

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate
increase by Peoples Gas System.

DOCKET NO. 020384-GU
ORDER NO. PSC-03-0415-FOF-GU
ISSUED: March 25, 2003

The following Commissioners participated in the disposition of
this matter:

LILA A. JABER, Chairman
J. TERRY DEASON
BRAULIO L. BAEZ
RUDOLPH "RUDY" BRADLEY

ORDER CLARIFYING PEOPLES GAS SYSTEM'S ALLOWED
RANGE AROUND ITS AUTHORIZED RETURN ON EQUITY

BY THE COMMISSION:

This proceeding was initiated on June 27, 2002, with the
filing of a petition for a permanent rate increase by Peoples Gas
System (Peoples or the Company). Peoples requested a permanent
rate increase of \$22.6 million in additional annual revenue.

A hearing was convened on December 13, 2002. However, instead
of hearing testimony or taking evidence, we approved a stipulation
between Peoples and the parties that granted the Company a rate
increase of \$12.05 million for the projected test year ending
December 31, 2003. In Order No. PSC-03-0038-FOF-GU, issued January
6, 2003, we memorialized the approved stipulation and final rates
for Peoples. Parties to the proceeding were the Office of Public
Council (OPC), the Florida Industrial Gas Users (FIGU), and
Auburndale Power Partners (Auburndale).

Order No. PSC-03-0038-FOF-GU was silent regarding the allowed
range around the authorized return on equity (ROE) of 11.25%. This
Order addresses that oversight. We have jurisdiction over Peoples'
request for a rate increase pursuant to Sections 366.06(2) and
366.07, Florida Statutes.

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At the December 13, 2002, hearing, we approved an oral stipulation between Peoples and the parties that settled the majority of the issues in this proceeding. With respect to the authorized ROE, the normal practice of the Commission is to recognize an allowed range of plus or minus 100 basis points. Based upon discussions with the parties, since the existing ROE was not changed as a result of the stipulation, it was assumed that the existing range would also remain the same. However, in the process of reducing the oral stipulation to writing, discussion of the allowed range was inadvertently omitted.

We therefore clarify Order No. PSC-03-0038-FOF-GU to specify an allowed range of plus or minus 100 basis points around the authorized ROE of 11.25% for Peoples Gas System.

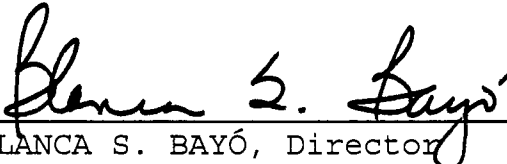
Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Order No. PSC-03-0038-FOF-GU is hereby clarified as set forth in the body of this Order. It is further

ORDERED that Order No. PSC-03-0038-FOF-GU is affirmed in all other respects. It is further

ORDERED that this docket shall be closed.

By ORDER of the Florida Public Service Commission this 25th day of March, 2003.



BLANCA S. BAYÓ, Director
Division of the Commission Clerk
and Administrative Services

(S E A L)

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of the Commission Clerk and Administrative Services and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.