



July 30, 2008

VIA E-FILING

Ann Cole, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

**Re: Docket No. 080003-GU-- Purchased Gas Adjustment (PGA)
-- Notice of PGA Factors.**

Dear Ms. Cole:

We submit herewith on behalf of Peoples Gas System, a Notice of PGA Factors, effective July 31, 2008, for the month of August 2008, together with a copy of Schedule A-1 showing the calculation of both factors.

Thank you for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Matthew R. Costa".

Matthew R. Costa
Corporate Counsel

Enclosures

cc: Mr. Daniel Lee (via e-mail)
Ms. Paula Brown (via e-mail)
Mr. W. Edward Elliott (via e-mail)

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas :
Adjustment (PGA) Clause :
_____ :

Docket No. 080003-GU

Submitted for Filing: 07-30-08

PEOPLES GAS SYSTEM'S
NOTICE OF PGA FACTORS

Peoples Gas System, by its undersigned attorney and pursuant to Commission Orders Nos. 24463 and 24463-A, hereby notifies the Commission that, effective July 31, 2008, for its first billing cycle, it will reduce its Purchased Gas Adjustment (PGA) Factor approved by Order No. PSC-07-0934-FOF-GU to \$1.27033 per therm for residential rate class customers and decrease its Purchased Gas Adjustment (PGA) Factor to \$1.14585 per therm for commercial (non-residential) rate class for the month of August, 2008. Separate PGA factors will be used pursuant to the methodology approved by vote of the Commission on March 16, 1999 in Docket No. 981698. Schedule A-1 showing a comparison of the Company's projections for August 2008 has been submitted.

Dated this 30th day of July, 2008.

Respectfully submitted,



Matthew R. Costa, Esq.
Corporate Counsel
TECO Energy, Inc.
P.O. Box 111, Tampa, Florida 33601
(813) 228-4938
Attorney for Peoples Gas System

COMBINED FOR ALL RATE CLASSES		SCHEDULE A-1		
ESTIMATE FOR THE PERIOD: JANUARY 08 THROUGH DECEMBER 08				
CURRENT MONTH: AUGUST 2008				
(A)	(B) ORIGINAL PROJECTION	(C) FLEX DOWN ESTIMATE	(D) DIFFERENCE AMOUNT	
COST OF GAS PURCHASED				
1	COMMODITY Pipeline	\$220,666	\$41,151	(\$179,515)
1a	COMMODITY Pipeline	\$0	\$0	\$0
1b	COMMODITY Pipeline	\$0	\$0	\$0
2	NO NOTICE SERVICE	\$32,992	\$32,992	\$0
3	SWING SERVICE	\$5,805,520	\$0	(\$5,805,520)
4	COMMODITY Other (THIRD PARTY)	\$982,486	\$7,556,579	\$6,574,093
5	DEMAND	\$3,822,751	\$3,117,570	(\$705,181)
5a	DEMAND	\$0	\$0	\$0
5b	DEMAND	\$0	\$0	\$0
6	OTHER	\$400,000	\$316,000	(\$84,000)
LESS END-USE CONTRACT:				
7	COMMODITY Pipeline	\$158,929	\$14,845	(\$144,084)
8	DEMAND	\$1,017,864	\$369,315	(\$648,549)
9	OTHER	\$206,140	\$231,888	\$25,748
10		\$0	\$0	\$0
11	TOTAL C (1+1a+1b+2+3+4+5+5a+5b+6)-(7+8+9+10)	\$9,881,481	\$10,448,244	\$566,763
12	NET UNBILLED	\$0	\$0	\$0
13	COMPANY USE	\$0	\$0	\$0
14	TOTAL THERM SALES (11)	\$9,881,481	\$10,448,244	\$566,763
THERMS PURCHASED				
15	COMMODITY Pipeline	43,364,890	25,283,325	(18,081,565)
15a	COMMODITY Pipeline	0	0	0
15b	COMMODITY Pipeline	0	0	0
16	NO NOTICE SERVICE	6,665,000	6,665,000	0
17	SWING SERVICE	5,344,890	0	(5,344,890)
18	COMMODITY Other (THIRD PARTY)	2,948,342	8,493,592	5,545,250
19	DEMAND	78,580,350	61,712,547	(16,867,803)
19a	DEMAND	0	0	0
19b	DEMAND	0	0	0
20	OTHER	0	0	0
LESS END-USE CONTRACT:				
21	COMMODITY Pipeline	28,380,220	9,107,633	(19,272,587)
22	DEMAND	25,101,460	9,107,633	(15,993,827)
23	OTHER	0	0	0
24	TOTAL PURCHASES (17+18-23)	8,293,232	8,493,592	200,360
25	NET UNBILLED	0	0	0
26	COMPANY USE	0	0	0
27	TOTAL THERM SALES (24)	8,293,232	8,493,592	200,360
CENTS PER THERM				
28	COMM. Pipeline (1/15)	0.00509	0.00163	(0.00346)
28a	COMM. Pipeline (1a/15a)	0.00000	0.00000	0.00000
28b	COMM. Pipeline (1b/15b)	0.00000	0.00000	0.00000
29	NO NOTICE SERVICE (2/16)	0.00495	0.00495	0.00000
30	SWING SERVICE (3/17)	1.08618	0.00000	(1.08618)
31	COMM. Other (THIRD PARTY) (4/18)	0.33323	0.92644	0.59321
32	DEMAND (5/19)	0.04865	0.05052	0.00187
32a	DEMAND (5a/19a)	0.00000	0.00000	0.00000
32b	DEMAND (5b/19b)	0.00000	0.00000	0.00000
33	OTHER (6/20)	0.00000	0.00000	0.00000
LESS END-USE CONTRACT:				
34	COMMODITY Pipeline (7/21)	0.00560	0.00163	(0.00397)
35	DEMAND (8/22)	0.04055	0.04055	0.00000
36	OTHER (9/23)	0.00000	0.00000	0.00000
37	TOTAL COST (11/24)	1.19151	1.23013	0.03862
38	NET UNBILLED (12/25)	0.00000	0.00000	0.00000
39	COMPANY USE (13/26)	0.00000	0.00000	0.00000
40	TOTAL THERM SALES (37)	1.19151	1.23013	0.03862
41	TRUE-UP (E-4)	(0.04038)	(0.04038)	0.00000
42	TOTAL COST OF GAS (40+41)	1.15114	1.18975	0.03862
43	REVENUE TAX FACTOR	1.00503	1.00503	0.00000
44	PGA FACTOR ADJUSTED FOR TAXES (42x43)	1.15693	1.19574	0.00000
45	PGA FACTOR ROUNDED TO NEAREST .001	115.693	119.574	0.000

FOR RESIDENTIAL CUSTOMERS		SCHEDULE A-1		
ESTIMATE FOR THE PERIOD: JANUARY 08 THROUGH DECEMBER 08				
CURRENT MONTH: AUGUST 2008				
(A)	(B)	(C)	(D)	
	ORIGINAL	FLEX DOWN	DIFFERENCE	
	PROJECTION	ESTIMATE	AMOUNT	
COST OF GAS PURCHASED				
1	COMMODITY Pipeline	\$92,547	\$16,489	(\$76,058)
1a	COMMODITY Pipeline	\$0	\$0	\$0
1b	COMMODITY Pipeline	\$0	\$0	\$0
2	NO NOTICE SERVICE	\$16,489	\$16,489	\$0
3	SWING SERVICE	\$2,434,835	\$0	(\$2,434,835)
4	COMMODITY Other (THIRD PARTY)	\$412,055	\$3,027,921	\$2,615,866
5	DEMAND	\$1,910,611	\$1,558,161	(\$352,450)
5a	DEMAND	\$0	\$0	\$0
5b	DEMAND	\$0	\$0	\$0
6	OTHER	\$167,760	\$126,621	(\$41,139)
LESS END-USE CONTRACT:				
7	COMMODITY Pipeline	\$66,655	\$5,948	(\$60,707)
8	DEMAND	\$508,729	\$184,584	(\$324,145)
9	OTHER	\$103,029	\$115,898	\$12,869
10		\$0	\$0	\$0
11	TOTAL C (1+1a+1b+2+3+4+5+5a+5b+6)-(7+8+9+10)	\$4,355,885	\$4,439,251	\$83,366
12	NET UNBILLED	\$0	\$0	\$0
13	COMPANY USE	\$0	\$0	\$0
14	TOTAL THERM SALES (11)	\$4,355,885	\$4,439,251	\$83,366
THERMS PURCHASED				
15	COMMODITY Pipeline	18,187,235	10,131,028	(8,056,207)
15a	COMMODITY Pipeline	0	0	0
15b	COMMODITY Pipeline	0	0	0
16	NO NOTICE SERVICE	3,331,167	3,331,167	0
17	SWING SERVICE	2,241,647	0	(2,241,647)
18	COMMODITY Other (THIRD PARTY)	1,236,313	3,403,382	2,167,069
19	DEMAND	39,274,459	30,843,931	(8,430,528)
19a	DEMAND	0	0	0
19b	DEMAND	0	0	0
20	OTHER	0	0	0
LESS END-USE CONTRACT:				
21	COMMODITY Pipeline	11,902,664	3,649,429	(8,253,235)
22	DEMAND	12,545,710	4,551,995	(7,993,715)
23	OTHER	0	0	0
24	TOTAL PURCHASES (17+18-23)	3,477,960	3,403,382	(74,578)
25	NET UNBILLED	0	0	0
26	COMPANY USE	0	0	0
27	TOTAL THERM SALES (24)	3,477,960	3,403,382	(74,578)
CENTS PER THERM				
28	COMM. Pipeline (1/15)	0.00509	0.00163	(0.00346)
28a	COMM. Pipeline (1a/15a)	0.00000	0.00000	0.00000
28b	COMM. Pipeline (1b/15b)	0.00000	0.00000	0.00000
29	NO NOTICE SERVICE (2/16)	0.00495	0.00495	0.00000
30	SWING SERVICE (3/17)	1.08618	0.00000	(1.08618)
31	COMM. Other (THIRD PARTY) (4/18)	0.33329	0.88968	0.55639
32	DEMAND (5/19)	0.04865	0.05052	0.00187
32a	DEMAND (5a/19a)	0.00000	0.00000	0.00000
32b	DEMAND (5b/19b)	0.00000	0.00000	0.00000
33	OTHER (6/20)	0.00000	0.00000	0.00000
LESS END-USE CONTRACT:				
34	COMMODITY Pipeline (7/21)	0.00560	0.00163	(0.00397)
35	DEMAND (8/22)	0.04055	0.04055	0.00000
36	OTHER (9/23)	0.00000	0.00000	0.00000
37	TOTAL COST (11/24)	1.25243	1.30435	0.05192
38	NET UNBILLED (12/25)	0.00000	0.00000	0.00000
39	COMPANY USE (13/26)	0.00000	0.00000	0.00000
40	TOTAL THERM SALES (37)	1.25243	1.30435	0.05192
41	TRUE-UP (E-4)	(0.04038)	(0.04038)	0.00000
42	TOTAL COST OF GAS (40+41)	1.21205	1.26397	0.05192
43	REVENUE TAX FACTOR	1.00503	1.00503	0.00000
44	PGA FACTOR ADJUSTED FOR TAXES (42x43)	1.21815	1.27033	0.00000
45	PGA FACTOR ROUNDED TO NEAREST .001	121.815	127.033	0.000

FOR COMMERCIAL CUSTOMERS		SCHEDULE A-1		
ESTIMATE FOR THE PERIOD: JANUARY 08 THROUGH DECEMBER 08 CURRENT MONTH: AUGUST 2008				
(A)		(B) ORIGINAL PROJECTION	(C) FLEX DOWN ESTIMATE	(D) DIFFERENCE AMOUNT
COST OF GAS PURCHASED				
1	COMMODITY Pipeline	\$128,119	\$24,662	(\$103,457)
1a	COMMODITY Pipeline	\$0	\$0	\$0
1b	COMMODITY Pipeline	\$0	\$0	\$0
2	NO NOTICE SERVICE	\$16,502	\$16,503	\$1
3	SWING SERVICE	\$3,370,685	\$0	(\$3,370,685)
4	COMMODITY Other (THIRD PARTY)	\$570,431	\$4,528,658	\$3,958,227
5	DEMAND	\$1,912,140	\$1,559,409	(\$352,731)
5a	DEMAND	\$0	\$0	\$0
5b	DEMAND	\$0	\$0	\$0
6	OTHER	\$232,240	\$189,379	(\$42,861)
LESS END-USE CONTRACT:				
7	COMMODITY Pipeline	\$92,274	\$8,897	(\$83,377)
8	DEMAND	\$509,136	\$184,731	(\$324,405)
9	OTHER	\$103,111	\$115,990	\$12,879
10		\$0	\$0	\$0
11	TOTAL C (1+1a+1b+2+3+4+5+5a+5b+6)-(7+8+9+10)	\$5,525,596	\$6,008,993	\$483,397
12	NET UNBILLED	\$0	\$0	\$0
13	COMPANY USE	\$0	\$0	\$0
14	TOTAL THERM SALES (11)	\$5,525,596	\$6,008,993	\$483,397
THERMS PURCHASED				
15	COMMODITY Pipeline	25,177,655	15,152,297	(10,025,358)
15a	COMMODITY Pipeline	0	0	0
15b	COMMODITY Pipeline	0	0	0
16	NO NOTICE SERVICE	3,333,833	3,333,833	0
17	SWING SERVICE	3,103,243	0	(3,103,243)
18	COMMODITY Other (THIRD PARTY)	1,712,029	5,090,210	3,378,181
19	DEMAND	39,305,891	30,868,616	(8,437,275)
19a	DEMAND	0	0	0
19b	DEMAND	0	0	0
20	OTHER	0	0	0
LESS END-USE CONTRACT:				
21	COMMODITY Pipeline	16,477,556	5,458,204	(11,019,352)
22	DEMAND	12,555,750	4,555,638	(8,000,112)
23	OTHER	0	0	0
24	TOTAL PURCHASES (17+18-23)	4,815,272	5,090,210	274,938
25	NET UNBILLED	0	0	0
26	COMPANY USE	0	0	0
27	TOTAL THERM SALES (24)	4,815,272	5,090,210	274,938
CENTS PER THERM				
28	COMM. Pipeline (1/15)	0.00509	0.00163	(0.00346)
28a	COMM. Pipeline (1a/15a)	0.00000	0.00000	0.00000
28b	COMM. Pipeline (1b/15b)	0.00000	0.00000	0.00000
29	NO NOTICE SERVICE (2/16)	0.00495	0.00495	0.00000
30	SWING SERVICE (3/17)	1.08618	0.00000	(1.08618)
31	COMM. Other (THIRD PARTY) (4/18)	0.33319	0.88968	0.55649
32	DEMAND (5/19)	0.04865	0.05052	0.00187
32a	DEMAND (5a/19a)	0.00000	0.00000	0.00000
32b	DEMAND (5b/19b)	0.00000	0.00000	0.00000
33	OTHER (6/20)	0.00000	0.00000	0.00000
LESS END-USE CONTRACT:				
34	COMMODITY Pipeline (7/21)	0.00560	0.00163	(0.00397)
35	DEMAND (8/22)	0.04055	0.04055	(0.00000)
36	OTHER (9/23)	0.00000	0.00000	0.00000
37	TOTAL COST (11/24)	1.14751	1.18049	0.03298
38	NET UNBILLED (12/25)	0.00000	0.00000	0.00000
39	COMPANY USE (13/26)	0.00000	0.00000	0.00000
40	TOTAL THERM SALES (37)	1.14751	1.18049	0.03298
41	TRUE-UP (E-4)	(0.04038)	(0.04038)	0.00000
42	TOTAL COST OF GAS (40+41)	1.10714	1.14011	0.03298
43	REVENUE TAX FACTOR	1.00503	1.00503	0.00000
44	PGA FACTOR ADJUSTED FOR TAXES (42x43)	1.11271	1.14585	0.00000
45	PGA FACTOR ROUNDED TO NEAREST .001	111.271	114.585	0.000