ORIGINAL

MACFARLANE FERGUSON & McMULLEN

ATTORNEYS AND COUNSELORS AT LAW

1501 SOUTH FLORIDA AVENUE LAKELAND, FLORIDA 33803 (863) 680-9908 FAX (863) 683-2849 ONE TAMPA CITY CENTER, SUITE 2000 201 NORTH FRANKLIN STREET P.O. BOX (531 (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 (669 (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

September 26, 2006

VIA FEDEX

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

Docket No. 060003-GU - Purchased gas adjustment (PGA) true-up

Dear Ms. Bayo:

Enclosed for filing in the above docket please find the original and 15 copies of Peoples Gas System's Preliminary List of Issues and Positions.

¶P encl		receipt and the date of filing of the enclosures on t letter, and return the same to me in the enclose	
	ddressed envelope.		
'R	Thank you for your usual as	ssistance.	
ж			
JL		Sincerely,	
3C		Ansley Watson, Jr.	
CA		acting boar 17 27 (
OR	•	Ansiey vvatson, Jr.	
3AAWjr	·/a		
Enclosed Enclosed	osures		
TH Kimp. CC.	Mrs. Kandi M. Floyd	619	
-	Matthew R. Costa, Esquire		

Parties of Record

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FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Purchased gas adjustment)	DOCKET NO. 060003-GU
(PGA) true-up.)	Submitted for filing:
)	9-27-06

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 Purchased Gas Adjustment Issues

ISSUE 1: What are the appropriate final purchased gas adjustment true-up amounts for the period January 2005 through December 2005?

PGS: \$10,786,747 underrecovery

ISSUE 2: What are the estimated purchased gas adjustment true-up amounts for the period January 2006 through December 2006?

<u>PGS</u>: \$15,611,711 overrecovery

ISSUE 3: What are the total purchased gas adjustment true-up amounts to be collected or refunded during the period January 2007 through December 2007?

PGS: \$4,824,964 overrecovery

<u>ISSUE 4</u>: What are the appropriate levelized purchased gas cost recovery (cap) factors for the period January 2007 through December 2007?

<u>PGS</u>: \$1.34867 per therm

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

PGS: The charge should be effective beginning with the specified purchased gas cost recovery cycle and thereafter for the period January 2007 through December 2007. Billing cycles may start before January 1, 2007, and the last cycle may be read after December 31, 2007, so that each customer is billed for twelve months

COCUMENT NUMBER - DATE

regardless of when the adjustment charge became effective.

Respectfully submitted,

Ansley Watson, Jr.

Macfarlane Ferguson & McMullen

P. O. Box 1531

Tampa, Florida 33601-4531

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 Preliminary List of Issues and Positions has been furnished by U. S. Mail this 26th day of September, 2006, to the following:

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

Office of the Public Counsel John R. Marks, III, Esquire c/o The Florida Legislature 111 W. Madison St. - #812 Tallahassee, FL 32399-1400

Beth Keating, Esquire Akerman Senterfitt 106 E. College Avenue, Suite 1200 Tallahassee, FL 32301

Ms. Brenda Irizarry Regulatory Affairs Peoples Gas System P. O. Box 111 Tampa, FL 33601-0111 Mr. Charles A. Rawson, III City Gas Company of Florida 955 East 25th Street Hialeah, FL 33013-3498

Florida Public Utilities Company Cheryl Martin P. O. Box 3395 West Palm Beach, FL 33402-3395

Norman H. Horton, Jr., Esquire Messer, Caparello & Self, P.A. P.O. Box 15579 Tallahassee, FL 32317

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

Ansley Watson, Jr.