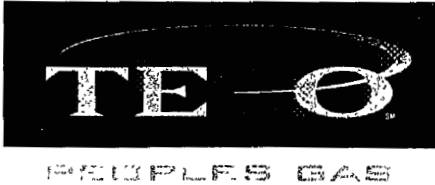


ORIGINAL



Matthew R. Costa  
Corporate Counsel  
702 North Franklin Street  
Tampa, Florida 33602  
Direct: (813) 228-4938  
Fax: (813) 228-1328  
E-Mail: mcosta@tecoenergy.com

April 30, 2003

VIA FEDERAL EXPRESS

Blanca S. Bayo, Director  
Division of Commission Clerk & Administrative Services  
Florida Public Service Commission  
Capital Circle Office Center  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

DISTRIBUTION CENTER  
03 MAY - 1 AM 10:14

Re: Docket No. 030003-GU -- Purchased Gas Adjustment (PGA)  
Petition for Approval of Final True-Up Amounts.

Dear Ms. Bayo:

Enclosed for filing in the above docket on behalf of Peoples Gas System ("Peoples"), please find an original and 15 copies of each of the following:

- (1) Peoples' Petition for Approval of its PGA True-Up Amounts for the Period January 1, 2002 through December 31, 2002;
- (2) Direct Testimony of W. Edward Elliott (including diskette containing testimony in MS Word); and
- (3) Composite Schedule A-7.

Please acknowledge your receipt and filing of the enclosures on the duplicate copy of this letter and returning same to the undersigned in the enclosed stamped, pre-addressed envelope.

Thank you for your assistance.

AUS

CAF

CMP  *MAKER*

COM  *original*

CTR

EGR

GCL

OPC

MMS

SEC

OTH

Sincerely,

Matthew R. Costa  
Corporate Counsel

Enclosures

cc: Ms. Angie Llewellyn  
Mr. W. Edward Elliott  
Parties of Record

RECEIVED & FILED

*R. V. K.*  
FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER DATE  
03976 MAY - 1 8  
FPSC - COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas : Docket No. 030003-GU  
Adjustment (PGA) Clause :  
\_\_\_\_\_ : Submitted for Filing: 5-1-03

**PETITION FOR APPROVAL OF  
PEOPLES GAS SYSTEM'S PGA TRUE-UP AMOUNTS**

Peoples Gas System ("Peoples"), through its undersigned attorneys, and pursuant to the requirements in this docket, hereby petitions the Commission to approve its purchased gas adjustment (PGA) true-up amounts for the period January 1, 2002 through December 31, 2002, and in support of such Petition states:

1. The name and the mailing address of Peoples is:

Peoples Gas System  
P.O. Box 2562  
Tampa, Florida 33601-2562

2. The name and mailing address of the persons authorized to receive notices and communications with respect to this petition and proceedings in this docket are:

Matthew R. Costa, Esquire  
Peoples Gas System  
Post Office Box 111  
Tampa, Florida 33601-0111

Ms. Angela Llewellyn  
Peoples Gas System  
Post Office Box 2562  
Tampa, Florida 33601-2562

Ansley Watson, Jr., Esquire  
Macfarlane Ferguson & McMullen  
Post Office Box 153  
Tampa, Florida 33601-1531

3. Pursuant to the requirements in this docket, Peoples has, concurrently with the filing of this Petition, filed testimony and Schedule A-7, consisting of the purchased gas adjustment true-up reporting forms supplied by the Commission Staff.

DOCUMENT NUMBER-DATE

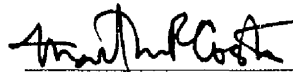
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FPSC-COMMISSION CLERK

4. As indicated in the testimony of W. Edward Elliott and Schedule A-7, Peoples' final true-up amount for the period January 2002 through December 2002, including interest and adjustment, net of the estimated true-up for the same period, is an underrecovery of \$7,471,390.

WHEREFORE, Peoples respectfully requests that the Commission enter its order approving the Company's final true-up amounts for the period January 2002 through December 2002.

Respectfully submitted,



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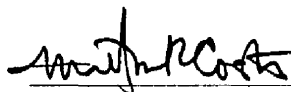
MATTHEW R. COSTA, ESQUIRE  
Corporate Counsel  
TECO Energy, Inc.  
P. O. Box 111  
Tampa, Florida 33601  
(813) 228-4938

and

ANSLEY WATSON, JR., ESQUIRE  
Macfarlane Ferguson & McMullen  
Post Office Box 1531  
Tampa, Florida 33601  
(813) 273-4200  
Attorneys for Peoples Gas System

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Petition, the Direct Testimony of W. Edward Elliott, and Schedule A-7 has been furnished via regular U.S. Mail this 30th day of April, 2003, to all known parties of record in Docket No. 030003-GU.



---

MATTHEW R. COSTA, ESQUIRE

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas : Docket No. 030003-GU  
Adjustment (PGA) True-Up : Submitted for Filing:  
\_\_\_\_\_ : 05-01-03

DIRECT TESTIMONY OF W. EDWARD ELLIOTT  
On Behalf of Peoples Gas System

1 Q. Please state your name and business address.

2 A. My name is W. Edward Elliott. My business address  
3 is 702 N. Franklin Street, Tampa, Florida 33602.

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

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

7 Q. Please summarize your educational background and  
8 professional qualifications.

9 A. I graduated from the University of South Florida in  
10 1972 with the degree of Bachelor of Arts in  
11 Accounting. I have over 15 years of experience in  
12 the utility field.

13 Q. What are your primary responsibilities in your  
14 present position with Peoples?

15 A. As Manager of Gas Accounting, I am responsible for  
16 recording the Company's cost of gas.

17 Q. Have you previously prepared testimony in regulatory  
18 proceedings?

19 A. I have filed prepared direct testimony in previous  
20 Purchased Gas Adjustment proceedings.

21 Q. Have you prepared or caused to be prepared certain  
22 schedules for use in this proceeding?

23 A. Yes. As Composite Exhibit EE-1, I sponsored the  
24 preparation of the following schedule with respect  
25 to the final true-up for the period January 2002

1 through December 2002:

2 A-7 -- Final fuel over/(under) recovery.

3 Q. What was Peoples' cost of gas to be recovered  
4 through the PGA clause for the period January 2002  
5 through December 2002?

6 A. As shown on Schedule A-7 in EE-1, the cost of gas  
7 purchased, adjusted for company use,  
8 was \$143,904,308.

9 Q. What was the amount of gas revenue collected for  
10 the period January 2002 through December 2002?

11 A. The amount of gas revenue collected to cover the  
12 cost of gas was \$143,186,034.

13 Q. What was the final true-up amount for the period  
14 January 2002 through December 2002?

15 A. The final true-up amount for the period, including  
16 interest, is an underrecovery of \$718,274.

17 Q. Is this amount net of the estimated true-up for the  
18 period January 2002 through December 2002, which  
19 was included in the January 2003 through December  
20 2003 PGA factor calculation?

21 A. No. The final true-up net of the estimated true-up  
22 for the period January 2002 through December 2002  
23 is an underrecovery of \$7,471,390.

24 Q. Is this the final underrecovery amount to be  
25 included in the January 2004 through December 2004

1 projection.

2 A. Yes.

3 Q. Does this conclude your testimony?

4 A. Yes.

COMPANY: PEOPLES GAS SYSTEM

FINAL FUEL OVER/UNDER RECOVERY

SCHEDULE A-7

Page 1 of 1

FOR THE PERIOD: JANUARY 02 THROUGH DECEMBER 02

1	TOTAL ACTUAL FUEL COST FOR THE PERIOD	A-2 Line 3, Period To Date Dec.'02	\$143,904,308
2	TOTAL ACTUAL FUEL REVENUES FOR THE PERIOD	A-2 Line 6, Period To Date Dec.'02	\$143,186,034
3	ACTUAL OVER/(UNDER) RECOVERY FOR THE PERIOD (2-1)		(\$718,274)
4	INTEREST PROVISION	A-2 Line 8, Period To Date Dec.'02	\$30,799
5	ACTUAL OVER/(UNDER) RECOVERY FOR THE PERIOD (3+4)		(\$687,475)
6	ADJUSTMENT		\$0
7	NET OVER/(UNDER) RECOVERY FOR THE 12 MONTH PERIOD ENDING DECEMBER 31, 2002 (5+6)		(\$687,475)
8	LESS: ESTIMATED OVER/(UNDER) RECOVERY FOR THE PERIOD JANUARY '02 THROUGH DECEMBER '02 WHICH WAS INCLUDED IN THE CURRENT JANUARY '03 THROUGH DECEMBER '03 PERIOD	E-4 Line 4 Col. 4	\$6,783,915
9	FINAL FUEL OVER/(UNDER) RECOVERY TO BE INCLUDED IN THE PROJECTED JANUARY '04 THROUGH DECEMBER '04 PERIOD (7-8)		(\$7,471,390)

Composite Exhibit No. \_\_\_\_\_  
Docket No. 030003-GU  
Peoples Gas System  
(EE-1)  
Page 1 of 1