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MAIL ROOM

September 14, 1998

Mr. Wayne Makin
Division of Electric and Gas
Bureau of Gas Regulation
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

980000

Re: Disposition of West Florida environmental reserve account

Dear Mr. Makin:

Pursuant to Order No. PSC-98-0739-FOF-GU in Docket No. 980343-GU, Peoples Gas made a refund of the former West Florida Natural Gas Company's environmental cost reserve account to the West Florida customers during the month of August 1998. The refund was made on a cents per therm basis to all customers (with the exception of Stone Container and Arizona Chemical which are billed under special contract) based on July 1998 therm sales. The refund which amounted to 25 cents per therm was issued as a credit to customers' bills for all system supply customers and as a separate check for all transportation customers.

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The total environmental reserve account to be refunded, including accrued interest, was \$626,334. The actual refunds made amounted to \$548,154, leaving a balance of \$78,180 which will be credited to fuel expense in September 1998 in accordance with the order.

cc: Blanca S. Bayo, Director
Division of Records and Reporting

Sincerely,

Francis J. Sivard
Vice President - Accounting

TAMPA, FL 33601-2562

813-273-0074

AN EQUAL OPPORTUNITY COMPANY

DOCUMENT NUMBER - DATE

10189 SEP 16 98

FPSC RECORDS/REPORTING

WEST FLORIDA NATURAL GAS
REFUND OF ENVIRONMENTAL RESERVE

Total amount to be refunded	\$626,334.00
Special Contract refunds:	
Stone Container	22,675.00
Arizona Chemical	24,046.00
Balance to refund	<u>\$579,613.00</u>
July therm sales	— 2,349,500
Per Therm refund	\$0.2467
Round to	<u><u>\$0.2500</u></u>
Actual refunds made based on August 1998 therm usage	\$501,433.24
Special Contract refunds:	
Stone Container	22,675.00
Arizona Chemical	24,046.00
Total refunds made	<u>\$548,154.24</u>
Total environmental costs	626,334.00
Balance credited to PGA	<u><u>\$78,179.76</u></u>