

ORIGINAL

PEOPLES GAS SYSTEM
DOCKET NO. 990003-GU
SUBMITTED FOR FILING 09/27/99

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

PREPARED DIRECT TESTIMONY

OF

W. EDWARD ELLIOTT

Q. Please state your name and business address.

A. My name is W. Edward Elliott. My business address is 702 N. Franklin Street, P. O. Box 2562, Tampa, Florida 33601-2562.

Q. By whom are you employed and in what capacity?

A. I am Manager of Gas Accounting for Peoples Gas System. ("Peoples").

Q. Please summarize your educational background and professional qualifications.

A. I graduated from the University of South Florida in 1972 with the degree of Bachelor of Arts in Accounting. I have over 11 years of experience in the utility field.

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FPSC-RECORDS/REPORTING

1 Q. What are your primary responsibilities in your present
2 position with Peoples?
3
4 A. As Manager of Gas Accounting, I am responsible for
5 recording the Company's costs for natural gas and upstream
6 pipeline capacity and preparing filings associated with the
7 recovery of these costs through the Purchased Gas
8 Adjustment ("PGA").
9
10 Q. Have you previously testified in regulatory proceedings?
11
12 A. Yes. I have submitted testimony on several occasions
13 supporting Peoples' Purchased Gas Adjustment.
14
15 Q. What is the purpose of your testimony in this docket?
16
17 A. The purpose of my testimony is to describe generally the
18 components of Peoples' cost of purchased gas and upstream
19 pipeline capacity. In my testimony, I also explain how
20 Peoples' projected weighted average cost of gas ("WACOG")
21 for the January 2000 through December 2000 period was
22 determined and the resulting requested maximum PGA ("Cap").
23

1 Q. Please summarize your testimony.
2
3 A. I will address the following areas:
4 1. How Peoples will obtain its gas supplies during the
5 projected period
6 2. Estimates and adjustments used to determine the amount
7 of gas to be purchased from Peoples' various available
8 sources of supply during the projected period
9 3. Projections and assumptions used to estimate the
10 purchase price to be paid by Peoples for such gas
11 supplies
12 4. The components and assumptions used to develop
13 Schedules E-3 (A) through (G) of Composite Exhibit EE-
14 2
15 5. The components and assumptions used to develop
16 Schedule E-1 of Composite Exhibit EE-2, including how
17 Peoples' projected WACOG was determined
18
19 Q. Have you prepared or caused to be prepared certain
20 schedules for use in this proceeding?
21
22 A. Yes. Composite Exhibit EE-2 was prepared by me or under my
23 supervision.

1 Q. Please describe how Peoples will obtain its gas supplies
2 during the projected period of January 2000 through
3 December 2000.
4

5 A. All natural gas delivered through Peoples' distribution
6 system is received through two interstate pipelines. Gas
7 is delivered by Florida Gas Transmission Company ("FGT")
8 and, in Peoples' Jacksonville Division, also by South
9 Georgia Natural Gas Company ("South Georgia").
10

11 Q. In general, how does Peoples determine its sources of
12 supply?
13

14 A. Peoples evaluates, selects and utilizes sources of natural
15 gas supply on the basis of its "best value" gas acquisition
16 strategy. For a source of supply to be identified as a
17 "best value," it must offer the best combination of price,
18 reliability of supply and dependable operations, consistent
19 with Peoples' obligation as a public utility to provide
20 safe, adequate and efficient service to the general public.
21 Through a competitive bidding process, Peoples has
22 developed, and is continuing to enhance, a portfolio of
23 supply sources which reflect a balance between cost,

1 reliability and operational flexibility. Peoples obtains
2 its gas entirely as third party supplies which may include
3 both firm and interruptible purchases, various pricing
4 mechanisms, and various purchase periods, including spot,
5 short term and long term arrangements.

6
7 **Q.** Could Peoples purchase all third party supplies in advance
8 for a long term at the lowest available fixed price in
9 order to provide increased stability to its cost of gas?

10
11 **A.** No. Peoples' quantity requirements for system supply gas
12 at its gate stations vary significantly from year to year,
13 season to season, month to month, and, in particular, from
14 day to day. Often, the demand for gas on the Peoples
15 system can vary dramatically within a month from the lowest
16 to the highest requirement of its customers. In addition,
17 Peoples transports more than 75% of its throughput of gas
18 for end-user customers who purchase their own supplies
19 directly from producers and marketers. Peoples, therefore,
20 receives large quantities of customer-owned gas at its city
21 gate stations on a relatively uniform basis from day to day
22 within a month. The actual takes of gas out of the Peoples
23 system by those same transporting customers can, and do,

1 vary significantly from day to day. Since a significant
2 portion of the total throughput volumes is received by
3 Peoples at a uniform daily rate, Peoples is forced to
4 increase or decrease the purchases of its own system supply
5 volumes by significant increments in order to maintain a
6 balance between receipts and deliveries of gas each day.
7 As a consequence, Peoples must buy a portion of its total
8 system requirements under swing contract arrangements, and
9 meet extreme variations in delivered volumes by relying on
10 swing gas, peaking gas, pipeline balancing charge volumes,
11 pipeline penalty charge volumes and pipeline no notice
12 service at the prevailing rates for such services.

13

14 **Q.** How did Peoples estimate the amount of gas to be purchased
15 from various sources during the projected period of January
16 2000 through December 2000?

17

18 **A.** People's projected amount of gas to be purchased is based
19 upon the total actual throughput of therms delivered to
20 customers during a "base period", including both sales of
21 Peoples' system supply and transportation deliveries of
22 third party gas purchased by end-users of Peoples. Then,
23 the throughput was adjusted for anticipated customer

1 growth, normal weather and the recent conversion of
2 approximately 2,600 commercial customers to transportation
3 service.

4

5 Q. What other adjustments were made?

6

7 A. Based on the amount of firm transportation capacity
8 expected to be used by end-users, total estimated end-user
9 transportation volumes (other than for major electric
10 generation) for the projection period were deducted from
11 the adjusted projected throughput. The remaining amount
12 represents the total estimated amount of system supply
13 volumes to be purchased by Peoples from third party sources
14 for transportation through FGT and SGNG. Separate
15 estimates, based on available transportation capacity, were
16 made for the following categories of purchases by Peoples:

17 1. Third party transportation volumes purchased for
18 direct delivery at the South Georgia gate station near
19 Jacksonville

20 2. Third party transportation volumes purchased at
21 various FGT receipt points and transported to Peoples'
22 gate stations via firm FTS-1 and FTS-2 transportation
23 service

1 3. No Notice Transportation Service (NNTS), FGT Balancing
2 Charge volumes and FGT Operational Flow Order Penalty
3 Charge Volumes will be utilized on FGT Alert Days and
4 Operational Flow Order Days, if necessary, when
5 Peoples is required by FGT to keep actual deliveries
6 within scheduled deliveries (within tariff tolerance
7 levels)

8
9 **Q.** How did you estimate the purchase price to be paid by
10 Peoples for each of its available sources of gas supply?

11
12 **A.** The estimating procedures used for each category of
13 purchases by Peoples are as follows:

14 1. Third party direct transportation volumes were
15 estimated based on an evaluation of published prices
16 for the last several years for spot gas delivered to
17 the FGT and Southern Natural Gas Company ("SONAT")
18 systems and futures market prices for the projection
19 period of January 2000 through December 2000. These
20 prices were then adjusted to reflect the potential for
21 unexpected increases in natural gas prices in the
22 projection period.

23 2. NNTS, FGT Balancing Charge and FGT Penalty Charge

1 volumes purchased from FGT were estimated based on
2 FGT's most current rates on file with the FERC and
3 reasonable expectations for the possible cost of gas
4 utilized by FGT as provided for in the recently
5 effective Balancing Tools Settlement.
6

7 **Q.** Referring to Schedules E-3 (A) through (G) of Composite
8 Exhibit EE-2, please explain the components of these
9 schedules and the assumptions which were made in developing
10 the Company's projections.
11

12 **A.** Schedule E-3 (G) is a compilation of the monthly data which
13 appear on Schedules E-3 (A) through (F) for the
14 corresponding months of January 2000 through December 2000.
15

16 In Schedules E-3 (A) through (F), Column (A) indicates the
17 applicable month for all data on the page.
18

19 In Column (B), "FGT" indicates that the volumes are to be
20 purchased from third party suppliers for delivery via FGT
21 transportation. "MARKETER" indicates that the volumes are
22 to be purchased from a third party supplier for delivery
23 via SONAT and South Georgia Natural Gas ("South Georgia").

1 "THIRD PARTY" indicates that the volumes are to be
2 purchased directly from various third party suppliers for
3 delivery into FGT or SONAT.
4
5 In Column (C), "PGS" means the purchase will be for
6 Peoples' system supply and will become part of Peoples'
7 total WACOG. None of the costs of gas or transportation
8 for end-use purchases by end-use customers of Peoples are
9 included in Peoples' WACOG.
10
11 In Column (D), purchases of pipeline transportation
12 services from FGT under Rate Schedule FTS-1 and FTS-2 are
13 split into two components, commodity (or "usage") and
14 demand (or "reservation"). Both Peoples and end-users pay
15 the usage charge based on the actual amount of gas
16 transported. The FTS-1 and FTS-2 commodity costs shown
17 include all related transportation charges including usage,
18 fuel, ACA and Gas Research Institute ("GRI") charges. The
19 FTS-1 and FTS-2 demand component is a fixed charge based on
20 the maximum daily quantity of FTS-1 and FTS-2 firm
21 transportation capacity reserved. End-users reimburse
22 Peoples or directly pay FGT for all pipeline reservation
23 charges associated with the transportation capacity which

1 Peoples reserves and uses on their behalf. Similarly, the
2 transportation rates of SONAT and South Georgia also
3 consist of two components, a usage charge and a reservation
4 charge.

5
6 Also in Column (D), "NO NOTICE TRANSPORTATION SERVICE" (or
7 "NNTS") means FGT's no notice service provided to Peoples
8 on a fixed charge basis for use when Peoples' actual use
9 exceeds scheduled quantities. "SWING SERVICE" means the
10 demand and commodity component of the cost of third party
11 supplies purchased to meet Peoples "swing" requirements for
12 supply which fluctuate on a day-to-day basis. "COMMODITY"
13 means third party purchases of gas transported on FGT,
14 SONAT or South Georgia, and does not include any purchases
15 of sales volumes from FGT.

16
17 Column (E) shows the monthly quantity in therms of gas
18 purchased by Peoples for each category of system supply.

19
20 Column (F) shows the gas purchased by end-users for
21 transportation.

22
23 Column (G) is the total of Columns (E) and (F) in each row.

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Columns (H), (I), (J) and (K) show the corresponding third party supplier commodity costs, pipeline transportation commodity costs, pipeline transportation reservation costs, and other charges (e.g., balancing charges), respectively. These costs are determined using the actual amounts paid by Peoples. In the case of end-user transportation, these costs are reimbursed to Peoples or paid directly to FGT. All ACA, GRI and fuel charges are included in the commodity costs in Column (I) and, therefore, are not shown in Column (K).

Column (L) in each row is the sum of Columns (H), (I), (J) and (K) divided by Column (G).

Q. Referring to Schedule E-1 of Composite Exhibit EE-2, please explain the components of these schedules and the assumptions which were made in developing the Company's projections.

A. Schedule E-1 is shown in three versions. Page 1 relates to Cost of Gas Purchased, Therms Purchased, and Cents Per Therm for Combined Rate Classes, Page 2 relates to

1 Residential Customers, and Page 3 relates to Commercial
2 Customers.

3
4 The costs associated with various categories or items are
5 shown on lines 1 through 14. The volumes consumed for
6 similar categories or items are shown on lines 15 through
7 27, the resulting effective cost per therm rate for each
8 similar category or item is contained on lines 28 through
9 45.

10
11 The data shown on Schedule E-1 are taken directly from
12 Schedules E-3 (A) through (F) for the months of January
13 2000 through December 2000.

14
15 Q. What information is presented on Schedule E-1/R of
16 Composite Exhibit EE-2?

17
18 A. Schedule E-1/R of Composite Exhibit EE-2 shows eight months
19 actual and four months estimated data for the current
20 period from January 1999 through December 1999 for all
21 combined customer classes.

22
23 Q. What information is presented on Schedule E-2 of Composite

1 Exhibit EE-2?

2

3 A. Schedule E-2 of Composite Exhibit EE-2 shows the amount of
4 the prior period over/underrecoveries of gas costs which
5 are included in the current PGA calculation.

6

7 Q. What is the purpose of Schedule E-4 of Composite Exhibit
8 EE-2?

9

10 A. Schedule E-4 of Composite Exhibit EE-2 simply shows the
11 calculation of the estimated true-up amount for the January
12 1999 through December 1999 period. It is based on actual
13 data for eight months and four months of projected data.

14

15 Q. What information is contained on Schedule E-5 of Composite
16 Exhibit EE-2?

17

18 A. Schedule E-5 of Composite Exhibit EE-2 is statistical data
19 which includes the projected therm sales and numbers of
20 customers by customer class for the period from January
21 2000 through December 2000.

22

23 Q. How have you incorporated the Residential PGA factor and

1 the Commercial PGA factor in the derivation of the PGA cap
2 for which the company seeks approval?
3

4 **A.** Yes. On April 5, 1998, the Commission issued Order No. PSC-
5 99-0634-FOF-GU as a Proposed Agency Action in Docket No.
6 981698-GU. This Order approved Peoples Gas' request for
7 approval of a methodology for charging separate Purchased
8 Gas Adjustment factors for different customer classes.
9 Under the approved methodology, separate PGA factors are
10 derived by assigning the fixed, interstate pipeline
11 reservation costs to each customer class according to the
12 class' contribution to the company's peak month demand for
13 the winter season and the summer season. Exhibit EE-2,
14 Page 20 of 20, labeled Attachment, contains the seasonal
15 peak allocation factors based on the most recent peak
16 month data available, January 1999 and April 1999. These
17 allocation factors are then applied to Schedule E-1 to
18 derive the separate version for Residential, Commercial and
19 Combined for All Rate Classes. The WACOG for which Peoples
20 Gas seeks approval as to annual cap is the Residential
21 factor of \$.55097 per therm as shown in Schedule E-1.

22
23 **Q.** How are Gas Research Institute charges treated in the

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Purchased Gas adjustment Cost Recovery Clause?

A. The Gas Research Institute ("GRI") is a industry-funded, independent research organization. GRI provides efficient and effective research and development of products, studies and processes that benefit all natural gas consumers. The work performed by GRI helps lower the cost of gas and improve the efficiency of its use. Historically, GRI funding was mandated by the Federal Energy Regulatory Commission was recovered through surcharges applied to the FERC-regulated, interstate pipeline charges. Beginning last January and by FERC order, GRI funding will transition to fully voluntary funding by January 2004. Peoples Gas supports the goals of GRI since the products and services provided by GRI benefit our customers. Therefore, Peoples Gas has continued to support GRI at the previously mandated funding level. For 1999, the costs paid to GRI on a voluntary basis are projected to be \$119,600. In 2000, the level of voluntary funding contributed by Peoples Gas to GRI is projected to increase to \$239,200. Peoples Gas expects to continue supporting GRI with voluntary funding at the previously mandatory level, even when GRI funding is fully transitioned to voluntary.

1

2 Q. Does this conclude your testimony?

3

4 A. Yes, it does.

5

6

7

PURCHASED GAS ADJUSTMENT
COST RECOVERY CLAUSE CALCULATION

ORIGINAL ESTIMATE FOR THE PROJECTED PERIOD: JANUARY 00 through DECEMBER 00

Combined For All Rate Classes	PROJECTION												TOTAL
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
COST OF GAS PURCHASED													
1 COMMODITY Pipeline	\$125,214	\$116,505	\$123,843	\$108,429	\$84,218	\$76,201	\$58,134	\$58,353	\$74,285	\$78,738	\$82,640	\$100,649	\$1,085,207
2 NO NOTICE SERVICE	\$60,787	\$53,299	\$42,067	\$23,895	\$39,324	\$36,055	\$39,324	\$39,324	\$38,055	\$21,948	\$41,595	\$61,383	\$499,055
3 SWING SERVICE	\$2,068,798	\$1,864,561	\$2,110,524	\$1,351,900	\$1,229,360	\$1,442,240	\$1,441,297	\$1,317,603	\$998,694	\$1,753,047	\$2,097,475	\$2,068,745	\$19,744,241
4 COMMODITY Other	\$11,247,541	\$10,558,327	\$11,055,759	\$10,082,029	\$7,803,705	\$6,744,754	\$4,767,413	\$4,861,514	\$7,097,967	\$6,512,337	\$6,592,551	\$8,565,115	\$95,889,011
5 DEMAND	\$3,241,135	\$3,065,030	\$3,237,107	\$3,028,822	\$2,111,389	\$2,059,781	\$2,111,389	\$2,111,389	\$2,059,781	\$2,879,538	\$3,149,185	\$3,237,107	\$32,291,852
6 OTHER	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$1,200,000
LESS END-USE CONTRACT:													
7 COMMODITY Pipeline	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8 DEMAND	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9 OTHER	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10													
11 TOTAL COST (1+2+3+4+5+6)-(7+8+9+10)	\$16,843,473	\$15,757,723	\$16,669,300	\$14,695,075	\$11,367,993	\$10,461,031	\$8,517,557	\$8,488,183	\$10,368,781	\$11,343,607	\$12,063,445	\$14,132,999	\$150,709,166
12 NET UNBILLED	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13 COMPANY USE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14 TOTAL THERM SALES	\$16,843,473	\$15,757,723	\$16,669,300	\$14,695,075	\$11,367,993	\$10,461,031	\$8,517,557	\$8,488,183	\$10,368,781	\$11,343,607	\$12,063,445	\$14,132,999	\$150,709,166
THERMS PURCHASED													
15 COMMODITY Pipeline	42,108,853	39,044,522	41,715,783	37,189,585	31,360,359	28,872,906	24,095,103	24,333,793	27,670,414	29,277,353	30,005,928	35,255,319	390,929,918
16 NO NOTICE SERVICE	10,302,850	9,033,790	7,130,000	4,050,000	6,665,000	6,450,000	6,665,000	6,665,000	6,450,000	3,720,000	7,050,000	10,403,910	84,585,550
17 SWING SERVICE	4,805,120	4,330,750	4,902,040	3,140,010	2,855,390	3,349,840	3,347,650	3,080,350	2,319,630	4,071,740	4,871,730	4,805,000	45,859,250
18 COMMODITY Other	28,736,691	28,975,788	28,246,701	25,758,889	19,937,927	17,232,381	12,180,411	12,420,833	18,134,816	16,638,571	16,843,512	21,883,277	244,989,808
19 DEMAND	90,489,785	84,651,734	90,489,785	84,372,159	59,068,495	57,163,059	59,068,495	59,068,495	57,163,059	79,481,685	87,570,759	90,489,785	899,077,295
20 OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0
LESS END-USE CONTRACT:													
21 COMMODITY Pipeline	0	0	0	0	0	0	0	0	0	0	0	0	0
22 DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0
23 OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0
24 TOTAL PURCHASES (17+18)	33,541,811	31,306,548	33,148,741	28,898,699	22,793,317	20,582,221	15,528,061	15,481,183	20,454,446	20,710,311	21,715,242	28,688,277	290,849,058
25 NET UNBILLED	0	0	0	0	0	0	0	0	0	0	0	0	0
26 COMPANY USE	0	0	0	0	0	0	0	0	0	0	0	0	0
27 TOTAL THERM SALES (24-26)	33,541,811	31,306,548	33,148,741	28,898,699	22,793,317	20,582,221	15,528,061	15,481,183	20,454,446	20,710,311	21,715,242	28,688,277	290,849,058
CENTS PER THERM													
28 COMMODITY Pipeline (1/15)	0.00297	0.00298	0.00297	0.00292	0.00269	0.00264	0.00241	0.00240	0.00268	0.00262	0.00275	0.00285	0.00278
29 NO NOTICE SERVICE (2/16)	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590
30 SWING SERVICE (3/17)	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054
31 COMMODITY Other (4/18)	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140
32 DEMAND (5/19)	0.03582	0.03621	0.03577	0.03590	0.03574	0.03603	0.03574	0.03574	0.03603	0.03623	0.03596	0.03577	0.03592
33 OTHER (6/20)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
LESS END-USE CONTRACT:													
34 COMMODITY Pipeline (7/21)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
35 DEMAND (8/22)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
36 OTHER (9/23)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
37 TOTAL COST OF PURCHASES (11/24)	0.50218	0.50334	0.50286	0.50850	0.49874	0.50826	0.54853	0.54829	0.50692	0.54773	0.55553	0.52956	0.51817
38 NET UNBILLED (12/25)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
39 COMPANY USE (13/26)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
40 TOTAL COST OF THERMS SOLD (11/27)	0.50218	0.50334	0.50286	0.50850	0.49874	0.50826	0.54853	0.54829	0.50692	0.54773	0.55553	0.52956	0.51817
41 TRUE-UP (E-4)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)
42 TOTAL COST OF GAS (40+41)	0.50120	0.50237	0.50190	0.50753	0.49777	0.50729	0.54756	0.54732	0.50595	0.54676	0.55456	0.52859	0.51720
43 REVENUE TAX FACTOR	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503
44 PGA FACTOR ADJUSTED FOR TAXES (42x43)	0.50372	0.50489	0.50442	0.51008	0.50028	0.50984	0.55031	0.55007	0.50850	0.54951	0.55735	0.53125	0.51980
45 PGA FACTOR ROUNDED TO NEAREST .001	50.372	50.489	50.442	51.008	50.028	50.984	55.031	55.007	50.850	54.951	55.735	53.125	51.980

COMPANY: PEOPLES GAS SYSTEM		PURCHASED GAS ADJUSTMENT COST RECOVERY CLAUSE CALCULATION												SCHEDULE E-1 Page 2 of 3		
ORIGINAL ESTIMATE FOR THE PROJECTED PERIOD:		JANUARY 00 through DECEMBER 00														
For Residential Customers		PROJECTION														
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL		
COST OF GAS PURCHASED																
1	COMMODITY Pipeline	\$38,879	\$31,398	\$35,283	\$26,153	\$19,294	\$16,726	\$19,370	\$6,961	\$7,688	\$13,767	\$15,636	\$21,046	\$252,201		
2	NO NOTICE SERVICE	\$10,707	\$17,280	\$13,638	\$6,163	\$10,142	\$9,814	\$10,142	\$9,814	\$7,116	\$13,485	\$19,900	\$147,342	\$147,342		
3	SWING SERVICE	\$642,361	\$502,499	\$601,288	\$328,078	\$261,648	\$316,572	\$480,240	\$157,190	\$103,365	\$314,497	\$396,842	\$432,575	\$4,555,154		
4	COMMODITY Other	\$3,492,361	\$2,845,469	\$3,149,788	\$2,431,785	\$1,787,829	\$1,480,473	\$1,588,502	\$579,979	\$734,640	\$1,168,313	\$1,247,311	\$1,780,965	\$22,297,413		
5	DEMAND	\$1,050,776	\$893,683	\$1,049,470	\$781,133	\$544,527	\$531,217	\$544,527	\$544,527	\$531,217	\$933,546	\$1,020,966	\$1,049,470	\$9,575,061		
6	OTHER	\$31,050	\$26,950	\$28,490	\$24,120	\$22,910	\$21,950	\$33,320	\$11,930	\$10,350	\$17,940	\$18,920	\$20,910	\$268,840		
LESS END-USE CONTRACT:																
7	COMMODITY Pipeline	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	DEMAND	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	OTHER	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10																
11	TOTAL COST (1+2+3+4+5+6)-(7+8+9+10)	\$5,275,135	\$4,417,279	\$4,877,955	\$3,595,432	\$2,666,348	\$2,376,753	\$2,676,101	\$1,310,729	\$1,397,075	\$2,455,178	\$2,713,159	\$3,334,866	\$37,099,010		
12	NET UNBILLED	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	COMPANY USE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	TOTAL THERM SALES	\$5,275,135	\$4,417,279	\$4,877,955	\$3,595,432	\$2,666,348	\$2,376,753	\$2,676,101	\$1,310,729	\$1,397,075	\$2,455,178	\$2,713,159	\$3,334,866	\$37,099,010		
THERMS PURCHASED																
15	COMMODITY Pipeline	13,074,799	10,522,499	11,884,827	8,970,128	7,184,658	6,337,603	8,028,488	2,903,022	2,863,888	5,252,357	5,677,122	7,371,887	90,071,277		
16	NO NOTICE SERVICE	3,340,184	2,928,755	2,311,546	1,044,495	1,718,904	1,863,455	1,718,904	1,718,904	1,663,455	1,206,024	2,285,610	3,372,948	24,973,182		
17	SWING SERVICE	1,491,990	1,167,137	1,396,591	757,370	735,290	1,115,437	365,100	240,082	730,470	921,731	1,004,726	10,580,094	56,988,353		
18	COMMODITY Other	8,922,743	7,269,978	8,047,485	6,213,044	4,567,779	3,782,508	4,058,513	1,481,805	1,876,953	2,984,960	3,186,792	4,575,793	56,988,353		
19	DEMAND	29,336,768	27,444,092	29,336,768	21,759,580	15,233,765	14,742,353	15,233,765	15,233,765	14,742,353	25,767,962	28,390,440	29,336,768	266,558,440		
20	OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LESS END-USE CONTRACT:																
21	COMMODITY Pipeline	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	TOTAL PURCHASES (17+18)	10,414,732	8,437,115	9,444,076	6,970,414	5,221,949	4,517,797	5,173,950	1,846,905	2,117,035	3,715,430	4,108,524	5,580,519	67,548,447		
25	NET UNBILLED	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	COMPANY USE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27	TOTAL THERM SALES (24-26)	10,414,732	8,437,115	9,444,076	6,970,414	5,221,949	4,517,797	5,173,950	1,846,905	2,117,035	3,715,430	4,108,524	5,580,519	67,548,447		
CENTS PER THERM																
28	COMMODITY Pipeline (1/15)	0.00297	0.00298	0.00297	0.00292	0.00269	0.00264	0.00241	0.00240	0.00268	0.00262	0.00275	0.00285	0.00280		
29	NO NOTICE SERVICE (2/16)	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590		
30	SWING SERVICE (3/17)	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054		
31	COMMODITY Other (4/18)	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140		
32	DEMAND (5/19)	0.03582	0.03621	0.03577	0.03590	0.03574	0.03603	0.03574	0.03574	0.03603	0.03623	0.03596	0.03577	0.03592		
33	OTHER (6/20)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000		
LESS END-USE CONTRACT:																
34	COMMODITY Pipeline (7/21)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000		
35	DEMAND (8/22)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000		
36	OTHER (9/23)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000		
37	TOTAL COST OF PURCHASES (11/24)	0.50651	0.52355	0.51651	0.51581	0.51060	0.52609	0.51723	0.70969	0.65992	0.66081	0.66037	0.59759	0.54918		
38	NET UNBILLED (12/25)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000		
39	COMPANY USE (13/26)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000		
40	TOTAL COST OF THERMS SOLD (11/27)	0.50651	0.52355	0.51651	0.51581	0.51060	0.52609	0.51723	0.70969	0.65992	0.66081	0.66037	0.59759	0.54918		
41	TRUE-UP (E-4)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)		
42	TOTAL COST OF GAS (40+41)	0.50554	0.52258	0.51554	0.51484	0.50964	0.52512	0.51626	0.70872	0.65895	0.65984	0.65940	0.59662	0.54821		
43	REVENUE TAX FACTOR	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503		
44	PGA FACTOR ADJUSTED FOR TAXES (42x43)	0.50808	0.52521	0.51813	0.51743	0.51220	0.52776	0.51885	0.71229	0.66227	0.66316	0.66272	0.59962	0.55097		
45	PGA FACTOR ROUNDED TO NEAREST .001	50.808	52.521	51.813	51.743	51.220	52.776	51.885	71.229	66.227	66.316	66.272	59.962	55.097		

PURCHASED GAS ADJUSTMENT
COST RECOVERY CLAUSE CALCULATION

ORIGINAL ESTIMATE FOR THE PROJECTED PERIOD: JANUARY 00 through DECEMBER 00

For Commercial Customers													
COST OF GAS PURCHASED	PROJECTION												
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
1 COMMODITY Pipeline	\$86,335	\$85,107	\$88,560	\$82,276	\$64,922	\$59,475	\$38,764	\$51,391	\$66,596	\$62,971	\$67,005	\$79,604	\$833,005
2 NO NOTICE SERVICE	\$41,080	\$36,020	\$28,429	\$17,732	\$29,182	\$28,241	\$29,182	\$29,182	\$28,241	\$14,832	\$28,110	\$41,483	\$351,713
3 SWING SERVICE	\$1,426,435	\$1,362,062	\$1,509,236	\$1,025,822	\$947,713	\$1,125,668	\$981,057	\$1,160,413	\$895,329	\$1,438,550	\$1,700,632	\$1,636,170	\$15,189,088
4 COMMODITY Other	\$7,755,179	\$7,712,858	\$7,905,973	\$7,650,244	\$6,015,878	\$5,264,280	\$3,178,911	\$4,281,536	\$6,363,328	\$5,344,024	\$5,345,240	\$6,774,149	\$73,591,597
5 DEMAND	\$2,190,359	\$2,071,348	\$2,187,637	\$2,247,688	\$1,566,862	\$1,528,563	\$1,566,862	\$1,566,862	\$1,528,563	\$1,945,992	\$2,128,219	\$2,187,637	\$22,716,592
6 OTHER	\$68,950	\$73,050	\$71,510	\$75,880	\$77,090	\$78,050	\$68,680	\$88,070	\$89,650	\$82,060	\$81,080	\$79,090	\$931,160
LESS END-USE CONTRACT:													
7 COMMODITY Pipeline	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8 DEMAND	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9 OTHER	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10													
11 TOTAL COST (1+2+3+4+5+6)-(7+8+9+10)	\$11,568,338	\$11,340,444	\$11,791,345	\$11,099,643	\$8,701,645	\$8,084,277	\$5,841,455	\$7,177,454	\$8,971,706	\$8,888,429	\$9,350,286	\$10,798,133	\$113,613,156
12 NET UNBILLED	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13 COMPANY USE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14 TOTAL THERM SALES	\$11,568,338	\$11,340,444	\$11,791,345	\$11,099,643	\$8,701,645	\$8,084,277	\$5,841,455	\$7,177,454	\$8,971,706	\$8,888,429	\$9,350,286	\$10,798,133	\$113,613,156
THERMS PURCHASED													
15 COMMODITY Pipeline	29,034,054	28,522,023	29,830,957	28,219,457	24,175,701	22,535,304	16,066,615	21,430,772	24,806,526	24,024,996	24,328,806	27,883,432	300,858,641
16 NO NOTICE SERVICE	6,982,668	6,105,035	4,818,454	3,005,505	4,946,097	4,786,545	4,946,097	4,946,097	4,786,545	2,513,976	4,764,390	7,030,962	59,612,368
17 SWING SERVICE	3,313,130	3,183,613	3,505,449	2,382,640	2,201,220	2,614,550	2,232,213	2,695,250	2,079,548	3,341,270	3,949,999	3,800,275	35,279,156
18 COMMODITY Other	19,813,948	19,705,821	20,199,216	19,545,845	15,370,148	13,449,873	8,121,898	10,939,028	16,257,863	13,653,611	13,656,720	17,307,484	188,021,455
19 DEMAND	61,152,997	57,207,642	61,152,997	62,612,580	43,834,730	42,420,706	43,834,730	43,834,730	42,420,706	53,713,723	59,160,319	61,152,997	632,518,855
20 OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0
LESS END-USE CONTRACT:													
21 COMMODITY Pipeline	0	0	0	0	0	0	0	0	0	0	0	0	0
22 DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0
23 OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0
24 TOTAL PURCHASES (17+18)	23,127,079	22,869,434	23,704,665	21,928,484	17,571,368	16,064,423	10,354,111	13,634,278	18,337,411	16,994,861	17,606,718	21,107,758	223,300,611
25 NET UNBILLED	0	0	0	0	0	0	0	0	0	0	0	0	0
26 COMPANY USE	0	0	0	0	0	0	0	0	0	0	0	0	0
27 TOTAL THERM SALES (24-26)	23,127,079	22,869,434	23,704,665	21,928,484	17,571,368	16,064,423	10,354,111	13,634,278	18,337,411	16,994,861	17,606,718	21,107,758	223,300,611
CENTS PER THERM													
28 COMMODITY Pipeline (1/15)	0.00297	0.00298	0.00297	0.00292	0.00269	0.00264	0.00241	0.00240	0.00268	0.00262	0.00275	0.00285	0.00277
29 NO NOTICE SERVICE (2/16)	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590
30 SWING SERVICE (3/17)	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054	0.43054
31 COMMODITY Other (4/18)	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140	0.39140
32 DEMAND (5/19)	0.03582	0.03621	0.03577	0.03590	0.03574	0.03603	0.03574	0.03574	0.03603	0.03623	0.03596	0.03577	0.03591
33 OTHER (6/20)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
LESS END-USE CONTRACT:													
34 COMMODITY Pipeline (7/21)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
35 DEMAND (8/22)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
36 OTHER (9/23)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
37 TOTAL COST OF PURCHASES (11/24)	0.50021	0.49588	0.49743	0.50617	0.49522	0.50324	0.58417	0.52643	0.48926	0.52301	0.53106	0.51157	0.50879
38 NET UNBILLED (12/25)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
39 COMPANY USE (13/26)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
40 TOTAL COST OF THERMS SOLD (11/27)	0.50021	0.49588	0.49743	0.50617	0.49522	0.50324	0.58417	0.52643	0.48926	0.52301	0.53106	0.51157	0.50879
41 TRUE-UP (E-4)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)	(0.00097)
42 TOTAL COST OF GAS (40+41)	0.49924	0.49491	0.49646	0.50521	0.49425	0.50227	0.58320	0.52546	0.48829	0.52204	0.53010	0.51060	0.50782
43 REVENUE TAX FACTOR	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503
44 PGA FACTOR ADJUSTED FOR TAXES (42x43)	0.50175	0.49740	0.49896	0.50775	0.49673	0.50480	0.58603	0.52810	0.49074	0.52466	0.53276	0.51317	0.51038
45 PGA FACTOR ROUNDED TO NEAREST .001	50.175	49.740	49.896	50.775	49.673	50.480	58.603	52.810	49.074	52.466	53.276	51.317	51.038

REVISED ESTIMATE FOR THE PROJECTED PERIOD: JANUARY 99 through DECEMBER 99

Combined For All Rate Classes

COST OF GAS PURCHASED	ACTUAL							REVISED PROJECTION							TOTAL
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC			
1 COMMODITY Pipeline	\$127,215	\$131,343	\$155,421	\$181,267	\$168,131	\$144,953	\$144,462	\$189,060	\$165,777	\$200,018	\$188,055	\$189,101	\$1,984,803		
2 NO NOTICE SERVICE	\$60,787	\$51,461	\$42,067	\$23,895	\$39,324	\$38,165	\$39,324	\$38,055	\$21,948	\$41,595	\$61,383	\$497,328			
3 SWING SERVICE	\$948,128	\$852,725	\$881,632	\$645,873	\$743,224	\$824,358	\$824,861	\$898,706	\$953,728	\$1,155,143	\$1,995,566	\$2,105,006	\$12,826,946		
4 COMMODITY Other	\$5,849,755	\$5,397,964	\$4,500,122	\$6,153,569	\$4,802,978	\$3,407,872	\$3,991,526	\$5,105,097	\$2,476,340	\$4,241,222	\$3,424,802	\$5,151,589	\$54,502,836		
5 DEMAND	\$3,552,112	\$3,227,564	\$3,497,410	\$3,335,444	\$2,546,352	\$2,262,254	\$2,377,763	\$2,439,612	\$2,249,976	\$3,073,319	\$3,571,821	\$3,671,076	\$35,804,705		
6 OTHER	\$45,191	\$51,122	\$61,535	\$142,852	\$60,770	\$50,828	\$77,106	\$36,569	\$50,000	\$50,000	\$50,000	\$50,000	\$745,973		
LESS END-USE CONTRACT:															
7 COMMODITY Pipeline	\$32,894	\$41,655	\$66,718	\$81,747	\$62,573	\$56,798	\$65,766	\$68,043	\$68,094	\$77,820	\$64,948	\$47,256	\$732,312		
8 DEMAND	\$425,333	\$538,429	\$567,307	\$515,572	\$656,032	\$595,460	\$689,506	\$692,430	\$713,750	\$541,898	\$495,554	\$495,332	\$6,926,603		
9 OTHER	\$0	\$0	\$0	\$0	\$0	\$0	(\$65,271)	\$0	\$0	\$0	\$0	\$0	(\$65,271)		
10															
11 TOTAL COST (1+2+3+4+5+6)-(7+8+9+10)	\$10,122,961	\$9,132,095	\$8,524,162	\$9,885,581	\$7,642,174	\$6,076,170	\$6,765,041	\$7,949,895	\$5,152,030	\$8,121,932	\$8,711,337	\$10,085,589	\$98,768,947		
12 NET UNBILLED	(\$1,547,910)	\$155,833	(\$1,137,746)	(\$543,862)	(\$791,162)	(\$316,358)	(\$370,364)	\$60,594	\$0	\$0	\$0	\$0	(\$4,470,895)		
13 COMPANY USE	\$7,145	\$5,306	\$3,698	\$5,374	\$5,063	\$6,205	\$17,049	\$821	\$0	\$0	\$0	\$0	\$50,461		
14 TOTAL THERM SALES	\$8,820,294	\$9,690,830	\$9,102,372	\$9,532,287	\$8,509,186	\$5,529,815	\$6,326,416	\$8,021,263	\$4,949,993	\$7,389,515	\$7,616,263	\$11,033,377	\$94,521,611		
THERMS PURCHASED															
15 COMMODITY Pipeline	41,861,166	42,788,587	52,170,906	53,178,539	40,178,652	214,461,548	37,862,745	44,137,306	29,079,050	38,047,090	34,620,260	34,319,500	662,805,319		
16 NO NOTICE SERVICE	10,302,850	8,722,800	7,130,000	4,050,000	6,665,000	7,292,810	6,665,000	6,450,000	3,720,000	7,050,000	10,403,910	85,116,850			
17 SWING SERVICE	4,805,120	4,330,750	4,902,040	3,140,010	2,855,390	3,349,840	3,347,850	3,060,350	3,149,480	4,005,350	6,919,440	6,975,070	50,840,490		
18 COMMODITY Other	26,864,024	25,559,459	22,519,084	31,595,769	21,006,397	15,508,102	18,140,436	19,613,976	8,177,600	14,708,040	11,875,160	17,070,110	232,636,177		
19 DEMAND	83,643,225	75,430,069	82,860,296	76,082,703	56,019,932	337,703,077	51,214,482	52,926,719	43,605,600	66,595,770	77,013,300	80,703,870	1,083,799,043		
20 OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0		
LESS END-USE CONTRACT:															
21 COMMODITY Pipeline	11,305,140	14,326,690	22,963,950	22,840,060	17,470,620	15,852,800	18,362,300	18,444,840	18,967,570	21,678,620	18,091,240	13,163,210	213,465,240		
22 DEMAND	11,305,140	14,326,690	22,963,950	22,840,060	17,470,620	15,852,800	18,362,300	18,444,840	18,967,570	21,678,620	18,091,240	13,163,210	213,465,240		
23 OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0		
24 TOTAL PURCHASES (17+18)	31,669,144	29,890,209	27,421,124	34,735,779	23,861,787	18,857,942	21,488,086	22,674,326	11,327,080	18,711,390	18,794,620	24,045,180	283,476,667		
25 NET UNBILLED	(\$973,990)	480,635	(2,537,266)	(1,235,138)	(2,837,575)	(930,544)	(1,994,954)	(162,630)	0	0	0	0	(15,211,462)		
26 COMPANY USE	20,977	15,579	11,530	17,571	16,254	20,385	50,328	1,750	0	0	0	0	154,372		
27 TOTAL THERM SALES (24-26)	31,010,465	28,363,045	33,491,407	35,182,178	24,045,324	19,033,266	21,092,702	22,924,771	11,327,080	18,711,390	18,794,620	24,045,180	288,021,518		
CENTS PER THERM															
28 COMMODITY Pipeline (1/15)	0.00304	0.00307	0.00298	0.00341	0.00418	0.00068	0.00381	0.00428	0.00570	0.00526	0.00543	0.00551	0.00299		
29 NO NOTICE SERVICE (2/16)	0.00590	0.00590	0.00590	0.00590	0.00590	0.00523	0.00590	0.00590	0.00590	0.00590	0.00590	0.00590	0.00584		
30 SWING SERVICE (3/17)	0.19690	0.19690	0.17985	0.20589	0.26029	0.24609	0.24840	0.29386	0.30282	0.28840	0.28840	0.30179	0.25230		
31 COMMODITY Other (4/18)	0.21775	0.21119	0.19984	0.19476	0.22864	0.21975	0.22003	0.26028	0.30282	0.28840	0.28840	0.30179	0.23428		
32 DEMAND (5/19)	0.04247	0.04279	0.04221	0.04384	0.04545	0.00670	0.04643	0.04609	0.05160	0.04615	0.04638	0.04549	0.03304		
33 OTHER (6/20)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000		
LESS END-USE CONTRACT:															
34 COMMODITY Pipeline (7/21)	0.00291	0.00291	0.00291	0.00358	0.00358	0.00358	0.00358	0.00358	0.00359	0.00359	0.00359	0.00359	0.00343		
35 DEMAND (8/22)	0.03762	0.03758	0.02470	0.02470	0.03755	0.03756	0.03755	0.03754	0.03763	0.02500	0.02739	0.03763	0.03245		
36 OTHER (9/23)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000		
37 TOTAL COST OF PURCHASES (11/24)	0.31965	0.30552	0.31086	0.28459	0.32027	0.32221	0.31483	0.35061	0.45484	0.43406	0.46350	0.44440	0.34842		
38 NET UNBILLED (12/25)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000		
39 COMPANY USE (13/26)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000		
40 TOTAL COST OF THERMS SOLD (11/27)	0.32644	0.32197	0.25452	0.28098	0.31782	0.31924	0.32073	0.34678	0.45484	0.43406	0.46350	0.44440	0.34292		
41 TRUE-UP (E-4)	(0.00067)	(0.00067)	(0.00067)	(0.00067)	(0.00067)	(0.00067)	(0.00067)	(0.00067)	(0.00067)	(0.00067)	(0.00067)	(0.00067)	(0.00067)		
42 TOTAL COST OF GAS (40+41)	0.32577	0.32130	0.25385	0.28031	0.31715	0.31857	0.32006	0.34611	0.45417	0.43339	0.46283	0.44373	0.34225		
43 REVENUE TAX FACTOR	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503		
44 PGA FACTOR ADJUSTED FOR TAXES (42x43)	0.32741	0.32292	0.25512	0.28172	0.31875	0.32017	0.32167	0.34785	0.45646	0.43557	0.46516	0.44596	0.34397		
45 PGA FACTOR ROUNDED TO NEAREST .001	32.741	32.292	25.512	28.172	31.875	32.017	32.167	34.785	45.646	43.557	46.516	44.596	34.397		

FOR THE CURRENT PERIOD: JANUARY 99 Through DECEMBER 99

	ACTUAL					REVISED PROJECTION							TOTAL PERIOD
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
TRUE-UP CALCULATION													
1 PURCHASED GAS COST	8,788,738	8,245,382	5,378,056	6,794,068	5,541,139	4,228,023	4,864,809	6,003,181	3,430,068	5,398,365	5,420,388	7,258,595	67,344,590
2 TRANSPORTATION COST	3,327,078	2,881,407	3,142,408	3,086,138	2,095,972	1,843,942	1,883,352	1,946,093	1,721,963	2,725,567	3,290,969	3,428,973	31,373,862
3 TOTAL	10,115,816	9,126,789	8,520,464	9,880,206	7,637,112	6,069,965	6,747,990	7,949,274	5,152,029	8,121,932	8,711,337	10,685,568	98,718,482
4 FUEL REVENUES (NET OF REVENUE TAX)	8,820,294	9,890,830	8,102,372	9,532,287	8,509,188	5,529,815	6,326,416	8,021,283	4,949,993	7,389,515	7,616,283	11,033,377	94,521,811
5 TRUE-UP REFUNDED/(COLLECTED)	17,498	17,498	17,498	17,498	17,498	17,498	17,498	17,498	17,498	17,498	17,498	17,503	209,981
6 FUEL REVENUE APPLICABLE TO PERIOD (LINE 4 + LINE 5)	8,837,792	9,708,328	8,119,870	9,549,785	8,526,686	5,547,313	6,343,914	8,038,781	4,967,491	7,407,013	7,833,761	11,050,880	94,731,592
7 TRUE-UP PROVISION - THIS PERIOD (LINE 6 - LINE 3)	(1,278,023)	581,539	599,406	(330,421)	(1,110,427)	(522,852)	(404,077)	89,487	(184,538)	(714,919)	(1,077,576)	365,312	(3,986,889)
8 INTEREST PROVISION-THIS PERIOD (21)	14,772	13,283	15,578	15,856	12,904	9,851	8,428	8,259	8,181	6,146	2,123	476	115,857
9 BEGINNING OF PERIOD TRUE-UP AND INTEREST	4,298,844	3,018,094	3,595,418	4,105,289	3,773,228	2,858,205	2,127,906	1,868,209	1,946,457	1,752,603	1,026,332	(68,819)	4,298,844
10 TRUE-UP COLLECTED OR (REFUNDED) (REVERSE OF LINE 9)	(17,498)	(17,498)	(17,498)	(17,498)	(17,498)	(17,498)	(17,498)	(17,498)	(17,498)	(17,498)	(17,498)	(17,503)	(209,981)
10a ENVIRONMENTAL RESERVE REFUND	0	0	0	0	0	0	0	0	0	0	0	0	0
11 TOTAL ESTIMATED/ACTUAL TRUE-UP (7+8+9+10+10a)	3,018,094	3,595,418	4,192,905	3,773,228	2,858,205	2,127,906	1,714,760	1,946,457	1,752,603	1,026,332	(68,819)	281,665	217,831
11a FPSC AUDIT ENTRY/REFUNDS&ADJS-PIPELINE	0	0	(87,818)	0	0	0	151,450	0	0	0	0	0	63,634
12 ADJ TOTAL EST/ACT TRUE-UP(11+11a)	3,018,094	3,595,418	4,105,289	3,773,228	2,858,205	2,127,906	1,866,209	1,946,457	1,752,603	1,026,332	(68,819)	281,665	281,665
INTEREST PROVISION													
12 BEGINNING TRUE-UP AND INTEREST PROVISION (9)	4,298,844	3,018,094	3,595,418	4,105,289	3,773,228	2,858,205	2,127,906	1,868,209	1,946,457	1,752,603	1,026,332	(68,819)	
13 ENDING TRUE-UP BEFORE INTEREST (12+7-8+10a)	3,003,323	3,582,135	4,089,710	3,757,370	2,845,301	2,118,055	1,857,781	1,938,198	1,744,421	1,020,186	(68,742)	281,190	
14 TOTAL (12+13)	7,302,167	6,600,229	7,685,128	7,862,659	6,418,527	4,776,260	3,985,687	3,804,407	3,690,878	2,772,788	957,590	214,570	
15 AVERAGE (50% OF 14)	3,651,083	3,300,115	3,842,564	3,931,329	3,209,263	2,388,130	1,992,844	1,902,204	1,845,439	1,386,394	478,795	107,285	
16 INTEREST RATE - FIRST DAY OF MONTH	4.90	4.81	4.85	4.88	4.80	4.85	5.05	5.10	5.32	5.32	5.32	5.32	
17 INTEREST RATE - FIRST DAY OF SUBSEQUENT MONTH	4.81	4.85	4.88	4.80	4.85	5.05	5.10	5.32	5.32	5.32	5.32	5.32	
18 TOTAL (16+17)	9.710	9.660	9.730	9.680	9.650	9.900	10.150	10.420	10.640	10.640	10.640	10.640	
19 AVERAGE (50% OF 18)	4.855	4.830	4.865	4.840	4.825	4.950	5.075	5.210	5.320	5.320	5.320	5.320	
20 MONTHLY AVERAGE (18/12 Months)	0.405	0.403	0.405	0.403	0.402	0.413	0.423	0.434	0.443	0.443	0.443	0.443	
21 INTEREST PROVISION (19x20)	\$14,772	\$13,283	\$15,578	\$15,856	\$12,904	\$9,851	\$8,428	\$8,259	\$8,181	\$6,146	\$2,123	\$476	

COMPANY: PEOPLES GAS SYSTEM

TRANSPORTATION PURCHASES

SCHEDULE E-3

SYSTEM SUPPLY AND END USE

ESTIMATED FOR THE PROJECTED PERIOD OF:

JANUARY 00 Through DECEMBER 00

(A) MONTH	(B) PURCHASED FROM	(C) PURCHASED FOR	(D) SCH TYPE	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	COMMODITY COST		(J) DEMAND COST	(K) OTHER CHARGES ACA/GRI/FUEL	(L) TOTAL CENTS PER THERM
							(H) THIRD PARTY	(I) PIPELINE			
1 JAN 2000	FGT	PGS	FTS-1 COMM	21,183,971		21,183,971		\$76,050			\$0.359
1a	FGT	PGS	FTS-2 COMM	3,987,840		3,987,840		\$7,497			\$0.188
2	FGT	PGS	FTS-1 DEMAND	64,277,570		64,277,570			\$2,418,765		\$3.763
2a	FGT	PGS	FTS-2 DEMAND	3,987,840		3,987,840			\$310,852		\$7.795
3	FGT	PGS	NO NOTICE	10,302,850		10,302,850			\$80,787		\$0.590
4	THIRD PARTY	PGS	SWING SERVICE	4,805,120		4,805,120	\$1,880,724		\$188,072		\$43.054
5	MARKETER	PGS	SONAT TRANS COMM	8,567,042		8,567,042		\$24,759			\$0.289
6	MARKETER	PGS	SO GA TRANS COMM	8,370,000		8,370,000		\$16,907			\$0.202
7	MARKETER	PGS	SONAT DEMAND	11,157,375		11,157,375			\$318,524		\$2.855
8	MARKETER	PGS	SO GA DEMAND	11,067,000		11,067,000			\$192,994		\$1.744
9	THIRD PARTY	PGS	COMMODITY	28,736,691		28,736,691	\$11,247,541				\$39.140
10	FGT	PGS	BAL. CHGS./OTHER	0		0				\$100,000	\$0.000
11 JANUARY TOTAL				176,443,298		176,443,298	\$13,128,265	\$125,214	\$3,489,994	\$100,000	\$9.548

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TRANSPORTATION PURCHASES

SCHEDULE E-3

SYSTEM SUPPLY AND END USE

ESTIMATED FOR THE PROJECTED PERIOD OF:

JANUARY 00 Through DECEMBER 00

(A) MONTH	(B) PURCHASED FROM	(C) PURCHASED FOR	(D) SCH TYPE	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	COMMODITY COST		(J) DEMAND COST	(K) OTHER CHARGES ACA/GRI/FUEL	(L) TOTAL CENTS PER THERM
							(H) THIRD PARTY	(I) PIPELINE			
1 FEB 2000	FGT	PGS	FTS-1 COMM	20,015,988		20,015,988		\$71,857			\$0.359
1a	FGT	PGS	FTS-2 COMM	3,730,560		3,730,560		\$7,013			\$0.188
2	FGT	PGS	FTS-1 DEMAND	60,130,630		60,130,630			\$2,262,716		\$3.763
2a	FGT	PGS	FTS-2 DEMAND	3,730,560		3,730,560			\$290,797		\$7.795
3	FGT	PGS	NO NOTICE	9,033,790		9,033,790			\$53,299		\$0.590
4	THIRD PARTY	PGS	SWING SERVICE	4,330,750		4,330,750	\$1,895,056		\$169,506		\$43.054
5	MARKETER	PGS	SONAT TRANS COMM	7,737,973		7,737,973		\$22,363			\$0.289
6	MARKETER	PGS	SO GA TRANS COMM	7,560,000		7,560,000		\$15,271			\$0.202
7	MARKETER	PGS	SONAT DEMAND	10,437,544		10,437,544			\$318,524		\$3.052
8	MARKETER	PGS	SO GA DEMAND	10,353,000		10,353,000			\$192,994		\$1.864
9	THIRD PARTY	PGS	COMMODITY	26,975,798		26,975,798	\$10,558,327				\$39.140
10	FGT	PGS	BAL. CHGS./OTHER	0		0				\$100,000	\$0.000
11 FEBRUARY TOTAL				164,036,594		164,036,594	\$12,253,383	\$116,505	\$3,287,835	\$100,000	\$9.606

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TRANSPORTATION PURCHASES

SCHEDULE E-3

SYSTEM SUPPLY AND END USE

ESTIMATED FOR THE PROJECTED PERIOD OF: JANUARY 00 Through DECEMBER 00

(A) MONTH	(B) PURCHASED FROM	(C) PURCHASED FOR	(D) SCH TYPE	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	COMMODITY COST		(J) DEMAND COST	(K) OTHER CHARGES ACA/GRM/FUEL	(L) TOTAL CENTS PER THERM
							(H) THIRD PARTY	(I) PIPELINE			
1 MAR 2000	FGT	PGS	FTS-1 COMM	20,790,901		20,790,901		\$74,639			\$0.359
1a	FGT	PGS	FTS-2 COMM	3,987,840		3,987,840		\$7,537			\$0.189
2	FGT	PGS	FTS-1 DEMAND	64,277,570		64,277,570			\$2,418,765		\$3.763
2a	FGT	PGS	FTS-2 DEMAND	3,987,840		3,987,840			\$306,824		\$7.694
3	FGT	PGS	NO NOTICE	7,130,000		7,130,000			\$42,067		\$0.590
4	THIRD PARTY	PGS	SWING SERVICE	4,902,040		4,902,040	\$1,918,658		\$191,866		\$43.054
5	MARKETER	PGS	SONAT TRANS COMM	8,567,042		8,567,042		\$24,759			\$0.289
6	MARKETER	PGS	SO GA TRANS COMM	8,370,000		8,370,000		\$16,907			\$0.202
7	MARKETER	PGS	SONAT DEMAND	11,157,375		11,157,375			\$318,524		\$2.855
8	MARKETER	PGS	SO GA DEMAND	11,067,000		11,067,000			\$192,994		\$1.744
9	THIRD PARTY	PGS	COMMODITY	28,246,701		28,246,701	\$11,055,759				\$39.140
10	FGT	PGS	BAL. CHGS./OTHER	0		0				\$100,000	\$0.000
11 MARCH TOTAL				172,484,309		172,484,309	\$12,974,417	\$123,843	\$3,471,040	\$100,000	\$9.664

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TRANSPORTATION PURCHASES

SCHEDULE E-3

SYSTEM SUPPLY AND END USE

ESTIMATED FOR THE PROJECTED PERIOD OF:

JANUARY 00 Through DECEMBER 00

(A) MONTH	(B) PURCHASED FROM	(C) PURCHASED FOR	(D) SCH TYPE	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	COMMODITY COST		(J) DEMAND COST	(K) OTHER CHARGES ACA/GRI/FUEL	(L) TOTAL CENTS PER THERM
							(H) THIRD PARTY	(I) PIPELINE			
							1 APR 2000	FGT			
1a	FGT	PGS	FTS-2 COMM	3,859,200		3,859,200		\$7,294		\$0.189	
2	FGT	PGS	FTS-1 DEMAND	59,005,500		59,005,500			\$2,220,377	\$3.763	
2a	FGT	PGS	FTS-2 DEMAND	3,859,200		3,859,200			\$296,927	\$7.694	
3	FGT	PGS	NO NOTICE	4,050,000		4,050,000			\$23,895	\$0.590	
4	THIRD PARTY	PGS	SWING SERVICE	3,140,010		3,140,010	\$1,229,000		\$122,900	\$43.054	
5	MARKETER	PGS	SONAT TRANS COMM	8,290,686		8,290,686		\$23,960		\$0.289	
6	MARKETER	PGS	SO GA TRANS COMM	8,100,000		8,100,000		\$16,362		\$0.202	
7	MARKETER	PGS	SONAT DEMAND	10,797,459		10,797,459			\$318,524	\$2.950	
8	MARKETER	PGS	SO GA DEMAND	10,710,000		10,710,000			\$192,994	\$1.802	
9	THIRD PARTY	PGS	COMMODITY	25,758,889		25,758,889	\$10,082,029			\$39.140	
10	FGT	PGS	BAL. CHGS./OTHER	0		0				\$100,000	\$0.000
11 APRIL TOTAL				154,510,643		154,510,643	\$11,311,029	\$108,429	\$3,175,617	\$100,000	\$9.511

COMPANY: PEOPLES GAS SYSTEM

TRANSPORTATION PURCHASES

SCHEDULE E-3

SYSTEM SUPPLY AND END USE

ESTIMATED FOR THE PROJECTED PERIOD OF:

JANUARY 00 Through DECEMBER 00

(A) MONTH	(B) PURCHASED FROM	(C) PURCHASED FOR	(D) SCH TYPE	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	COMMODITY COST		(J) DEMAND COST	(K) OTHER CHARGES ACA/GRI/FUEL	(L) TOTAL CENTS PER THERM
							(H) THIRD PARTY	(I) PIPELINE			
1	MAY 2000	FGT	PGS	FTS-1 COMM	8,993,977	8,993,977		\$32,288			\$0.359
1a		FGT	PGS	FTS-2 COMM	5,429,340	5,429,340		\$10,281			\$0.189
2		FGT	PGS	FTS-1 DEMAND	31,414,780	31,414,780			\$1,182,138		\$3.763
2a		FGT	PGS	FTS-2 DEMAND	5,429,340	5,429,340			\$417,733		\$7.694
3		FGT	PGS	NO NOTICE	6,665,000	6,665,000			\$39,324		\$0.590
4		THIRD PARTY	PGS	SWING SERVICE	2,855,390	2,855,390	\$1,117,600		\$111,760		\$43.054
5		MARKETER	PGS	SONAT TRANS COMM	8,567,042	8,567,042		\$24,759			\$0.289
6		MARKETER	PGS	SO GA TRANS COMM	8,370,000	8,370,000		\$16,907			\$0.202
7		MARKETER	PGS	SONAT DEMAND	11,157,375	11,157,375			\$318,524		\$2.855
8		MARKETER	PGS	SO GA DEMAND	11,067,000	11,067,000			\$192,994		\$1.744
9		THIRD PARTY	PGS	COMMODITY	19,937,927	19,937,927	\$7,803,705				\$39.140
10		FGT	PGS	BAL. CHGS./OTHER	0	0				\$100,000	\$0.000
11 MAY TOTAL					119,887,171	119,887,171	\$8,921,304	\$84,216	\$2,262,473	\$100,000	\$9.482

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TRANSPORTATION PURCHASES

SCHEDULE E-3

SYSTEM SUPPLY AND END USE

ESTIMATED FOR THE PROJECTED PERIOD OF:

JANUARY 00 Through DECEMBER 00

(A)	(B)	(C)	(D)	(E)	(F)	(G)	COMMODITY COST		(J)	(K)	(L)
							THIRD PARTY	PIPELINE			
MONTH	PURCHASED FROM	PURCHASED FOR	SCH TYPE	SYSTEM SUPPLY	END USE	TOTAL PURCHASED			DEMAND COST	OTHER CHARGES ACA/GRI/FUEL	TOTAL CENTS PER THERM
1 JUN 2000	FGT	PGS	FTS-1 COMM	7,228,021		7,228,021			\$25,949		\$0.359
1a	FGT	PGS	FTS-2 COMM	5,254,200		5,254,200			\$9,930		\$0.189
2	FGT	PGS	FTS-1 DEMAND	30,401,400		30,401,400			\$1,144,005		\$3.763
2a	FGT	PGS	FTS-2 DEMAND	5,254,200		5,254,200			\$404,258		\$7.694
3	FGT	PGS	NO NOTICE	6,450,000		6,450,000			\$38,055		\$0.590
4	THIRD PARTY	PGS	SWING SERVICE	3,349,840		3,349,840	\$1,311,127		\$131,113		\$43.054
5	MARKETER	PGS	SONAT TRANS COMM	8,290,686		8,290,686			\$23,960		\$0.289
6	MARKETER	PGS	SO GA TRANS COMM	8,100,000		8,100,000			\$16,362		\$0.202
7	MARKETER	PGS	SONAT DEMAND	10,797,459		10,797,459			\$318,524		\$2.950
8	MARKETER	PGS	SO GA DEMAND	10,710,000		10,710,000			\$192,994		\$1.802
9	THIRD PARTY	PGS	COMMODITY	17,232,381		17,232,381	\$6,744,754				\$39.140
10	FGT	PGS	BAL. CHGS./OTHER	0		0				\$100,000	\$0.000
11 JUNE TOTAL				113,068,187		113,068,187	\$8,055,881	\$76,201	\$2,228,948	\$100,000	\$9.252

COMPANY: PEOPLES GAS SYSTEM

TRANSPORTATION PURCHASES

SCHEDULE E-3

SYSTEM SUPPLY AND END USE

ESTIMATED FOR THE PROJECTED PERIOD OF: JANUARY 00 Through DECEMBER 00

(A) MONTH	(B) PURCHASED FROM	(C) PURCHASED FOR	(D) SCH TYPE	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	COMMODITY COST		(J) DEMAND COST	(K) OTHER CHARGES ACA/GRI/FUEL	(L) TOTAL CENTS PER THERM
							(H) THIRD PARTY	(I) PIPELINE			
							1 JUL 2000	FGT			
1a	FGT	PGS	FTS-2 COMM	5,429,340		5,429,340		\$10,261		\$0.189	
2	FGT	PGS	FTS-1 DEMAND	31,414,780		31,414,780			\$1,182,138	\$3.763	
2a	FGT	PGS	FTS-2 DEMAND	5,429,340		5,429,340			\$417,733	\$7.694	
3	FGT	PGS	NO NOTICE	6,665,000		6,665,000			\$39,324	\$0.590	
4	THIRD PARTY	PGS	SWING SERVICE	3,347,650		3,347,650	\$1,310,270		\$131,027	\$43.054	
5	MARKETER	PGS	SONAT TRANS COMM	8,567,042		8,567,042		\$24,759		\$0.289	
6	MARKETER	PGS	SO GA TRANS COMM	8,370,000		8,370,000		\$16,907		\$0.202	
7	MARKETER	PGS	SONAT DEMAND	11,157,375		11,157,375			\$318,524	\$2.855	
8	MARKETER	PGS	SO GA DEMAND	11,067,000		11,067,000			\$192,994	\$1.744	
9	THIRD PARTY	PGS	COMMODITY	12,180,411		12,180,411	\$4,767,413			\$39.140	
10	FGT	PGS	BAL. CHGS./OTHER	0		0				\$100,000	\$0.000
11 JULY TOTAL				105,356,659		105,356,659	\$6,077,683	\$58,134	\$2,281,740	\$100,000	\$8.084

COMPANY: PEOPLES GAS SYSTEM

TRANSPORTATION PURCHASES

SCHEDULE E-3

SYSTEM SUPPLY AND END USE

ESTIMATED FOR THE PROJECTED PERIOD OF:

JANUARY 00 Through DECEMBER 00

(A) MONTH	(B) PURCHASED FROM	(C) PURCHASED FOR	(D) SCH TYPE	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	COMMODITY COST		(J) DEMAND COST	(K) OTHER CHARGES ACA/GRI/FUEL	(L) TOTAL CENTS PER THERM
							(H) THIRD PARTY	(I) PIPELINE			
1 AUG 2000	FGT	PGS	FTS-1 COMM	1,402,843		1,402,843		\$5,036			\$0.359
1a	FGT	PGS	FTS-2 COMM	5,429,340		5,429,340		\$10,261			\$0.189
2	FGT	PGS	FTS-1 DEMAND	31,414,780		31,414,780			\$1,182,138		\$3.763
2a	FGT	PGS	FTS-2 DEMAND	5,429,340		5,429,340			\$417,733		\$7.694
3	FGT	PGS	NO NOTICE	6,665,000		6,665,000			\$39,324		\$0.590
4	THIRD PARTY	PGS	SWING SERVICE	3,060,350		3,060,350	\$1,197,821		\$119,782		\$43.054
5	MARKETER	PGS	SONAT TRANS COMM	8,852,610		8,852,610		\$25,584			\$0.289
6	MARKETER	PGS	SO GA TRANS COMM	8,649,000		8,649,000		\$17,471			\$0.202
7	MARKETER	PGS	SONAT DEMAND	11,157,375		11,157,375			\$318,524		\$2.855
8	MARKETER	PGS	SO GA DEMAND	11,067,000		11,067,000			\$192,994		\$1.744
9	THIRD PARTY	PGS	COMMODITY	12,420,833		12,420,833	\$4,861,514				\$39.140
10	FGT	PGS	BAL. CHGS./OTHER	0		0				\$100,000	\$0.000
11 AUGUST TOTAL				105,548,472		105,548,472	\$6,059,335	\$58,353	\$2,270,495	\$100,000	\$8.042

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COMPANY: PEOPLES GAS SYSTEM

TRANSPORTATION PURCHASES

SCHEDULE E-3

SYSTEM SUPPLY AND END USE

ESTIMATED FOR THE PROJECTED PERIOD OF: JANUARY 00 Through DECEMBER 00

(A) MONTH	(B) PURCHASED FROM	(C) PURCHASED FOR	(D) SCH TYPE	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	COMMODITY COST		(J) DEMAND COST	(K) OTHER CHARGES ACA/GRI/FUEL	(L) TOTAL CENTS PER THERM
							(H) THIRD PARTY	(I) PIPELINE			
1 SEP 2000	FGT	PGS	FTS-1 COMM	8,150,246		8,150,246		\$29,259			\$0.359
1a	FGT	PGS	FTS-2 COMM	5,254,200		5,254,200		\$9,930			\$0.189
2	FGT	PGS	FTS-1 DEMAND	30,401,400		30,401,400			\$1,144,005		\$3.763
2a	FGT	PGS	FTS-2 DEMAND	5,254,200		5,254,200			\$404,258		\$7.694
3	FGT	PGS	NO NOTICE	6,450,000		6,450,000			\$38,055		\$0.590
4	THIRD PARTY	PGS	SWING SERVICE	2,319,630		2,319,630	\$907,903		\$90,790		\$43.054
5	MARKETER	PGS	SONAT TRANS COMM	7,215,967		7,215,967		\$20,854			\$0.289
6	MARKETER	PGS	SO GA TRANS COMM	7,050,000		7,050,000		\$14,241			\$0.202
7	MARKETER	PGS	SONAT DEMAND	10,797,459		10,797,459			\$318,524		\$2.950
8	MARKETER	PGS	SO GA DEMAND	10,710,000		10,710,000			\$192,994		\$1.802
9	THIRD PARTY	PGS	COMMODITY	18,134,816		18,134,816	\$7,097,967				\$39.140
10	FGT	PGS	BAL. CHGS./OTHER	0		0				\$100,000	\$0.000
11 SEPTEMBER TOTAL				111,737,919		111,737,919	\$8,005,870	\$74,285	\$2,188,626	\$100,000	\$9.280

COMPANY: PEOPLES GAS SYSTEM

TRANSPORTATION PURCHASES

SCHEDULE E-3

SYSTEM SUPPLY AND END USE

ESTIMATED FOR THE PROJECTED PERIOD OF:

JANUARY 00 Through DECEMBER 00

(A) MONTH	(B) PURCHASED FROM	(C) PURCHASED FOR	(D) SCH TYPE	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	COMMODITY COST		(J) DEMAND COST	(K) OTHER CHARGES ACA/GRI/FUEL	(L) TOTAL CENTS PER THERM
							(H) THIRD PARTY	(I) PIPELINE			
1 OCT 2000	FGT	PGS	FTS-1 COMM	6,910,971		6,910,971		\$24,810			\$0.359
1a	FGT	PGS	FTS-2 COMM	5,429,340		5,429,340		\$10,261			\$0.189
2	FGT	PGS	FTS-1 DEMAND	51,827,970		51,827,970			\$1,950,287		\$3.763
2a	FGT	PGS	FTS-2 DEMAND	5,429,340		5,429,340			\$417,733		\$7.694
3	FGT	PGS	NO NOTICE	3,720,000		3,720,000			\$21,948		\$0.590
4	THIRD PARTY	PGS	SWING SERVICE	4,071,740		4,071,740	\$1,593,679		\$159,368		\$43.054
5	MARKETER	PGS	SONAT TRANS COMM	8,567,042		8,567,042		\$24,759			\$0.289
6	MARKETER	PGS	SO GA TRANS COMM	8,370,000		8,370,000		\$16,907			\$0.202
7	MARKETER	PGS	SONAT DEMAND	11,157,375		11,157,375			\$318,524		\$2.855
8	MARKETER	PGS	SO GA DEMAND	11,067,000		11,067,000			\$192,994		\$1.744
9	THIRD PARTY	PGS	COMMODITY	16,638,571		16,638,571	\$6,512,337				\$39.140
10	FGT	PGS	BAL. CHGS./OTHER	0		0				\$100,000	\$0.000
11 OCTOBER TOTAL				133,189,349		133,189,349	\$8,106,016	\$76,738	\$3,060,854	\$100,000	\$8.517

COMPANY: PEOPLES GAS SYSTEM

TRANSPORTATION PURCHASES

SCHEDULE E-3

SYSTEM SUPPLY AND END USE

ESTIMATED FOR THE PROJECTED PERIOD OF:

JANUARY 00 Through DECEMBER 00

(A) MONTH	(B) PURCHASED FROM	(C) PURCHASED FOR	(D) SCH TYPE	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	COMMODITY COST		(J) DEMAND COST	(K) OTHER CHARGES ACA/GR/FUEL	(L) TOTAL CENTS PER THERM
							(H) THIRD PARTY	(I) PIPELINE			
1 NOV 2000	FGT	PGS	FTS-1 COMM	9,756,042		9,756,042		\$35,024		\$0.359	
1a	FGT	PGS	FTS-2 COMM	3,859,200		3,859,200		\$7,294		\$0.189	
2	FGT	PGS	FTS-1 DEMAND	62,204,100		62,204,100			\$2,340,740	\$3.763	
2a	FGT	PGS	FTS-2 DEMAND	3,859,200		3,859,200			\$296,927	\$7.694	
3	FGT	PGS	NO NOTICE	7,050,000		7,050,000			\$41,595	\$0.590	
4	THIRD PARTY	PGS	SWING SERVICE	4,871,730		4,871,730	\$1,906,795		\$190,680	\$43.054	
5	MARKETER	PGS	SONAT TRANS COMM	8,290,686		8,290,686		\$23,960		\$0.289	
6	MARKETER	PGS	SO GA TRANS COMM	8,100,000		8,100,000		\$16,362		\$0.202	
7	MARKETER	PGS	SONAT DEMAND	10,797,459		10,797,459			\$318,524	\$2.950	
8	MARKETER	PGS	SO GA DEMAND	10,710,000		10,710,000			\$192,994	\$1.802	
9	THIRD PARTY	PGS	COMMODITY	16,843,512		16,843,512	\$6,592,551			\$39.140	
10	FGT	PGS	BAL. CHGS./OTHER	0		0				\$100,000	\$0.000
11 NOVEMBER TOTAL				146,341,929		146,341,929	\$8,499,346	\$82,640	\$3,381,459	\$100,000	\$8.243

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COMPANY: PEOPLES GAS SYSTEM

TRANSPORTATION PURCHASES

SCHEDULE E-3

SYSTEM SUPPLY AND END USE

ESTIMATED FOR THE PROJECTED PERIOD OF:

JANUARY 00 Through DECEMBER 00

(A) MONTH	(B) PURCHASED FROM	(C) PURCHASED FOR	(D) SCH TYPE	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	COMMODITY COST		(J) DEMAND COST	(K) OTHER CHARGES ACA/GRI/FUEL	(L) TOTAL CENTS PER THERM
							(H) THIRD PARTY	(I) PIPELINE			
1 DEC 2000	FGT	PGS	FTS-1 COMM	14,330,437		14,330,437		\$51,446			\$0.359
1a	FGT	PGS	FTS-2 COMM	3,987,840		3,987,840		\$7,537			\$0.189
2	FGT	PGS	FTS-1 DEMAND	64,277,570		64,277,570			\$2,418,765		\$3.763
2a	FGT	PGS	FTS-2 DEMAND	3,987,840		3,987,840			\$306,824		\$7.694
3	FGT	PGS	NO NOTICE	10,403,910		10,403,910			\$81,383		\$0.590
4	THIRD PARTY	PGS	SWING SERVICE	4,805,000		4,805,000	\$1,880,677		\$188,068		\$43.054
5	MARKETER	PGS	SONAT TRANS COMM	8,567,042		8,567,042		\$24,759			\$0.289
6	MARKETER	PGS	SO GA TRANS COMM	8,370,000		8,370,000		\$16,907			\$0.202
7	MARKETER	PGS	SONAT DEMAND	11,157,375		11,157,375			\$318,524		\$2.855
8	MARKETER	PGS	SO GA DEMAND	11,067,000		11,067,000			\$192,994		\$1.744
9	THIRD PARTY	PGS	COMMODITY	21,883,277		21,883,277	\$8,565,115				\$39.140
10	FGT	PGS	BAL. CHGS./OTHER	0		0				\$100,000	\$0.000
11 DECEMBER TOTAL				162,837,290		162,837,290	\$10,445,792	\$100,649	\$3,486,558	\$100,000	\$8.679

ESTIMATED FOR THE PROJECTED PERIOD:

JANUARY 00 Through DECEMBER 00

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
THERM SALES (FIRM)													
1 RESIDENTIAL	8,390,212	6,571,233	7,541,955	5,496,862	3,902,719	3,371,317	3,179,472	2,908,278	2,740,863	2,865,297	3,186,933	4,434,607	54,589,549
2 SMALL GENERAL SERVICE	307,334	412,665	312,162	185,533	221,315	269,754	170,522	170,884	168,507	176,707	181,374	215,099	2,771,856
3 GENERAL SERVICE COMMERCIAL	13,348,620	13,032,165	13,079,772	12,720,088	9,524,547	9,068,012	7,034,448	6,578,927	8,914,079	8,990,884	9,537,517	11,526,456	123,353,515
4 COMMERCIAL LARGE VOL. 1	9,348,366	8,918,942	10,150,270	8,730,787	7,270,295	6,236,767	3,951,956	4,152,098	6,567,084	6,878,662	7,172,538	8,342,340	87,720,105
5 COMMERCIAL LARGE VOL. 2	876,203	853,580	1,002,543	820,816	675,773	581,057	450,906	688,363	805,070	812,241	585,132	950,507	9,102,191
6 NATURAL GAS VEHICLES	86,371	53,186	60,482	83,940	63,713	59,309	56,884	45,510	57,248	62,340	57,064	64,957	730,804
7 COMMERCIAL STREET LIGHTING	87,944	88,445	93,843	81,566	82,932	83,484	110,514	76,436	88,145	78,970	81,438	90,990	1,042,705
8 WHOLESALE	9,329	10,722	9,133	8,129	8,129	8,315	8,390	7,446	7,274	7,391	7,852	8,429	102,293
9 TOTAL FIRM SALES	32,432,379	29,938,938	32,250,160	28,109,465	21,749,423	19,878,015	14,962,892	14,627,942	19,348,070	19,872,492	20,809,848	25,633,385	279,413,008
THERM SALES (INTERRUPTIBLE)													
10 SMALL INTERRUPTIBLE	552,618	720,372	561,490	442,232	614,464	584,965	361,285	584,614	616,533	418,879	549,477	720,752	6,707,681
11 INTERRUPTIBLE	421,590	512,014	201,867	211,978	294,206	204,017	68,660	133,403	354,819	283,716	220,695	220,916	3,105,681
12 LARGE INTERRUPTIBLE	135,224	135,224	135,224	135,224	135,224	135,224	135,224	135,224	135,224	135,224	135,224	135,224	1,622,688
13 TOTAL INTERRUPTIBLE	1,109,432	1,367,610	898,581	789,434	1,043,894	904,206	565,169	853,241	1,108,376	837,819	905,396	1,054,892	11,436,050
14 TOTAL SALES	33,541,811	31,306,548	33,148,741	28,898,899	22,793,317	20,582,221	15,528,061	15,481,183	20,454,446	20,710,311	21,715,242	26,688,277	290,849,058
THERM SALES (TRANSPORTATION)													
15 GENERAL SERVICE COMMERCIAL	0	0	0	0	0	0	0	0	0	0	0	0	0
16 COMMERCIAL LARGE VOL. 1	4,179,118	4,177,041	4,507,422	4,005,379	3,635,591	3,244,742	2,310,880	2,380,652	3,372,185	3,478,903	3,567,056	3,993,152	42,852,121
17 COMMERCIAL LARGE VOL. 2	1,630,573	1,719,261	1,838,182	1,743,108	1,664,709	1,578,411	1,531,699	1,575,177	1,670,451	1,678,864	1,631,887	1,789,847	20,052,172
18 NATURAL GAS VEHICLES	0	0	0	0	0	0	0	0	0	0	0	0	0
19 SMALL INTERRUPTIBLE	6,467,861	4,439,062	6,404,764	6,244,130	5,812,370	5,119,764	5,859,588	5,567,151	5,605,346	6,594,517	5,996,421	6,359,380	70,470,354
20 INTERRUPTIBLE	14,044,914	12,526,018	13,591,386	13,387,744	12,361,407	11,370,309	12,978,179	10,969,863	10,169,103	11,102,074	11,584,629	11,856,677	145,942,303
21 LARGE INTERRUPTIBLE	34,499,244	28,631,463	47,852,536	38,521,454	34,152,915	34,386,018	38,916,500	40,915,574	32,143,564	31,536,273	28,183,141	30,953,194	420,691,876
22 TOTAL TRANSPORTATION SALES	60,821,710	51,492,848	74,194,290	63,901,815	57,626,994	55,699,244	61,596,846	61,408,417	52,960,849	54,390,631	50,963,134	54,952,250	700,008,826
23 TOTAL THROUGHPUT	94,363,521	82,799,396	107,343,931	92,800,714	80,420,309	76,281,465	77,124,907	76,889,600	73,415,095	75,100,942	72,678,376	81,640,527	990,857,884
NUMBER OF CUSTOMERS (FIRM)													
24 RESIDENTIAL	228,180	228,760	229,913	231,464	228,465	226,676	225,131	228,069	225,243	225,621	228,640	232,320	227,874
25 SMALL GENERAL SERVICE	5,157	5,143	5,141	5,126	5,026	4,989	5,060	5,020	5,021	5,002	5,015	5,074	5,066
26 GENERAL SERVICE COMMERCIAL	20,403	20,514	20,815	20,597	20,633	21,193	21,238	21,287	21,240	21,355	21,457	21,656	21,016
27 COMMERCIAL LARGE VOL. 1	1,914	1,907	1,922	1,935	1,930	1,940	1,945	1,937	1,931	1,940	1,957	1,968	1,936
28 COMMERCIAL LARGE VOL. 2	58	58	58	58	58	59	59	59	59	59	59	59	59
29 NATURAL GAS VEHICLE SALES	79	79	79	79	80	82	83	84	84	84	84	86	82
30 COMMERCIAL STREET LIGHTING	2	2	2	2	2	2	2	2	2	2	2	2	2
31 WHOLESALE	255,813	256,484	257,750	259,282	254,214	254,960	253,556	254,477	253,599	254,082	257,233	261,184	256,053
32 TOTAL FIRM	255,813	256,484	257,750	259,282	254,214	254,960	253,556	254,477	253,599	254,082	257,233	261,184	256,053
NUMBER OF CUSTOMERS (INT.)													
33 SMALL INTERRUPTIBLE	76	86	84	81	79	82	85	84	84	83	82	82	82
34 INTERRUPTIBLE	22	25	22	23	25	23	23	23	23	23	23	23	23
35 LARGE INTERRUPTIBLE	3	3	3	3	3	3	3	3	3	3	3	3	3
36 TOTAL INTERRUPTIBLE CUSTOMERS	101	114	109	107	107	108	111	110	110	109	108	108	109
37 TOTAL SALES CUSTOMERS	255,914	256,598	257,859	259,389	254,321	255,068	253,667	254,587	253,709	254,191	257,341	261,292	256,161
NUMBER OF CUSTOMERS (TRANS.)													
38 GENERAL SERVICE COMMERCIAL	0	0	0	0	0	0	0	0	0	0	0	0	0
39 COMMERCIAL LARGE VOL. 1	718	747	733	740	780	785	785	785	785	785	781	781	767
40 COMMERCIAL LARGE VOL. 2	38	40	39	41	42	43	43	43	43	43	43	43	42
41 NATURAL GAS VEHICLE SALES	0	0	0	0	0	0	0	0	0	0	0	0	0
42 SMALL INTERRUPTIBLE	69	81	79	77	75	81	81	81	81	81	83	83	80
43 INTERRUPTIBLE	24	23	22	24	25	24	24	24	24	24	23	22	24
44 LARGE INTERRUPTIBLE	7	7	7	7	7	7	7	7	7	7	7	7	7
45 TOTAL TRANSPORTATION CUSTOMERS	856	898	880	889	929	940	940	940	940	942	937	936	919
46 TOTAL CUSTOMERS	256,770	257,496	258,739	260,278	255,250	256,008	254,607	255,527	254,648	255,133	258,278	262,228	257,080
THERM USE PER CUSTOMER													
47 RESIDENTIAL	37	29	33	24	17	15	14	13	12	13	14	19	20
48 SMALL GENERAL SERVICE	60	80	61	32	44	54	34	34	35	36	36	42	48
49 GENERAL SERVICE COMMERCIAL	654	635	634	618	462	428	331	309	420	421	444	532	489
50 COMMERCIAL LARGE VOL. 1	4,884	4,677	5,281	4,512	3,767	3,215	2,032	2,144	3,401	3,546	3,665	4,239	3,777
51 COMMERCIAL LARGE VOL. 2	15,107	14,717	17,285	14,152	11,454	9,848	7,642	11,667	13,645	13,767	9,917	16,110	12,929
52 NATURAL GAS VEHICLES	3,319	3,319	3,024	3,997	3,353	3,122	3,149	2,395	3,013	3,281	3,003	3,419	3,136
53 COMMERCIAL STREET LIGHTING	1,113	1,094	1,188	1,032	1,037	1,018	1,331	910	1,049	940	969	1,058	1,081
54 WHOLESALE	4,685	5,361	4,567	4,937	4,065	4,158	4,195	3,723	3,637	3,896	3,826	4,215	4,262
55 SMALL INTERRUPTIBLE	7,271	8,376	6,884	5,460	7,778	6,890	4,250	6,980	7,340	5,047	6,701	8,790	6,789
56 INTERRUPTIBLE	19,163	20,481	9,178	9,216	11,768	8,870	2,985	5,800	15,418	12,335	9,595	8,649	11,172
57 LARGE INTERRUPTIBLE	45,075	45,075	45,075	45,075	45,075	45,075	45,075	45,075	45,075	45,075	45,075	45,075	45,075
58 GENERAL SERVICE COMMERCIAL (TRANS.)	0	0	0	0	0	0	0	0	0	0	0	0	0
59 COMMERCIAL LARGE VOL. 1 (TRANS.)	5,820	5,592	6,149	5,413	4,661	4,133	2,944	3,033	4,296	4,432	4,567	5,113	4,655
60 COMMERCIAL LARGE VOL. 2 (TRANS.)	42,910	42,982	47,133	42,515	39,636	36,707	35,621	36,632	38,848	39,043	37,951	41,624	40,024
61 NATURAL GAS VEHICLES (TRANS.)	0	0	0	0	0	0	0	0	0	0	0	0	0
62 SMALL INTERRUPTIBLE (TRANS.)	93,737	54,803	81,073	81,093	77,498	63,207	72,341	68,730	69,202	79,452	72,246	76,819	73,868
63 INTERRUPTIBLE (TRANS.)	585,205	544,809	617,790	557,823	494,456	473,763	540,757	457,078	423,713	462,586	503,680	538,840	515,697
64 LARGE INTERRUPTIBLE (TRANS.)	4,926,463	4,090,209	6,836,077	5,503,065	4,878,988	4,912,288	5,559,500	5,845,082	4,591,938	4,505,182	4,026,183	4,421,885	5,008,237

COMPANY: PEOPLES GAS SYTEM

PURCHASED GAS ADJUSTMENT
COST RECOVERY CLAUSE CALCULATION

ORIGINAL ESTIMATE FOR THE PROJECTED PERIOD:

JANUARY 00 through DECEMBER 00

Attachment

	Demand Allocation Factors-Winter Season		Demand Allocation Factors-Summer Season	
	Peak Month January 1999 Actual Sales	Percent of Total	Current Month April 1999 Actual Sales	Percent of Total
Residential	<u>7,553,711.0</u>		<u>5,061,408.2</u>	
Residential PGA Factor	7,553,711.0	32.42%	5,061,408.2	25.79%
Small General Service	306,836.8		163,897.0	
Gen. Svc.-Comm.	11,769,044.4		11,169,624.7	
Gen. Svc.-Comm. Lg. Vol.-1	8,950,002.8		8,273,059.4	
Gen. Svc.-Comm. Lg. Vol.-2	608,884.1		626,082.7	
Natural Gas Vehicle Sales	69,467.2		87,512.7	
Comm. Street Lighting	66,964.3		75,500.4	
Wholesale	9,328.5		9,872.7	
Small Interruptible	402,736.9		291,848.8	
Interruptible Lg. Vol.-1	77,058.8		(32,007.6)	
Interruptible Lg. Vol.-2	8,000.0		0.0	
Less FTA(Effective Jun'99)	<u>(6,523,020.0)</u>		<u>(6,104,700.0)</u>	
Commercial PGA Factor	15,745,303.8	67.58%	14,560,690.8	74.21%
Total System	23,299,014.8	100.00%	19,622,099.0	100.00%