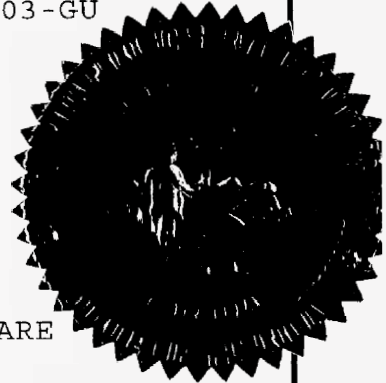


BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 040003-GU

In the Matter of
PURCHASED GAS ADJUSTMENT
(PGA) TRUE-UP.



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PROCEEDINGS: PREHEARING

BEFORE: RUDOLPH "RUDY" BRADLEY
Prehearing Officer

DATE: Monday, October 25, 2004

TIME: Commenced at 9:40 a.m.
Concluded at 11:40 a.m.

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: LINDA BOLES, RPR
Official FPSC Reporter
850) 413-6734

DOCUMENT NUMBER-DATE

FLORIDA PUBLIC SERVICE COMMISSION 1677 OCT 28 04

FPSC-COMMISSION CLERK

1 APPEARANCES:

2 GARY V. PERKO, ESQUIRE, Hopping, Green & Sams, P.A,
3 Post Office Box 6526, Tallahassee, Florida 32314, appearing on
4 behalf of City Gas Company of Florida.

5 NORMAN H. HORTON, JR., ESQUIRE, Messer Law Firm,
6 Post Office Box 1876, Tallahassee, Florida 32302-1876,
7 appearing on behalf of Florida Public Utilities Company.

8 PATRICIA A. CHRISTENSEN, ESQUIRE, Office of Public
9 Counsel, c/o The Florida Legislature, 111 West Madison Street,
10 Room 812, Tallahassee, Florida 32399-1400, appearing on behalf
11 of the Citizens of the State of Florida.

12 KATHERINE E. FLEMING, ESQUIRE, FPSC General Counsel's
13 Office, 2540 Shumard Oak Boulevard, Tallahassee, Florida
14 32399-0850, appearing on behalf of the Commission Staff.

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P R O C E E D I N G S

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2 COMMISSIONER BRADLEY: I would like to call this
3 prehearing conference to order. Could I have the notice read,
4 please.

5 MS. FLEMING: Pursuant to notice issued by the clerk
6 of the Commission on September 21st, 2004, this time and place
7 has been set for the purpose of conducting a prehearing in the
8 following dockets: 040001-EI, 040002-EG, 040003-GU, 040004-GU,
9 and 040007-EI.

10 COMMISSIONER BRADLEY: Thank you. As you know, we
11 have five dockets to address today. Let's take all appearances
12 at once. Please enter your appearance and declare the dockets
13 that you are entering an appearance for.

14 MS. SMITH: Natalie Smith entering an appearance for
15 Florida Power & Light Company in Dockets 040002 and 01.
16 Appearing with me are Wade Litchfield entering -- also of
17 Florida Power & Light Company entering an appearance in Dockets
18 02, 01 and 07, and John Butler of Steel, Hector & Davis Law
19 Firm entering appearances in Dockets 01 and 07.

20 COMMISSIONER BRADLEY: Thank you.

21 MR. BEASLEY: Commissioner Bradley, I'm
22 James D. Beasley appearing with Lee L. Willis of the law firm
23 of Ausley & McMullen here representing Tampa Electric Company
24 in the 01, 02 and 07 dockets.

25 COMMISSIONER BRADLEY: Thank you.

1 MR. BADDERS: Good morning. Russell Badders
2 appearing on behalf of Gulf Power Company along with Jeff Stone
3 in the 01, 02 and 07 dockets.

4 MR. HORTON: I'm Norman H. Horton, Jr., of Messer,
5 Caparello & Self appearing on behalf of Florida Public
6 Utilities Company in 01, 02, 03 and 04.

7 COMMISSIONER BRADLEY: Thank you.

8 MR. MCGEE: James McGee and Bonnie Davis appearing on
9 behalf of Progress Energy Florida in the 01 and 02 dockets.

10 COMMISSIONER BRADLEY: Thank you.

11 MR. PERKO: Gary Perko appearing on behalf of NUI
12 City Gas Company of Florida in the 03 and 04 dockets, and
13 Progress Energy Florida on the 07 docket.

14 COMMISSIONER BRADLEY: Thank you.

15 MR. HOLLIMON: Bill Hollimon with the Moyle, Flanigan
16 Law Firm appearing on behalf of Thomas K. Churbuck in the
17 01 docket.

18 MS. CHRISTENSEN: Patty Christensen for Office of
19 Public Counsel appearing on behalf of the citizens in the 01,
20 02, 03 and 07 dockets.

21 MS. KAUFMAN: Vicki Gordon Kaufman and Timothy Perry
22 of the McWhirter, Reeves Law Firm appearing on behalf of the
23 Florida Industrial Power Users Group in the 01, 02 and
24 07 dockets. And in the 01 docket I'd also like to enter an
25 appearance for Joseph McGlothlin of our firm.

1 MR. SCHIEFELBEIN: Wayne Schiefelbein, Rose,
2 Sundstrom & Bentley appearing on behalf of the Florida Division
3 of Chesapeake Utilities Corporation in the 04 docket.

4 COMMISSIONER BRADLEY: Thank you.

5 MS. BROWN: Good morning, Commissioner. Martha
6 Carter Brown appearing on behalf of the Florida Public Service
7 Commission in the 02 and 04 dockets.

8 COMMISSIONER BRADLEY: Thank you.

9 MS. STERN: Marlene Stern appearing on behalf of the
10 Florida Public Service Commission in the 07 docket.

11 MS. FLEMING: Katherine Fleming appearing on behalf
12 of the Commission in the 03 docket.

13 MS. VINING: Adrienne Vining appearing on behalf of
14 the Commission in the 01 docket.

15 MR. KEATING: Cochran Keating on behalf of the
16 Commission in the 01 docket.

17 COMMISSIONER BRADLEY: Thank you. Is there anyone
18 else?

19 We are going to try to get certain dockets that
20 aren't too complicated out of the way first. We're going to
21 proceed in the following order: 03, 04, 02, 07 and 01.

22 Counsel, do we need to address any excusals?

23 MS. FLEMING: Yes, Commissioner. St. Joe Natural Gas
24 Company has requested to be excused from the prehearing and the
25 hearing in the 03 and 04 dockets. Also we just received word

1 that Ansley Watson and Matthew Costa with Peoples Gas have been
2 delayed in Tampa due to inclement weather and will not be able
3 to attend the prehearing conference. Since all of the gas
4 issues have been stipulated, staff sees no need for their
5 attendance and recommends that Peoples Gas also be excused from
6 attending the prehearing conference in the 03 and 04 dockets.

7 COMMISSIONER BRADLEY: All right. Let the record
8 reflect that St. Joe Natural Gas Company has been excused from
9 the prehearing conference and hearing in the 03 and 04 dockets.
10 Let the record also reflect that Peoples Gas System has been
11 excused from the prehearing conference in the 03 and
12 04 dockets.

13 Is there anything else?

14 MS. FLEMING: No, Commissioner. That's all.

15 COMMISSIONER BRADLEY: Okay. Let's proceed with
16 Docket 03. Are there any preliminary matters by any of the
17 parties?

18 MS. FLEMING: At this point there are none and none
19 are expected. Staff and the parties have reached stipulation
20 on all issues and will make an announcement to this effect.
21 All stipulations have been included, incorporated into the
22 prehearing order. Staff would like to note for the record that
23 OPC has taken no position on Issues 1 through 5 and agrees with
24 the position on Issue 6.

25 COMMISSIONER BRADLEY: Thank you. It is my intention

1 to proceed through the pre -- through the draft prehearing
2 order section by section and as quickly as possible. If there
3 are any questions, clarifications or changes, please let me
4 know at the appropriate, excuse me, at the appropriate time.
5 And with that, we will begin going through the pre -- the draft
6 prehearing order.

7 Section I, conduct of proceedings.

8 MS. FLEMING: Staff sees no changes.

9 COMMISSIONER BRADLEY: Section II, case background.

10 MS. FLEMING: No changes.

11 COMMISSIONER BRADLEY: Section III, jurisdiction.

12 MS. FLEMING: No changes.

13 COMMISSIONER BRADLEY: Section IV, procedure for
14 handling confidential information.

15 MS. FLEMING: No changes.

16 COMMISSIONER BRADLEY: Section V, posthearing
17 procedures.

18 MS. FLEMING: No changes.

19 COMMISSIONER BRADLEY: Section VI, prefiled testimony
20 and exhibits; witnesses.

21 MS. FLEMING: No changes.

22 COMMISSIONER BRADLEY: Section VII, order of
23 witnesses.

24 MS. FLEMING: Staff would like to note that witnesses
25 can be excused if no Commissioner seeks cross-examination. At

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MS. FLEMING: Staff sees no changes.

COMMISSIONER BRADLEY: Section IX, issues and positions.

MS. FLEMING: Staff would note again for the record that all issues are stipulated, noting that OPC has taken no positions on 1 through 5 and agrees with the position on Issue 6.

COMMISSIONER BRADLEY: Thank you. Section X, exhibit list.

MS. FLEMING: Staff sees no changes.

COMMISSIONER BRADLEY: Section XI, proposed stipulations.

MS. FLEMING: OPC has taken no position on 1 through 5 and agrees with staff on Issue 6. All issues are stipulated with the parties.

COMMISSIONER BRADLEY: Section XII, pending motions.

MS. FLEMING: There are no changes.

COMMISSIONER BRADLEY: Section XIII, pending confidentiality matters.

MS. FLEMING: There are two pending confidentiality

1 requests that will be addressed before, prior to the hearing.

2 COMMISSIONER BRADLEY: Section XIV, rulings.

3 MS. FLEMING: Yes. In Section XIV staff suggests
4 that opening statements, if any, not to exceed ten minutes per
5 party. In addition, staff suggests that this record in the
6 ruling section reflect that St. Joe has been excused from the
7 prehearing and hearing conference in this docket and that
8 Peoples Gas System has been excused from the prehearing in this
9 docket.

10 COMMISSIONER BRADLEY: It is my ruling that we accept
11 both of, both of staff's recommendations.

12 MS. FLEMING: Thank you.

13 COMMISSIONER BRADLEY: Is there anything else to come
14 before the prehearing officer at this time?

15 MS. FLEMING: We have none, Commissioner.

16 COMMISSIONER BRADLEY: Thank you. Thank you all for
17 your participation. This concludes the prehearing conference
18 on the 03 docket.

19 (Prehearing conference adjourned.)

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