

MEMORANDUM

October 12, 2007

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COMMISSION
CLERK

TO: OFFICE OF COMMISSION CLERK
FROM: OFFICE OF THE GENERAL COUNSEL (FLEMING) *KEF*
RE: DOCKET NO. 070003-GU – PURCHASED GAS ADJUSTMENT (PGA)
TRUE-UP.

Attached is STAFF'S PREHEARING STATEMENT, to be filed in the above-referenced docket.

KEF/pz
Attachment
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OTH _____

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Purchased gas adjustment (PGA) true-up. | DOCKET NO. 070003-GU
ORDER NO.
ISSUED:

STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-07-0167-PCO-GU, filed February 23, 2007, the Staff of the Florida Public Service Commission files its Prehearing Statement.

a. All Known Witnesses

Staff does not intend to call any witnesses.

b. All Known Exhibits

Staff does not intend to sponsor any exhibits, but reserves the right to use exhibits for the purpose of cross-examination.

c. Staff's Statement of Basic Position

Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

d. Staff's Position on the Issues

Generic Purchased Gas Adjustment Issues

ISSUE 1: What are the appropriate final purchased gas adjustment true-up amounts for the period January 2006 through December 2006?

POSITION:

Florida City Gas	\$1,530,916	Overrecovery
Florida Public Utilities Company	\$1,241,836	Overrecovery
Peoples Gas System, Inc.	\$1,456,054	Underrecovery
St. Joe Natural Gas Company	\$10,212	Overrecovery

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ISSUE 2: What are the estimated purchased gas adjustment true-up amounts for the period January 2007 through December 2007?

POSITION:

Florida City Gas	\$1,031,912	Underrecovery
Florida Public Utilities Company	\$2,475,583	Overrecovery
Peoples Gas System, Inc.	\$7,251,014	Overrecovery
St. Joe Natural Gas Company	\$121,465	Overrecovery

ISSUE 3: What are the total purchased gas adjustment true-up amounts to be collected during the period January 2008 through December 2008?

POSITION:

Florida City Gas	\$499,004	Overrecovery
Florida Public Utilities Company	\$3,717,419	Overrecovery
Peoples Gas System, Inc.	\$5,794,960	Overrecovery
St. Joe Natural Gas Company	\$131,677	Overrecovery

ISSUE 4: What are the appropriate levelized purchased gas cost recovery (cap) factors for the period January 2008 through December 2008?

POSITION:

Florida City Gas	114.875 cents per therm
Florida Public Utilities Company	150.001 cents per therm
Peoples Gas System, Inc.	131.810 cents per therm
St. Joe Natural Gas Company	97.200 cents per therm

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

POSITION: The factor should be effective for all meter readings on or after January 1, 2008, beginning with the first or applicable billing cycle for the period January 2008 through December 2008.

Company Specific Purchased Gas Adjustment Issues

Florida City Gas

ISSUE 6: Are the costs for the new Bay Gas Storage appropriate for recovery?

POSITION: Staff takes no position at this time.

e. Stipulated Issues

There are no issues that have been stipulated at this time.

f. Pending Motions

Staff has no pending motions.

g. Pending Confidentiality Claims or Requests

Staff is aware of one pending confidentiality request, Document No. 08326-07.

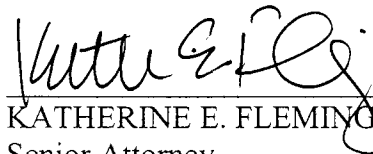
h. Objections to Witness Qualifications as an Expert

Staff has no objections to any witness' qualifications as an expert in this proceeding.

i. Compliance with Order No. PSC-07-0168-PCO-GU

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

Respectfully submitted this 12th day of October, 2007.



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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Purchased gas adjustment (PGA) true-up. | DOCKET NO. 070003-GU

| FILED: OCTOBER 12, 2007

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Staff's Prehearing Statement was furnished to the following, by electronic and U.S. mail, on this 12th day of October, 2007.

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