSC docket dated February 16, 1996, an estimated overrecovery of \$53 for the April 1995 - March 1996 period was approved for calculation of the true-up factor for April 1996 - March 1997. Therefore, a final true-up amount of \$3,134 underrecovery will be included in the current calculation of the April 1997 - March 1998 true-up factor.

5. For the period of April 1996 - March 1997, Sebring Gas projects an overrecovery of \$8621, resulting in a net overrecovery of \$5,487 to refund in the period April 1997 - March 1998. Therefore, the cumulative true-up factor to be applied to gas bills for this period is a refund of .85869 cents per therm sold

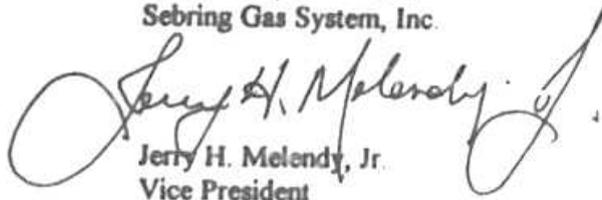
6. As indicated on the attached schedules E-1 through E-5, the Company projects total gas costs for the April 1997 - March 1998 period to be \$252,056. As stated previously, the Company projects therm sales of 639,000, resulting in a weighted average cost of gas (WACOG) of 39.324 cents per therm for the twelve-month period ending March 31, 1998.

7. The Company projects the average cost of gas to be 39.324 cents per therm, which includes the actual estimated cost of gas, plus the projected period's true-up of .85869 cents per therm, and the total of the two figures multiplied by the tax revenue factor of 1.01911. Because the Company has experienced higher gas prices during the winter months and the unpredictability of the gas market, the Company requests that the highest projected P.G.A. factor of 51.231 cents per therm (the projection for January 1998) be approved for the reporting period April 1997 - March 1998.

WHEREFORE, for the purpose of establishing the maximum rate to be charged for all sales during the period April 1997 - March 1998, Sebring Gas System petitions the Commission to enter its Order approving the Company's true-up factor of 51.231 cents per therm.

DATED this 18th day of January, 1997

Respectfully submitted,  
Sebring Gas System, Inc.



Jerry H. Melendy, Jr.  
Vice President

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FLORIDA PUBLIC SERVICE COMMISSION

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Sebring, Fl 33870

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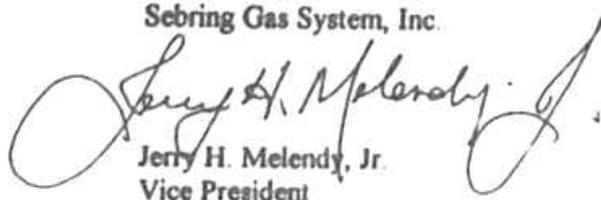
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