

ORIGINAL

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July 13, 1998

IN REPLY REFER TO:

Ansley Watson, Jr.
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Tampa, Florida 33601
e-mail: aw@macfar.com

VIA FEDERAL EXPRESS

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

Re: Docket No. 980002-EG -- Conservation Cost Recovery Clause

Dear Ms. Bayo:

Enclosed for filing in the above docket please find the original and 15 copies of Peoples Gas System's Energy Conservation Cost Recovery Annual Short Form for the Period October 1997 Through March 1998. A diskette containing the document in Wordperfect 5.1 format is also enclosed.

Please acknowledge your receipt and the date of filing of the enclosures on the duplicate copy of this letter and return the same to the undersigned in the enclosed preaddressed envelope.

Thank you for your usual assistance.

Sincerely,

Ansley Watson, Jr.
ANSLEY WATSON, JR.

- ACK _____
- AFA *Uandweir*
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG *Bullman*
- LEG *AW*
- LIN *B*
- OPC _____
- RCH _____
- SEC *1*
- WAS _____
- OTH _____

AW
Enclosures
cc: Mr. J. Brent Caldwell
All Parties of Record

DOCUMENT NUMBER DATE

07404 JUL 14 98

REGISTRATION REPORTING

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Conservation Cost)
 Recovery Clause)
_____)

DOCKET NO. 980002-EG
FILED: July 14, 1998

**PEOPLES GAS SYSTEM'S
ENERGY CONSERVATION COST RECOVERY ANNUAL SHORT FORM
FOR THE PERIOD OCTOBER 1997 THROUGH MARCH 1998**

DOCUMENT NUMBER DATE
07404 JUL 14 8
FILED - BRUNSWICK REPORTING

**ENERGY CONSERVATION COST RECOVERY
ANNUAL SHORT FORM**

**PEOPLES GAS SYSTEM
EXCEPT WEST FLORIDA REGION**

October 1997 through March 1998

Actual Conservation Revenue Applicable to the period:	\$ 2,713,054
Actual Conservation Expense:	\$ 1,894,623
Actual True-up this period (over recovery):	\$ 818,431
Original Projected True-up (over-recovery):	\$ 312,537
Difference between Actual True-up this period and original Projected True-up (excluding interest):	\$ 505,894

**ENERGY CONSERVATION COST RECOVERY
ANNUAL SHORT FORM**

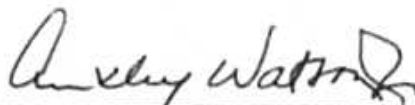
**PEOPLES GAS SYSTEM - WEST FLORIDA REGION
(FORMERLY WEST FLORIDA NATURAL GAS COMPANY)**

October 1997 through March 1998

Actual Conservation Revenue Applicable to the period:	\$ 564,716
Actual Conservation Expense:	\$ 334,975
Actual True-up this period (over recovery):	\$ 229,741
Original Projected True-up (over-recovery):	\$ 100,927
Difference between Actual True-up this period and original Projected True-up (over recovery excluding interest):	\$ 128,814

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Peoples Gas System's Energy Conservation Cost Recovery Annual Short Form for the Period October 1997 Through March 1998 has been furnished this 13th day of July, 1998, by regular U.S. Mail, to all known parties of record in Docket No. 980002-EG.

A handwritten signature in cursive script, reading "Ansley Watson, Jr.", written over a horizontal line.

Ansley Watson, Jr.