

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Purchased Gas Adjustment
(PGA) True-Up.

DOCKET NO. 010003-GU

FILED: OCTOBER 25, 2001

STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-01-0664-PCO-GU, filed March 16, 2001, the Staff of the Florida Public Service Commission files its Prehearing Statement.

a. All Known Witnesses

Staff has no witnesses.

b. All Known Exhibits

Staff has no exhibits.

c. Staff's Statement of Basic Position

Staff takes no basic statement of position pending the evidence developed at hearing.

d. Staff's Positions on the Issues

Generic Purchased Gas Adjustment Issues

ISSUE 1: What are the appropriate final purchased gas adjustment true-up amounts for the period January 2000 through December 2000?

POSITION:

Chesapeake Utilities Corporation	\$1,363,675	Underrecovery
City Gas Company of Florida	\$1,241,776	Underrecovery
Florida Public Utilities	\$1,395,028	Underrecovery
Indiantown Gas Company	\$20,446	Overrecovery

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Peoples Gas System, Inc.	\$13,661,513	Underrecovery
Sebring Gas System, Inc.	\$6,642	Overrecovery
St. Joe Natural Gas Company	\$88,000	Underrecovery
South Florida Natural Gas Company	\$211,238	Underrecovery

ISSUE 2: What are the estimated purchased gas adjustment true-up amounts for the period January 2001 through December 2001?

POSITION:

Chesapeake Utilities Corporation	\$156,863	Underrecovery
City Gas Company of Florida	\$596,710	Underrecovery
Florida Public Utilities	\$1,761,048	Overrecovery
Indiantown Gas Company	\$25,598	Underrecovery
Peoples Gas System, Inc.	\$17,262,427	Overrecovery
Sebring Gas System, Inc.	\$16,680	Overrecovery
St. Joe Natural Gas Company	\$46,800	Overrecovery
South Florida Natural Gas Company	\$211,229	Overrecovery

ISSUE 3: What are the total purchased gas adjustment true-up amounts to be collected during the period January 2002 through December 2002?

POSITION:

Chesapeake Utilities Corporation	\$1,520,538	Underrecovery
City Gas Company of Florida	\$1,838,486	Underrecovery

Florida Public Utilities	\$366,020 Overrecovery
Indiantown Gas Company	\$5,152 Underrecovery
Peoples Gas System, Inc.	\$3,600,915 Overrecovery
Sebring Gas System, Inc.	\$23,322 Overrecovery
St. Joe Natural Gas Company	\$41,200 Underrecovery
South Florida Natural Gas Company	\$9 Underrecovery

ISSUE 4: What are the appropriate levelized purchased gas cost recovery (cap) factors for the period January 2002 through December 2002?

POSITION:

Chesapeake Utilities Corporation	109.142 cents per therm
City Gas Company of Florida	64.576 cents per therm
Florida Public Utilities	83.412 cents per therm
Indiantown Gas Company	86.159 cents per therm
Peoples Gas System, Inc.	No position pending resolution of Issue 6
Sebring Gas System, Inc.	88.004 cents per therm
St. Joe Natural Gas Company	75.400 cents per therm
South Florida Natural Gas Company	98.183 cents per therm

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

POSITION: The factor should be effective for all meter readings on or after January 2002, beginning with the first or applicable billing cycle for the period January 2002 through December 2002.

Company-Specific Purchased Gas Adjustment Issues

ISSUE 6: Should voluntary funding of the Gas Research Institute (GRI) surcharge be recovered through the purchased gas adjustment true-up cost recovery clause as proposed by Peoples Gas Sytem?

POSITION: No. The GRI voluntary funding expense should be recorded in non-fuel O&M expenses for possible future recovery in a base rate proceeding.

e. Pending Motions

Staff has no pending motions.

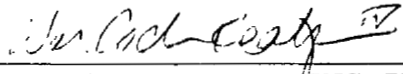
f. Pending Confidentiality Claims or Requests

There are no pending confidentiality claims or requests.

g. Compliance with Order No. PSC-01-0021-PCO-GU and Order No. PSC-01-0664-PCO-GU

Staff has complied with all requirements of the Order Establishing Procedure in this docket.

Respectfully submitted this 25th day of October, 2001.



WM. COCHRAN KEATING IV
Staff Counsel
FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Boulevard
Gerald L. Gunter Building
Tallahassee, Florida 32399-0863
(850)413-6193

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that one true and correct copy of STAFF'S PREHEARING STATEMENT has been furnished by U. S. Mail this 25th day of October 2001 to the following:

City Gas Company of Florida
Mary Patricia Keefe
One Elizabethtown Plaza
P. O. Box 3175
Union, NJ 07083

Chesapeake Utilities Corporation
P. O. Box 960
1015 Sixth Street, N.W.
Winter Haven, FL 33882-0960

Wayne Schiefelbein
P. O. Box 15856
Tallahassee, FL 32317-5856

Florida Public Utilities Company
George Bachman
P. O. Box 3395
West Palm Beach, FL 33402-3395

Messer Law Firm
Norman H. Horton, Jr.
P. O. Box 1876
Tallahassee, FL 32302-1876

Ausley Law Firm
James D. Beasley/Lee Willis
P. O. Box 391
Tallahassee, FL 32302

Tampa Electric Company
Angela Llewelyn
P. O. Box 111
Tampa, FL 33601-0111

Office of Public Counsel
Rob Vandiver/Jack Shreve
c/o The Florida Legislature
111 West Madison Street, #812
Tallahassee, FL 32399-1400

Indiantown Gas Company
Brian J. Powers
P. O. Box 8
Indiantown, FL 34956-0008

St. Joe Natural Gas Company, Inc.
Stuart L. Shoaf
P. O. Box 549
Port St. Joe, FL 32457-0549

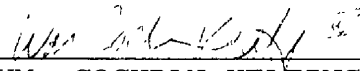
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South Florida Natural Gas,
Inc.
Al Kara
P. O. Box 248
New Smyrna Beach, FL 32170-
0248

Peoples Gas System
David M. Nicholson
P. O. Box 111
Tampa, FL 33601-0111

Sebring Gas System
Jerry Melendy
3515 U. S. Highway 27 South
Sebring, FL 33870-5452

Hopping Law Firm
Richard Melson
123 Calhoun Street
P. O. Box 6526
Tallahassee, FL 32314



WM. COCHRAN KEATING IV
Staff Counsel
FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6193