

ORIGINAL



PEOPLES GAS

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October 14, 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

RECEIVED
OCT 15 AM 10:53
COMMISSION
CLERK

Re: Docket No. 030003-GU – Purchased Gas Adjustment (PGA)
Prehearing Statement

Dear Ms Bayo:

Enclosed for filing with the Commission in the above docket on behalf of Peoples Gas System ("Peoples"), please find the original and 15 copies of Peoples' Prehearing statement. Also enclosed is a 3½" diskette containing the document in MS Word form.

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

RECEIVED & FILED
10

Thank you for your assistance.

FPSC-BUREAU OF RECORDS

Sincerely,

Matthew R. Costa
Corporate Counsel

- AUS _____
- CAF _____
- CMP _____
- COM 5
- CTR _____
- ECR _____
- GCL _____
- OPC _____
- MMS _____
- SEC 1
- OTH _____

MRC/sb
Enclosures
cc: Ms. Angie Llewellyn
Mr. W. Edward Elliott
Ms. Kandi Floyd
Parties of Record

PEOPLES GAS
702 NORTH FRANKLIN STREET
P O BOX 2562
TAMPA FL 33601-2562
AN EQUAL OPPORTUNITY COMPANY

DOCUMENT NUMBER DATE

10052 OCT 15 03

(813) 275-3900
FPSC PEOPLES GAS FORM

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas : DOCKET NO. 030003-GU
Adjustment (PGA) True-Up : Submitted for Filing: 10-15-03
_____ :

PREHEARING STATEMENT OF PEOPLES GAS SYSTEM

A. APPEARANCES:

Matthew R. Costa, Esquire
Corporate Counsel
Post Office Box 111, Tampa, Florida 33601
On behalf of Peoples Gas System

B. WITNESSES:

<u>Witness</u>	<u>Subject Matter</u>	<u>Issues</u>
W. Edward Elliott (Peoples)	Projected gas costs, therm sales and weighted average cost of gas ("WACOG"); final PGA true-up amount for January 2002 – December 2002; estimated PGA true-up amounts for January 2003 – December 2003; total PGA true-up amounts for January 2004 – December 2004; and leveled PGA cost recovery (cap) factor for January 2004 – December 2004	1-5

C. EXHIBITS:

<u>Exhibit</u>	<u>Witness</u>	<u>Description</u>
<u>(EE-1)</u>	Elliott	Calculation of final true-up for January 2002 – December 2002 (Schedule A-7)
<u>(EE-2)</u>	Elliott	Calculation of estimated true-up for January 2003 – December 2003; Total true-up for January 2004 – December 2004; Calculation of PGA Factor for January 2004- December 2004 (Schedules E-1 through E-5)

DOCUMENT NUMBER DATE

10052 OCT 15 03

FPSC-COMMISSION OF LRS

D. STATEMENT OF BASIC POSITION:

Peoples' Statement of Basic Position:

The Commission should approve Peoples' final PGA true-up amount for the period January 2002 through December 2002 of \$7,471,390 (underrecovery), its estimated PGA true-up amount of \$10,328,132 (overrecovery) for the period January 2003 through December 2003, and its levelized PGA (cap) factor of \$0.98531 per therm for application to customers' bills during the period January 1, 2004 through December 31, 2004.

E. STATEMENT OF ISSUES AND POSITIONS:

Generic Purchased Gas Adjustment Issues

ISSUE 1: What is the appropriate final purchased gas adjustment true-up amount for the period January 2002 through December 2002?

POSITION:

Peoples: \$7,471,390 underrecovery. (Elliott)

ISSUE 2: What is the appropriate estimated purchase gas adjustment true-up amount for the period January 2003 through December 2003?

POSITION:

Peoples: \$10,328,132 overrecovery (Elliott)

ISSUE 3: What is the total purchased gas adjustment true-up amount to be collected or refunded during the period January 2004 through December 2004?

POSITION:

Peoples: \$2,856,740 overrecovery. (Elliott)

ISSUE 4: What is the appropriate levelized purchased gas cost recovery (cap) factor for the period January 2004 through December 2004?

POSITION:

Peoples: \$0.98531 per therm. (Elliott)

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

POSITION:

Peoples: Agree with Staff. (Elliott)

F. STIPULATED ISSUES:

None as to Peoples at this time.

G. MOTIONS:

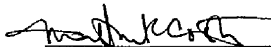
Peoples has no pending motions at this time.

H. OTHER MATTERS:

None as to Peoples at this time.

Dated this the 14th day of October, 2003.

Respectfully submitted



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(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 Prehearing Statement of Peoples Gas System has been furnished this 14th day of October, 2003, by regular U.S. Mail, to all known parties of record in Docket No. 030003-GU as follows:

City Gas Company of Florida
Ms. Gloria L. Lopez
955 East 25th Street
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Tallahassee, FL 32302-1876

Florida Public Utilities Company
John T. English/George Bachman
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West Palm Beach, FL 33402-3395

Office of Public Counsel
Rob Vandiver
c/o The Florida Legislature
111 W. Madison Street, #812
Tallahassee, FL 32399

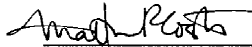
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Port St. Joe, FL 32457-0549



Matthew R. Costa, Esquire