

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In Re: Purchased Gas  
Adjustment (PGA) True-Up

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Docket No. 050003-GU  
Submitted for Filing:  
05-02-05

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

DOCUMENT NUMBER-DATE

04268 MAY-28

FPSC-COMMISSION CLERK

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 17 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  
18 regulatory 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 2004

1 through December 2004:  
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 2004  
5 through December 2004?

6 A. As shown on Schedule A-7 in EE-1, the cost of gas  
7 purchased, adjusted for company use,  
8 was \$223,079,822.

9 Q. What was the amount of gas revenue collected for  
10 the period January 2004 through December 2004?

11 A. The amount of gas revenue collected to cover the  
12 cost of gas was \$220,938,803.

13 B. What was the final true-up amount for the period  
14 January 2004 through December 2004?

15 A. The final true-up amount for the period, including  
16 interest and adjustments, is an underrecovery of  
17 \$2,129,593.

18 Q. Is this amount net of the estimated true-up for the  
19 period January 2004 through December 2004, which  
20 was included in the January 2005 through December  
21 2005 PGA factor calculation?

22 A. No. The final true-up net of the estimated true-up  
23 for the period January 2004 through December 2004  
24 is an underrecovery of \$12,577,822.

25 Q. Is this the final underrecovery amount to be

1 included in the January 2006 through December 2006  
2 projection.  
3 A. Yes.  
4 Q. Does this conclude your testimony?  
5 A. Yes.

COMPANY: PEOPLES GAS SYSTEM

FINAL FUEL OVER/UNDER RECOVERY

SCHEDULE A-7

Page 1 of 1

FOR THE PERIOD: JANUARY 04 THROUGH DECEMBER 04

1	TOTAL ACTUAL FUEL COST FOR THE PERIOD	A-2 Line 3, Period To Date Dec.'04	\$223,079,822
2	TOTAL ACTUAL FUEL REVENUES FOR THE PERIOD	A-2 Line 6, Period To Date Dec.'04	\$220,938,803
3	ACTUAL OVER/(UNDER) RECOVERY FOR THE PERIOD (2-1)		(\$2,141,019)
4	INTEREST PROVISION	A-2 Line 8, Period To Date Dec.'04	\$21,095
5	ACTUAL OVER/(UNDER) RECOVERY FOR THE PERIOD (3+4)		(\$2,119,924)
6	ADJUSTMENT		(\$9,669)
7	NET OVER/(UNDER) RECOVERY FOR THE 12 MONTH PERIOD ENDING DECEMBER 31, 2004 (5+6)		(\$2,129,593)
8	LESS: ESTIMATED OVER/(UNDER) RECOVERY FOR THE PERIOD JANUARY '04 THROUGH DECEMBER '04 WHICH WAS INCLUDED IN THE CURRENT JANUARY '05 THROUGH DECEMBER '05 PERIOD	E-4 Line 4 Col. 4	\$10,448,229
9	FINAL FUEL OVER/(UNDER) RECOVERY TO BE INCLUDED IN THE PROJECTED JANUARY '06 THROUGH DECEMBER '06 PERIOD (7-8)		(\$12,577,822)

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