

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Purchased gas adjustment (PGA) true-up. | DOCKET NO. 110003-GU

DATED: October 12, 2011

COMMISSION
CLERK

COMMISSION STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-11-0120-PCO-GU, filed February 22, 2011, 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 final purchased gas adjustment true-up amounts for the period January 2010 through December 2010?

POSITION:

Florida City Gas	\$259,865		Under-recovery
Florida Public Utilities	\$2,562,014		Under-recovery
Peoples Gas System, Inc.	\$9,599,007		Under-recovery
St. Joe Natural Gas Company	\$140,324		Under-recovery

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ISSUE 2: What are the actual/estimated purchased gas adjustment true-up amounts for the period January 2011 through December 2011?

POSITION:

Florida City Gas	\$357,639		Over-recovery
Florida Public Utilities	\$2,151,001		Over-recovery
Peoples Gas System, Inc.	\$11,966,268		Over-recovery
St. Joe Natural Gas Company	\$116,304		Over-recovery

ISSUE 3: What are the total purchased gas adjustment true-up amounts to be collected during the period January 2012 through December 2012?

POSITION:

Florida City Gas	\$97,774		Over-recovery
Florida Public Utilities	\$411,013		Under-recovery
Peoples Gas System, Inc.	\$2,367,260		Over-recovery
St. Joe Natural Gas Company	\$24,019		Under-recovery

ISSUE 4: What are the levelized purchased gas cost recovery (cap) factors for the period January 2012 through December 2012?

POSITION:

Florida City Gas	82.045 cents per therm
Florida Public Utilities	79.064 cents per therm
Peoples Gas System	98.437 cents per therm
St. Joe Natural Gas Company	76.800 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, 2012, beginning with the first or applicable billing cycle for the period January 2012 through December 2012.

ISSUE 6: What changes, if any, should be made to improve the reporting mechanism related to monthly PGA reporting as established in Order No. 24463?

POSITION: For monthly actual filings, invoices need not be submitted, but should be retained for audit. The current monthly A-5 Schedule should be revised. The revised A-5 Schedule should show, by month, commodity costs, transportation costs, hedging costs, adjustments (off system sales), flex-down factors, revenues, therm sales to

customers, and number of customers under the PGA. (All actual monthly data would show in the Schedule.) The revised A-5 Schedule should be filed with the Commission Clerk in spreadsheet format (such as Excel). The docket number and docket should be noted in the electronic transmittal memo. The monthly flex down notice would no longer be required.

e. Stipulated Issues

Staff knows of no stipulated issues at this time.

f. Pending Motions

Staff has no pending motions at this time.

g. Pending Confidentiality Claims or Requests

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

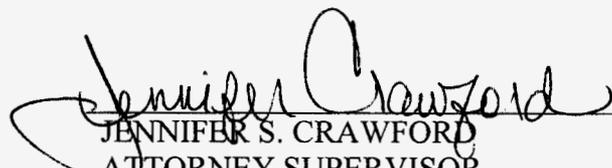
h. Objections to Witness Qualifications as an Expert

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

i. Compliance with Order No. PSC-11-0120-PCO-GU

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

Respectfully submitted this 12th day of October, 2011.


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| DATED: October 12, 2011

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the original of COMMISSION STAFF'S PREHEARING STATEMENT has been filed with Office of Commission Clerk and one copy has been furnished to the following by electronic and U.S. Mail, on this 12th day of October, 2011:

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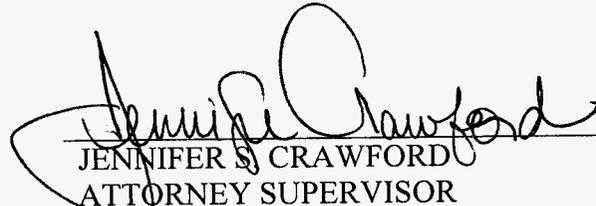
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