

ORIGINAL

Matilda Sanders

From: Ansley Watson, JR. [AW@macfar.com]
Sent: Monday, October 17, 2005 3:34 PM
To: Filings@psc.state.fl.us
Cc: kfloyd@peoplesgas.com; mcosta@tecoenergy.com
Subject: Docket No. 050004-GU
Attachments: PGS-ECCR-Prehearing Statement.pdf

- a. Ansley Watson, Jr. Macfarlane Ferguson & McMullen P. O. Box 1531 Tampa, Florida 33601 Phone: (813) 273-4321 Fax: (813) 273-4396 E-mail: aw@macfar.com
b. Docket No. 050004-GU - Natural gas conservation cost recovery
c. Peoples Gas System
d. Total of seven (7) pages
e. The attached document consists of a cover letter and Peoples Gas System's Prehearing Statement in the referenced docket.

Ansley Watson, Jr.
Macfarlane Ferguson & McMullen
P. O. Box 1531
Tampa, Florida 33601
Phone: (813) 273-4321
Fax: (813) 273-4396
E-mail: aw@macfar.com

CMP
COM 5
CTR
ECR
GCL
OPC
RCA
SCR
SGA
SEC 1
OTH

10/17/2005

DOCUMENT NUMBER-DATE

10047 OCT 17 2005

FPSC-COMMISSION CLERK

ORIGINAL

MACFARLANE FERGUSON & McMULLEN

ATTORNEYS AND COUNSELORS AT LAW

1501 SOUTH FLORIDA AVENUE
LAKELAND, FLORIDA 33803
(863) 680-9905 FAX (863) 683-2849

ONE TAMPA CITY CENTER, SUITE 2000
201 NORTH FRANKLIN STREET
P.O. BOX 1531 (ZIP 33601)
TAMPA, FLORIDA 33602
(813) 273-4200 FAX (813) 273-4396

www.mfmlegal.com
EMAIL: info@mfmlegal.com

625 COURT STREET
P. O. BOX 1669 (ZIP 33757)
CLEARWATER, FLORIDA 33756
(727) 441-8966 FAX (727) 442-8470

IN REPLY REFER TO:
Ansley Watson, Jr.
P.O. Box 1531
Tampa, Florida 33601
e-mail: aw@macfar.com

October 17, 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 Prehearing Statement. A diskette containing the document in MS Word format is being sent via Federal Express tonight.

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

DOCUMENT NUMBER-DATE

10047 OCT 17 05

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 050004-GU
Submitted for filing:
10-17-05

**PEOPLES GAS SYSTEM'S
PREHEARING STATEMENT**

Peoples Gas System ("PGS"), by its undersigned attorneys, submits the following Prehearing Statement for the hearing scheduled to be held in the above docket November 7-9, 2005.

A. WITNESSES

<u>Witness</u>	<u>Subject Matter</u>	<u>Issues</u>
(Direct)		
Kandi M. Floyd (PGS)	True-up for period January 2004 - December 2004; Projected expenses and ECCR factors for period January through December 2006	1-3

B. EXHIBITS

<u>Exhibit</u>	<u>Witness</u>	<u>Description</u>
<u>(KMF-1)</u>	Floyd	Conservation cost recovery true-up data (January 2004 - December 2004) consisting of schedules CT-1 through CT-6 (except PGS West Florida Region).
<u>(KMF-2)</u>	Floyd	Conservation cost recovery true-up data (January 2004 - December 2004) consisting of schedules CT-1 through CT-6 (PGS West Florida Region).

<u>(KMF-3)</u>	Floyd	Data for development of conservation cost recovery factors (January 1 - December 31, 2006), consisting of schedules C-1 through C-5 (except PGS West Florida Region).
<u>(KMF-4)</u>	Floyd	Data for development of conservation cost recovery factors (January 1 - December 31, 2006), consisting of schedules C-1 through C-5 (PGS West Florida Region).

C. STATEMENT OF BASIC POSITION

PGS's Statement of Basic Position:

The Commission should approve – for areas other than PGS's West Florida Region -- PGS's end-of-period final true-up amount of \$1,573,605 (overrecovery) for the period January 2004 through December 2004; the estimated true-up amount for the period January - December 2005; and the projected conservation program expenses for the period January 1 through December 31, 2006.

For areas other than PGS's West Florida Region, the Commission should approve the following ECCR factors for the following rate classes for the period January 1 through December 31, 2006:

<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

For PGS's West Florida Region, the Commission should approve PGS's end-of-period final true-up amount of \$2,114,460 (underrecovery) for the period January 2004 through December 2004; the estimated true-up amount for the period January - December 2005; and the projected conservation program expenses for the period January 1 through December 31, 2006.

For PGS's West Florida Region, the Commission should approve the following ECCR factors for the following rate classes for the period January 1 through December 31,

2006:

<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

(Floyd)

D. STATEMENT OF ISSUES AND POSITIONS:

Generic Conservation Cost Recovery Issues

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

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

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

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

(Floyd)

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

(Floyd)

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. (Floyd)

E. STIPULATED ISSUES

None as to PGS.

F. PENDING MOTIONS

None as to PGS.

G. PENDING CONFIDENTIALITY CLAIMS OR REQUESTS

PGS has no pending confidentiality claims or requests at this time.

H. COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE

PGS has complied with all requirements of the Order Establishing Procedure in this docket.

Dated this 17th day of October, 2005.

Respectfully submitted,



Ansley Watson, Jr.
Macfarlane Ferguson & McMullen
P. O. Box 1531
Tampa, Florida 33601-1531
Phone: (813) 273-4321
Fax: (813) 273-4396
E-mail: aw@macfar.com

Attorneys for Peoples Gas System

Matthew R. Costa
Corporate Counsel
TECO Energy, Inc.
P. O. Box 111
Tampa, Florida 33601-0111
Phone: (813) 228-4938
Fax: (813) 228-1328
E-mail: mcosta@tecoenergy.com

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing Prehearing Statement has been furnished by U. S. Mail this 17th day of October, 2005, to the following:

Martha Brown, Esquire
Office of General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Mr. Charles A. Rawson, III
Florida City Gas
955 East 25th Street
Hialeah, FL 33013-3498

Mr. Thomas A. Geoffroy
Florida Division
Chesapeake Utilities Corporation
P. O. Box 960
Winter Haven, FL 33882-0960

Mr. Geoff Hartman
Florida Public Utilities Company
P. O. Box 3395
West Palm Beach, FL 33402-3395

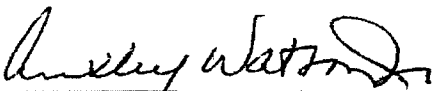
Bill L. Bryant, Jr., Esquire
Akerman Senterfitt
P.O. Box 1877
Tallahassee, FL 32302-1877

Norman H. Horton, Jr., Esquire
Messer Law Firm
P.O. Box 1876
Tallahassee, FL 32302-1876

Wayne L. Schiefelbein, Esquire
Rose Law Firm
2548 Blairstone Pines Dr.
Tallahassee, FL 32301

Mr. Stuart L. Shoaf
St. Joe Natural Gas Company, Inc
P. O. Box 549
Port St. Joe, FL 32457-0549

Ms. Angela L. Llewellyn
Regulatory Affairs
Peoples Gas System
P. O. Box 111
Tampa, FL 33601-0111



Ansley Watson, Jr.