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IN REPLY REFER TO:
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October 5, 2005

VIA E-FILING

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

Re: Docket No. 050004-GU – Natural gas conservation cost recovery

Dear Ms. Bayo:

Enclosed for filing with the Commission, please find Peoples Gas System's Preliminary List of Issues and Positions for the hearing scheduled to commence in the above docket on November 7, 2005.

Thank you for your usual assistance.

Sincerely,



Ansley Watson, Jr.

AWjr/a
Enclosures

cc: Mrs. Kandi M. Floyd
Matthew R. Costa, Esquire
Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural gas conservation cost)
recovery.)
_____)

DOCKET NO. 050004-GU
Submitted for filing:
10-5-05

**PEOPLES GAS SYSTEM'S
PRELIMINARY LIST OF ISSUES AND POSITIONS**

Peoples Gas System ("PGS"), by its undersigned attorneys, submits the following Preliminary List of Issues and Positions:

Generic Conservation Issues

ISSUE 1: What is the final end of the period true-up amount for the period January 2004 through December 2004?

PGS (except West Florida): \$1,573,605 overrecovery

PGS (West Florida): \$2,114,460 underrecovery

ISSUE 2: What are the appropriate conservation cost recovery factors for the period January 2006 through December 2006?

PGS (except West Florida):

<u>Rate Class</u>	<u>ECCR Factor (per therm)</u>
Residential	\$0.03814
Small General Service	\$0.03260
General Service 1	\$0.01310
General Service 2	\$0.01069
General Service 3	\$0.00879
General Service 4	\$0.00808
General Service 5	\$0.00460
Commercial Street Lighting	\$0.00572
Natural Gas Vehicle Service	\$0.00694

PGS (West Florida):

<u>Rate Class</u>	<u>ECCR Factor (per therm)</u>
Residential	\$0.16931
Small General Service	\$0.20030
General Service 1	\$0.05824
General Service 2	\$0.04676
General Service 3	\$0.03906

General Service 4	\$0.03550
General Service 5	\$0.01979
Commercial Street Lighting	\$0.02486
Natural Gas Vehicle Service	\$0.02486

ISSUE 3: What should be the effective date of the cost recovery factors for billing purposes?

PGS: The factors should be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2006 through December 2006. Billing cycles may start before January 1, 2006, and the last cycle may be read after December 31, 2006, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing Preliminary List of Issues and Positions has been furnished by U. S. Mail this 5th day of October, 2005, to the following:

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Florida Public Service Commission
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Tallahassee, FL 32399-0850

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Hialeah, FL 33013-3498

Mr. Thomas A. Geoffroy
Florida Division
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Winter Haven, FL 33882-0960

Mr. Geoff Hartman
Florida Public Utilities Company
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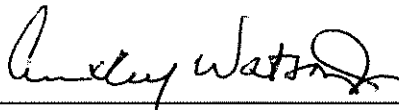
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