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IN REPLY REFER TO:

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September 26, 2014

**VIA WEB-BASED E-FILING**

Ms. Carlotta S. Stauffer  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

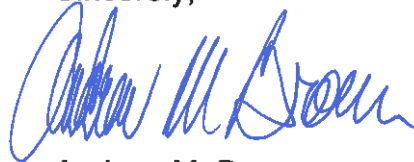
**Re: Docket No. 140003-GU – Purchased gas adjustment (PGA) true-up**

Dear Ms. Stauffer:

Attached for electronic filing in the above docket on behalf of Peoples Gas System, please find Peoples' Prehearing Statement.

We appreciate your usual assistance.

Sincerely,



Andrew M. Brown

AB/aw  
Attachments

cc: Parties of Record  
Ms. Kandi M. Floyd

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Purchased gas adjustment )  
(PGA) true-up. )  
\_\_\_\_\_ )

DOCKET NO. 140003-GU  
Submitted for filing:  
9-26-14

**PEOPLES GAS SYSTEM'S  
PREHEARING STATEMENT**

Peoples Gas System ("PGS"), by its undersigned attorneys, submits the following Prehearing Statement for the hearing scheduled to be held in the above docket commencing October 22, 2014.

**A. WITNESSES**

<u>Witness</u>	<u>Subject Matter</u>	<u>Issues</u>
(Direct)		
Kandi M. Floyd (PGS)	Projected gas costs, therm sales and weighted average cost of gas ("WACOG"); final PGA true-up amount for January 2013 - December 2013; estimated PGA true-up amounts for January 2014 – December 2014; total PGA true-up amount for January 2014 – December 2014; and levelized PGA cost recovery (cap) factor for January 2015 – December 2015	1-6

**B. EXHIBITS**

<u>Exhibit</u>	<u>Witness</u>	<u>Description</u>
_____ (KMF-1)	Floyd	Calculation of final true-up for January 2013 – December 2013 (Schedule A-7)
_____ (KMF-2)	Floyd	Calculation of estimated true-up for January 2014 – December 2014; total

true-up for January 2014 – December 2014); calculation of PGA factor for January 2015 – December 2015 (Schedules E-1 through E-5)

C. STATEMENT OF BASIC POSITION

PGS's Statement of Basic Position:

The Commission should approve PGS's final PGA true-up amount of \$3,036,213 under-recovery for the period January 2013 through December 2013; its actual/estimated PGA true-up amount of \$3,655,983 over-recovery for the period January 2014 through December 2014; and its levelized PGA (cap) factor of \$0.98354 per therm for the period January 2015 through December 2015. (Floyd)

D. STATEMENT OF ISSUES AND POSITIONS

Generic Purchased Gas Adjustment Issues

**ISSUE 1: What are the final purchased gas adjustment true-up amounts for the period January 2013 through December 2013?**

PGS: \$3,036,213 under-recovery (Floyd)

**ISSUE 2: What are the actual/estimated purchased gas adjustment true-up amounts for the period January 2014 through December 2014?**

PGS: \$3,655,983 over-recovery (Floyd)

**ISSUE 3: What are the total purchased gas adjustment true-up amounts to be collected during the period January 2015 through December 2015?**

PGS: \$619,770 over-recovery (Floyd)

**ISSUE 4: What are the levelized purchased gas cost recovery (cap) factors for the period January 2015 through December 2015?**

PGS: \$0.98354 per therm (Floyd)

**ISSUE 5: 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 2015 through December 2015. Billing cycles may start

before January 1, 2015, and the last cycle may be read after December 31, 2015, so that each customer is billed for twelve months regardless of when the adjustment charge became effective. (Floyd)

E. STIPULATED ISSUES

None as to PGS.

F. PENDING MOTIONS

None as to PGS.

G. PENDING CONFIDENTIALITY CLAIMS OR REQUESTS

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

H. COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE

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

Dated this 26th day of September, 2014.

Respectfully submitted,



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## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing Prehearing Statement have been furnished by electronic mail this 26th day of September, 2014, to the following:

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