

ST JOE NATURAL GAS

Serving Florida's Panhandle Since 1963

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September 12, 2008

RECEIVED-FPSC
08 SEP 15 AM 10:20
COMMISSION
CLERK

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

Re: Docket No. 080003-GU
Purchased Gas Cost Recovery for period ending December 31, 2009

Dear Ms. Cole,


Enclosed for filing in the above referenced docket are an original and ten (10) copies of St. Joe Natural Gas Company's:

1. Petition for Approval of Purchased Cost Recovery Factors;
2. Schedules E-1 through E-5 08583-08
3. Direct Testimony of Stuart L Shoaf 08584-08

Please acknowledge receipt of these documents by stamping the extra copy of this letter which is also enclosed.

Thank you for your assistance.

Very truly yours,


Stuart L. Shoaf
President

Enclosures

Copies: All known parties of record

DOCUMENT NUMBER-DATE

08582 SEP 15 8

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas Recovery)
)
_____)

Docket No. 080003-GU
Submitted for filing
September 12, 2008

PETITION OF ST. JOE NATURAL GAS COMPANY, INC.
FOR APPROVAL OF MAXIMUM TWELVE MONTH LEVELIZED PURCHASED
GAS COST FACTOR FOR APPLICATION TO BILLS RENDERED
DURING THE TWELVE MONTH PERIOD ENDING DECEMBER 31, 2008.

St. Joe Natural Gas Company, Inc. (SJNG) by and through its undersigned officer, hereby petitions the Commission for approval of a maximum levelized purchased gas cost recovery factor to be applied to customer bills rendered during the twelve month period ending December 31, 2009 and says:

1. The name of the petitioner and the mailing address of its principal office is:

St. Joe Natural Gas Company, Inc.
Post Office Box 549
Port St. Joe, Florida 32457-0549

2. The name and mailing address to the person authorized to receive notices and communications of this Petition is:

Stuart L. Shoaf, President
St. Joe Natural Gas Company, Inc.
Post Office Box 549
Port St. Joe, Florida 32457-0549

3. June 10, 1998 by, Docket No. 980269-PU this Commission adopted a revised purchased gas cost recovery method, including but not limited to, reporting forms (Schedules E-1 through E-5) to be used by natural gas utilities beginning with the projected period from January 1, 1999 through December 31, 1999. Schedules E-1 through E-5 compute a levelized purchased gas cost factor to serve as a cap or maximum recovery factor, where utilities will have the option of flexing downward to market conditions for calculating current month weighted average cost of gas (WACOG) charges.

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4. The levelized purchased gas adjustment factor represents the sum of the final net true-up gas costs from January 1, 2007 through December 31, 2007, actual true-up and interest from January 1, 2008 through July 31, 2008, estimated true-up and interest from August 1st through December 31, 2008 and estimated purchased gas costs, without interest, from January 1, 2009 through December 31, 2009.

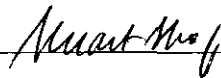
5. Pursuant to the methodology adopted by the Commission in Docket No. 980269-PU, SJNG has calculated a weighted average cost of gas factor (WACOG) through December 31, 2009. Such calculations from Schedules E-1 through E-5 are commingled and are filed herewith.

6. Schedule E-1 reports the estimated average purchased gas costs for the twelve month period ending December 31, 2009 to be \$1,278,749.00. Based upon estimated total sales of 1,036,420 therms, SJNG seeks a maximum WACOG of 122.10 cents per therm.

WHEREFORE, St. Joe Natural Gas Company, Inc. prays the Commission will enter an order approving its WACOG factor of 122.10 cents per therm to be applied to customer bills rendered during the twelve month period ending December 31, 2009.

Dated this 12th day of September, 2008.

Respectfully submitted,



Stuart L. Shoaf, President
St. Joe Natural Gas Company, Inc.
Post Office Box 549
Port St. Joe, Florida 32457-0549
(850) 229-8216

