



ORIGINAL

SEBRING GAS SYSTEM, INC.

3515 U.S. Hwy. 27, South
Sebring, FL 33870-5452
(863) 385-0194

September 25, 2003

Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RE: Docket No. 030003-GU
Petition for Approval of Purchased Gas Adjustment (PGA) Factor,
Testimony and True-Up Projections for January 2004 through
December 2004.

Dear Ms. Bayo:

Enclosed for filing in the above docket on behalf of Sebring Gas System, Inc.,
please find an original and fifteen of the following:

- 09304-03 1.) Petition for Approval of Sebring Gas System's Purchased Gas Adjustment True-Up Factor.
- 09305-03 2.) Direct Testimony of Jerry H. Melendy, Jr.
- 09306-03 3.) Purchased Gas Adjustment Schedules:

E-1 E-1R E-2 E-3 E-4 E-5

Sincerely,

Jerry H. Melendy, Jr.
Vice President
Sebring Gas System, Inc.

AUS 2
CAF _____
CMP _____
COM 5+1 orig.
CTR _____
ECR _____
GCL 1
GPC _____
MMS _____
SEC 1
OTH _____

Enclosures

DISTRIBUTION CENTER

2003 SEP 29 AM 8:39

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas True-up)
_____)

DOCKET NO. 030003-GU

**PETITION FOR APPROVAL OF
SEBRING GAS SYSTEM'S
PURCHASED GAS ADJUSTMENT FACTOR**

Sebring Gas System, Inc. ("the Company"), pursuant to the requirements of this docket, petitions the Commission for approval of the Company's final true-up factor related to the twelve month period ended December 31, 2004. In support hereof, the Company states:

1. The exact name of the Company and the address of its principal business office are:

Sebring Gas System, Inc.
3515 U.S. Hwy 27, South
Sebring, Fl 33870

2. The names and addresses of the persons authorized to receive notices and communications in respect to this docket is:

Jerry H. Melendy, Jr.
3515 U.S. Hwy 27, South
Sebring, Fl 33870

3. Pursuant to the requirements of this docket, the Company has prefiled the PGA true-up forms supplied by the Electric and Gas Department for the January 2003 - December 2003 period in a manner consistent with the Department's instructions.

4. As indicated in the prefiled true-up forms, Sebring Gas has experienced an overrecovery of \$41,170 for the January 2002 - December 2002 period. An estimated overrecovery of \$10,762 for the January 2002 - December 2002 period was used for calculation of the true-up factor for January 2002 - December 2002. A final true-up amount of \$30,408 overrecovery will be included in the current calculation of the January 2003 - December 2003 true-up factor.

DOCUMENT NUMBER DATE

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FLORIDA PUBLIC SERVICE COMMISSION CLERK

5. For the period of January 2003 - December 2003, the Company projects an underrecovery of \$71,509. This results in a net underrecovery of \$41,101 to collect in the period January 2004 - December 2004. The cumulative true-up factor to be applied to gas bills for this period is a COLLECTION of 5.2278 cents per therm sold.

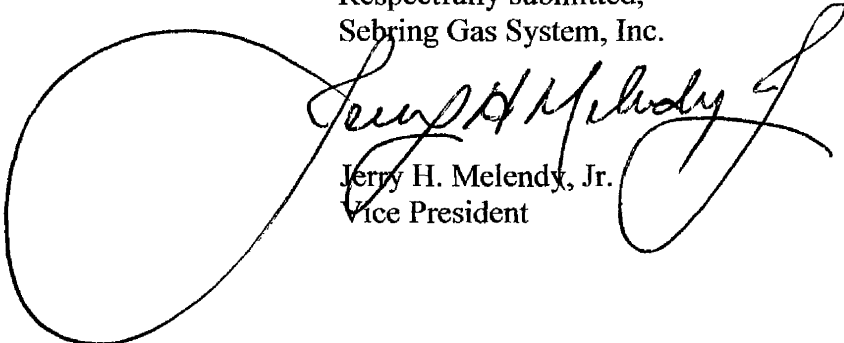
6. As indicated on the attached schedules E-1 through E-5, the Company projects total gas costs for the January 2004 - December 2004 period to be \$640,301. The Company projects therm sales of 786,200, resulting in a weighted average cost of gas (WACOG) of 88.326 cents per therm for the twelve-month period ending December 31, 2004.

7. The Company projects the average cost of gas to be 88.326 cents per therm, which includes the actual estimated cost of gas, plus the projected period's true-up of 5.2278 cents per therm, and the total of the two figures multiplied by the tax revenue factor of 1.01911.

WHEREFORE, for the purpose of establishing the maximum rate to be charged for all sales during the period January 2004 - December 2004, the Company petitions the Commission to enter its Order approving the Company's true-up factor of 88.326 cents per therm.

DATED this 25th day of September, 2003.

Respectfully submitted,
Sebring Gas System, Inc.



Jerry H. Melendy, Jr.
Vice President