HOPPING GREEN & SAMS

PROFESSIONAL ASSOCIATION

ATTORNEYS AND COUNSELORS

123 SOUTH CALHOUN STREET

POST OFFICE BOX 6526

TALLAHASSEE, FLORIDA 32314

(850) 222-7500

FAX (850) 224-8551

www.hgss.com

ANGELA R. MORRISON
ERIC T. OLSEN
GARY V. PERKO
MICHAEL P. PETROVICH
DAVID L. POWELL
CAROLYN S. RAEPPLE
DOUGLAS S. ROBERTS
D. KENT SAFRIET
GARY P. SAMS
TIMOTHY G. SCHOENWALDER
DAN R. STENGLE
CHERYL G. STUART
JENNIFER A. TSCHETTER
VICTORIA L. WEBER

OF COUNSEL ELIZABETH C. BOWMAN REX D. WARE

Writer's Direct Dial No. (850) 425-2313

October 16, 2002

Blanca Bayó Director, Division of Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399

Re:

JAMES S. ALVES

BRIAN H. BIBEAU

DIANE W. CARR

RALPH A. DEMEO

WILLIAM H. GREEN

MATTHEW L. HICKS

WADE L. HOPPING

GARY K. HUNTER, JR.

ROBERT A. MANNING

FRANK E. MATTHEWS RICHARD D. MELSON

KYLE V. MITCHELL

JONATHAN T. JOHNSON

RICHARD S. BRIGHTMAN

T, SPENCER CROWLEY, III

KEVIN B. COVINGTON

BRIAN A. CRUMBAKER

PETER C. CUNNINGHAM

Docket No. 020004-GU

Dear Ms. Bayó:

Enclosed for filing on behalf of City Gas Company of Florida are the original and fifteen copies of its Preliminary Statement of Issues and Positions and diskette.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning it to me. Please call me if you have any questions at 850/425-2313.

Very truly yours,

Richard D. Melson

Pie D. Mr

RDM/jlm Enclosures

CC:

Certificate of Service

DOCUMENT NUMBER-DATE

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Conservation Cost Recovery) Docket No. 020004-GU Clause) Filed: October 16, 2002

CITY GAS COMPANY OF FLORIDA PRELIMINARY STATEMENT OF ISSUES AND POSITIONS

The following is NUI City Gas Company of Florida's preliminary statement of issues and positions:

1. What is the final end-of-period true-up amount for the period January 2001 through December 2001?

City Gas: An over-recovery of \$745,761.

2. What are the appropriate conservation cost recovery factors for the period January 2003 through December 2003?

City Gas: The appropriate factors are:

Data Class

Rate Class	<u>ractor</u>
Residential (RS, ED & GL) Commercial (CS, ED & SCTS) Commercial Large Volume (LCS & CTS) Industrial (IP & ITS)	7.799 cents/therm 2.272 cents/therm 1.494 cents/therm 1.363 cents/therm

Footor

3. What should be the effective date of the conservation cost recovery factors for billing purposes?

City Gas: The factors should be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January, 2003, through December, 2003. Billing cycles may start before January 1, 2003, and the last cycle may be read after December 31, 2003, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

RESPECTFULLY SUBMITTED this 16th day of October, 2002.

HOPPING GREEN & SAMS, P.A.

By: Pio O. Pa

Richard D. Melson Gary V. Perko P.O. Box 6526 Tallahassee, FL 32314 (850) 425-2313

Attorneys for City Gas Company of Florida

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. Mail to the following parties of record this 16th day of October, 2002:

Ms. Gloria L. Lopez City Gas Company of Florida 955 East 25h Street Hialeah, FL 33013-3498

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

Macfarlane Ferguson Law Firm Ansley Watson, Jr. P.O. Box 1531 Tampa, FL 33601-1531

Messer Law Firm Norton H. Horton, Jr. P.O. Box 1876 Tallahassee, FL 32302-1876 Florida Division of Chesapeake Utilities Mr. Thomas A. Geoffroy P.O. Box 960 Winter Haven, FL 33882-0960

Lorena Holley Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399

Peoples Gas System Angela Llewellyn P.O. Box 2562 Tampa, FL 33601-2562

Rose Law Firm Wayne L. Schiefelbein, Esq. 2548 Blairstone Pines Drive Tallahassee, FL 32301

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