

January 29, 1998

Ms. Blanca S. Bayo, Director  
Division of Record and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0603

**Re: Purchase Gas Adjustment**

Dear Ms. Bayo:

Enclosed for filing in Docket No. 980003-GU, please find the original and 10 copies of City Gas Company of Florida's Prehearing Statement along with a copy on diskette.

Should you have any questions with respect to this filing, please contact me at (305) 691-8710, ext. 5207.

Sincerely,



Michael A. Palecki  
Vice President of Regulatory Affairs

OK  
SEA Uandover  
APP \_\_\_\_\_  
CAF MAP/rt  
CMT Encl.  
CTR \_\_\_\_\_  
Staben  
LJA 1  
PDI 3  
DIP \_\_\_\_\_  
FIS \_\_\_\_\_  
WV 1

DOCUMENT NUMBER-DATE

01618 JAN 30 1998

REG-RECORDS/REPORTING  
TIC Enterprises, LLC  
Utility Business Services  
Valley Cities Gas  
Waverly Gas

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchase Gas Adjustment )  
(PGA) True-up. )  
\_\_\_\_\_ )

DOCKET NO. 980003-GU  
Filed: February 2, 1998

CITY GAS COMPANY OF FLORIDA'S PREHEARING STATEMENT

Pursuant to Commission Order, City Gas Company of Florida files its Prehearing Statement.

a. Witnesses

<u>Witness</u>	<u>Appearing For</u>	<u>Issue #</u>
<u>Direct</u>		
Raymond A. DeMoine	City Gas Company of Florida, A Division of NUI Corporation	All Issues

Rebuttal

None

b. Exhibits

<u>Witness</u>	<u>Proffered By</u>	<u>I.D. No.</u>	<u>Description</u>
DeMoine	DeMoine	_____ (RAD-1)	Schedules E-1, E-1/R, E-2, E-3, E-4, E-5 and A-7.

c. Statement of Basic Position

The Company has worked with Commission Staff and has made several adjustments from its initial filing. In light of these adjustments, the Commission should determine that City Gas has properly calculated its Purchased Gas Adjustment true-up and that the appropriate purchased gas adjustment factor to be applied by City Gas during the period April 1998 through March 1999 is 47.194 cents per therm.

d. Position on the Issues

ISSUE 1: What are the appropriate final purchased gas adjustment true-up amounts for the period April 1996 through March 1997?  
Position: Overrecovery of \$1,589,426. (DeMoine)

DOCUMENT NUMBER-DATE

01618 JAN 30 98

FPSC-RECORDS/REPORTING

ISSUE 2: What are the estimated purchased gas adjustment true-up amounts for the period April, 1997 through March, 1998?

Position: As a result of conversations with staff, the Company has changed its position to underrecovery of \$1,623,366. (DeMoine)

ISSUE 3: What are the total purchased gas adjustment true-up amounts to be collected during the period April, 1998 through March, 1999?

Position: As a result of conversations with staff, the Company has changed its position to \$33,940. (DeMoine)

ISSUE 4: What are the appropriate levelized purchased gas cost recovery (cap) factors for the period April, 1998 through March, 1999?

Position: As a result of the two previous changes, the Company has adjusted its cap from 47.211 cents per therm to 47.194 cents per therm. (DeMoine)

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

Position: April 1, 1998. (DeMoine)


e. **Pending Motions**

None.

f. **Other Matters**

None at this time.

Respectfully submitted this 2nd day of February, 1998.



---

Michael A. Palecki  
**NUI CORPORATION - SOUTHERN DIVISION**  
Vice President of Regulatory Affairs  
955 East 25 Street  
Hialeah, FL 33013-3498  
(305) 691-8710

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the City Gas Company of Florida's Prehearing Statement has been furnished by U.S. Mail to the following parties of record, this 29th day of January, 1998:

Bob Elias, Esq.  
Division of Legal Services  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399

Debra Swim  
Gail Kamaras  
LEAF  
1115 N. Gadsden Street  
Tallahassee, FL 32303

G. Edison Holland, Esq.  
Jeffrey A. Stone, Esq.  
Beggs and Lane  
Post Office Box 12950  
Pensacola, FL 32576

Gatlin, Schiefelbein & Cowdery  
B. Kenneth Gatlin, Esq.  
3301 Thomasville Road, Ste #300  
Tallahassee, FL 32312

Norman Horton, Esq.  
Messer, Vickers, Caparello,  
Madsen, Lewis & Metz  
215 South Monroe Street  
Suite #701  
Tallahassee, FL 32301

John Roger Howe  
Office of the Public Counsel  
The Claude Pepper Building  
111 West Madison Street  
Suite #812  
Tallahassee, FL 32303

Charles A. Guyton, Esq.  
Steel Hector and Davis  
Florida Power & Light Company  
215 South Monroe Street  
Suite 601  
Tallahassee, FL 32301

Lee L. Willis, Esq.  
James D. Beasley, Esq.  
Ausley, McMullen, McGehee,  
Carothers and Proctor  
227 S. Calhoun Street  
Tallahassee, FL 32301

Stuart L. Shoaf, Esq.  
Debbie Stitt  
St. Joes Natural Gas Company, Inc.  
P. O. Box 549  
Port St. Joe, FL 32456

James A. McGee, Esq.  
Florida Power Corporation  
P. O. Box 14042  
St. Petersburg, FL 33733

Richard A. Zambo, P.A.  
598 S. W. Hidden River Avenue  
Palm City, FL 34990

Matthew R. Costa  
MacFarlane, Ferguson, Allison,  
and Kelley  
P. O. Box 1531  
Tampa, FL 33601

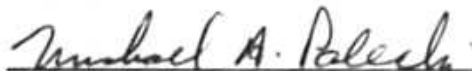
Florida Industrial Power Users Group  
John W. McWhirter, Jr.  
McWhirter Law Firm  
Post Office Box 3350  
Tampa, FL 33601

Sebring Gas Company  
3515 Highway 27 South  
Sebring, FL 33870-5452

Mr. J. Peter Martin  
101 N. W. 202 Terrace  
P. O. Box 96000-J  
Miami, FL 33269-0078

Kenneth Hoffman, Esq.  
Rutledge, Ecenia, Underwood  
215 South Monroe Street  
Suite 420  
Tallahassee, FL 32302-0551

Colette Powers  
Indiantown Gas Company  
Post Office Box 8  
Indiantown, FL 34956-0008



---

Michael A. Palecki  
**NUI CORPORATION - SOUTHERN DIVISION**  
Vice President of Regulatory Affairs  
955 East 25<sup>th</sup> Street  
Hialeah, FL 33013-3498  
(305) 691-8710