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August 20, 2018

VIA E-PORTAL FILING

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

Re: Docket No. 20180003-GU – Purchased gas adjustment (PGA) true-up

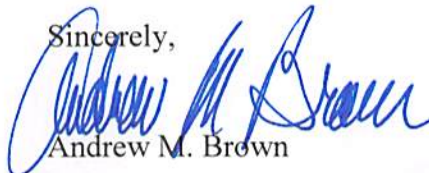
Dear Ms. Stauffer:

Attached for filing with the Commission on behalf of Peoples Gas System, please find the following:

- Petition of Peoples Gas System for Approval of PGA Factor for Application to Bills to be Rendered During the Period January 2019 through December 2019;
- Direct Testimony of Kandi M. Floyd; and
- Exhibit _____(KMF-2), consisting of Schedules E-1, E1/R, E-2 through E-5.

The enclosed testimony and exhibit will be offered by Peoples at the hearing in this docket scheduled to commence on November 6, 2018.

Thank you for your assistance.

Sincerely,

Andrew M. Brown

AB/plb
Attachment

cc: Parties of Record
Ms. Kandi M. Floyd
Ansley Watson, Jr., Esq.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 20180003-GU
Submitted for filing:
8-20-18

**PETITION OF PEOPLES GAS SYSTEM FOR APPROVAL
OF PGA FACTOR FOR APPLICATION TO BILLS TO BE RENDERED
DURING THE PERIOD JANUARY 2019 THROUGH DECEMBER 2019**

Peoples Gas System ("Peoples"), by its undersigned attorneys, hereby files its petition for approval of its purchased gas adjustment ("PGA") factor to be applied to bills beginning the first billing cycle in January 2019 through the last billing cycle in December 2019, inclusive, and in support thereof says:

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

Peoples Gas System
P.O. Box 2562
Tampa, Florida 33601-2562

2. The names and mailing address of the persons authorized to receive notices and communications with respect to this petition are:

Andrew M. Brown
Macfarlane Ferguson & McMullen
P.O. Box 1531
Tampa, Florida 33601-1531

Ms. Paula K. Brown
Regulatory Affairs
Peoples Gas System
P.O. Box 111
Tampa, Florida 33601-0111

Ms. Kandi M. Floyd
Manager - State Regulatory
Peoples Gas System
P.O. Box 2562
Tampa, Florida 33601-2562

3. By its Orders Nos. 24463 and 24463-A in this docket, the Commission adopted a revised method for the recovery of purchased gas costs by regulated natural gas

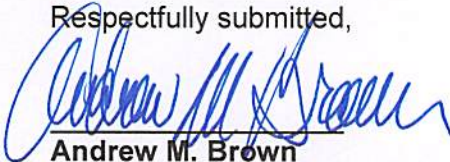
utilities, to be used for the recovery of such costs commencing October 1, 1991. Submitted herewith is Peoples' Composite Exhibit KMF-2, consisting of Schedules E-1, E- 1/R, E-2, E-3, E-4 and E-5. The schedules in Composite Exhibit KMF-2 are used to compute a maximum PGA factor for application to bills rendered for gas sold by Peoples during the twelve-month period of January 2019 through December 2019 (the "Projection Period").

4. The maximum PGA factor calculated in Composite Exhibit KMF-2 basically represents (A) the sum of the final net true-up amount for the period January 1, 2017 through December 31, 2017, the estimated or projected true-up (based on actual data for seven months and projected data for five months) for the period January 1, 2018 through December 31, 2018, both true-up amounts including interest, and Peoples' projected cost of purchased gas for the Projection Period, without interest, (B) divided by Peoples' projected therm sales for the Projection Period.

5. By its Order No. PSC-99-0634-FOF-GU in Docket No. 981698-GU the Commission approved a methodology for charging separate Purchased Gas Adjustment Factors for different customer classes. On February 22, 2016, by its Order No. PSC-16- 0081-PAA-GU in Docket No. 150218-GU, the Commission approved Peoples' methodology to discontinue charging multiple PGA factors for different classes of customers. The maximum (cap) PGA factor for which Peoples seeks approval for the Projection Period is the factor shown on Line 44 of Schedule E-1 of Composite Exhibit KMF-2, and is \$1.02968 per therm.

WHEREFORE, Peoples Gas System respectfully requests that the Commission enter its order approving Peoples' proposed maximum (cap) PGA factor of \$1.02968 per therm for application to bills beginning the first billing cycle in January 2019 through the last billing cycle in December 2019.

Respectfully submitted,



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Attorney for Peoples Gas System

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing petition, together with copies of the Direct Testimony of Kandi M. Floyd and Composite Exhibit_ (KMF-2), have been furnished by electronic mail this 20th day of August, 2018, to the following:

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Andrew M. Brown



BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 20180003-GU
PURCHASED GAS ADJUSTMENT (PGA)
BY PEOPLES GAS SYSTEM

TESTIMONY AND EXHIBIT
OF
KANDI M. FLOYD

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **PREPARED DIRECT TESTIMONY**

3 **OF**

4 **KANDI M. FLOYD**

5
6 **Q.** Please state your name, business address, by whom you
7 are employed, and in what capacity?

8
9 **A.** My name is Kandi M. Floyd. My business address is
10 Peoples Gas System, 702 North Franklin Street, P.O. Box
11 2562, Tampa, Florida 33601-2562. I am employed by
12 Peoples Gas System ("Peoples" or the "Company") and am
13 the Manager of State Regulatory.

14
15 **Q.** Please describe your educational and employment
16 background.

17
18 **A.** I have a Bachelor of Arts Degree in Business
19 Administration from Saint Leo University. From 1995 to
20 1997, I was employed in a series of positions within the
21 regulatory affairs department of Tampa Electric Company.
22 In 1998, I joined Peoples Gas System as a Regulatory
23 Coordinator in the Regulatory and Gas Supply Department.
24 In 2001, I became the Energy Conservation / Regulatory
25 Administrator and in 2003 became the Manager of State

1 Regulatory for Peoples Gas System. In this role, I am
2 responsible for managing the Purchased Gas Adjustment
3 ("PGA") and other Cost Recovery filings as well as
4 various regulatory activities for Peoples.

5
6 **Q.** What is the purpose of your testimony in this docket?

7
8 **A.** The purpose of my testimony is to describe generally the
9 components of Peoples' cost of purchased gas and
10 upstream pipeline capacity. In my testimony, I also
11 explain how Peoples' projected weighted average cost of
12 gas ("WACOG") for the January 2019 through December 2019
13 period was determined and the resulting requested
14 maximum PGA ("Cap").

15
16 **Q.** Please summarize your testimony.

17
18 **A.** I will address the following areas:

- 19
20 1. How Peoples will obtain its gas supplies during the
21 projected period.
22 2. Estimates and adjustments used to determine the
23 amount of gas to be purchased from Peoples' various
24 available sources of supply during the projected period.
25 3. Projections and assumptions used to estimate the

1 purchase price to be paid by Peoples for such gas
2 supplies.

3 4. The components and assumptions used to develop
4 Peoples' projected WACOG including the projected true-up
5 balance to be collected or refunded.

6

7 **Q.** What is the appropriate final purchased gas adjustment
8 true-up amount for the period January 2017 through
9 December 2017?

10

11 **A.** The final PGA true-up amount for the year 2017 is an
12 over-recovery of \$669,716.

13

14 **Q.** What is the estimated purchased gas adjustment true-up
15 amount for the period January 2018 through December
16 2018?

17

18 **A.** As shown on Schedule E-4, the estimated PGA true-up
19 amount for 2018 is an over-recovery of \$1,596,468.

20

21 **Q.** What is the total purchased gas adjustment true-up
22 amount to be refunded during the period January 2019
23 through December 2019?

24

25 **A.** The total PGA true-up amount to be refunded in 2019 is

1 an over-recovery of \$2,266,183.

2
3 **Q.** Have you prepared or caused to be prepared certain
4 schedules for use in this proceeding?

5
6 **A.** Yes. Composite Exhibit KMF-2 was prepared by me or
7 under my supervision.

8
9 **Q.** Please describe how Peoples will obtain its gas supplies
10 during the projected period of January 2019 through
11 December 2019.

12
13 **A.** All natural gas delivered through Peoples' distribution
14 system is currently received through three interstate
15 pipelines and one intrastate pipeline. Gas is delivered
16 through Florida Gas Transmission Company ("FGT"),
17 through Southern Natural Gas Company ("Southern"),
18 through Gulfstream Natural Gas System ("Gulfstream") and
19 through SeaCoast Gas Transmission ("SeaCoast").
20 Receiving gas supply through multiple upstream pipelines
21 provides valuable flexibility and reliability to serve
22 customers.

23
24 **Q.** In general, how does Peoples determine its sources of
25 supply?

1 **A.** Peoples evaluates, selects and utilizes sources of
2 natural gas supply on the basis of its "best value" gas
3 acquisition strategy. For a source of supply to be
4 identified as a "best value," it must offer the best
5 combination of price, reliability of supply, and
6 flexibility, consistent with Peoples' obligation as a
7 public utility to provide safe, adequate and efficient
8 service to the general public. Through a competitive
9 bidding process, Peoples has a portfolio of supply
10 sources from numerous third-party suppliers that reflect
11 balance between cost, reliability and operational
12 flexibility.

13
14 **Q.** Could Peoples purchase all third party supplies in
15 advance for a long term at the lowest available fixed
16 price in order to provide increased stability to its
17 cost of gas?

18
19 **A.** No. Peoples' quantity requirements for system supply
20 gas vary significantly from year to year, season to
21 season, month to month and, in particular, from day to
22 day. The demand for gas on the Peoples system can often
23 vary dramatically within a month from the lowest to the
24 highest requirement of its customers. The actual takes
25 of gas out of the Peoples system by transport customers

1 varies significantly from day to day. Since significant
2 portions of the total transportation volumes are
3 received by Peoples at a uniform daily rate, Peoples is
4 forced to increase or decrease the volumes purchased for
5 its own system supply by significant increments in order
6 to maintain a balance between receipts and deliveries of
7 gas each day. As a consequence, Peoples must buy a
8 portion of its total system requirements under swing
9 contract arrangements, and meet extreme variations in
10 delivered volumes by relying on swing gas, peaking gas,
11 pipeline balancing volumes and pipeline no notice
12 service at the prevailing rates for such services.

13
14 **Q.** How did Peoples estimate the amount of gas to be
15 purchased from various sources during the projected
16 period of January 2019 through December 2019?

17
18 **A.** Peoples' projected gas purchases are based on the
19 Company's preliminary total throughput of therms
20 delivered to customers projected for 2019, including
21 both sales of Peoples' system supply and transportation
22 deliveries of third party gas purchased by end-users of
23 Peoples. The throughput was then adjusted for the
24 anticipated level of transportation service.

25

1 Q. How are revenues derived from Peoples' Swing Service
2 Charge accounted for through the PGA?

3

4 A. Customers who participate in the Natural Choice program
5 pay a Swing Service Charge. The Swing Service Charge
6 covers costs included in the PGA for balancing the
7 difference between marketer-supplied gas and the
8 customers' actual consumption. The revenues from the
9 Swing Service Charge are credited to the PGA to offset
10 this expense.

11

12 Q. How did you estimate the purchase price to be paid by
13 Peoples for each of its available sources of gas supply?

14

15 A. The price to be paid for natural gas is estimated based
16 on an evaluation of historical prices for gas delivered
17 to the FGT, Southern, and Gulfstream systems, futures
18 contracts as reported on the New York Mercantile
19 Exchange and forecasts of market prices for the
20 projection period of January 2019 through December 2019.
21 These prices are then adjusted to reflect the potential
22 for implied volatility increases and unexpected and
23 unforeseen increases due to market forces particularly
24 in the monthly and daily markets for natural gas prices
25 in the projection period.

1 **Q.** Referring to Schedules E-3 (A) through (G) of Composite
2 Exhibit KMF-2, please explain the components of these
3 schedules and the assumptions that were made in
4 developing the Company's projections.

5
6 **A.** Schedule E-3, column (G) is a compilation of the annual
7 data that appears on Schedules E-3 (E) through (F) for
8 the year ending December 31, 2019. In Column (B),
9 "FGT" indicates that the volumes are to be purchased
10 from third party suppliers for delivery via FGT
11 interstate pipeline transportation. "SONAT" indicates
12 that the volumes are to be purchased from a third party
13 supplier for delivery via Southern interstate pipeline
14 transportation. "GULFSTREAM" indicates that the volumes
15 are to be purchased from a third party supplier for
16 delivery via Gulfstream interstate pipeline
17 transportation. "SEACOAST" indicates the volumes are to
18 be purchased from a third party supplier for delivery
19 via SeaCoast intrastate pipeline transportation. "SABAL
20 TRAIL" indicates volumes that Peoples projects to
21 purchase for delivery via Sabal Trail interstate
22 pipeline transportation. "THIRD PARTY" indicates that
23 the volumes are to be purchased directly from various
24 third party suppliers for delivery into FGT, Southern,
25 Gulfstream or Sabal Trail.

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In Column (C), "PGS" means the purchase will be for Peoples' system supply and will become part of Peoples' total WACOG. None of the costs of gas or transportation for end-use purchases made by end-use customers of Peoples are included in Peoples' WACOG. In Column (D), purchases of pipeline transportation services from FGT under Rate Schedules FTS-1, FTS-2, and FTS-3 are split into two components, commodity (or "usage") and demand (or "reservation"). Both Peoples and end-users pay the usage charge based on the actual amount of gas transported. The FTS-1, FTS-2, and FTS-3 commodity costs shown include all related transportation charges including usage, fuel and ACA charges. The FTS-1, FTS-2, and FTS-3 demand component is a fixed charge based on the maximum daily quantity of FTS-1, FTS-2, and FTS-3 firm transportation capacity reserved. Similarly, the transportation rates of Southern and Gulfstream also consist of two components, a usage charge and a reservation charge, and Sabal Trail and SeaCoast consists of one component, a demand charge. Individual Transportation Service customers reimburse Peoples or directly pay the upstream pipeline for all pipeline reservation charges associated with the transportation capacity that Peoples reserves and uses on their behalf.

1 Also in Column (D), "NO NOTICE TRANSPORTATION SERVICE"
2 (or "NNTS") means FGT's no notice service provided to
3 Peoples on a fixed charge basis for use when Peoples'
4 actual use exceeds scheduled quantities. "SWING
5 SERVICE" means the demand and commodity component of the
6 cost of third party supplies purchased to meet Peoples
7 "swing" requirements for supply that fluctuate on a day-
8 to-day basis. Column (E) shows the annual quantity in
9 therms of gas purchased by Peoples for each category of
10 system supply.
11 Column (F) shows the gas purchased by end-users for
12 transportation. Column (G) is the total of Columns (E)
13 and (F) in each row. Columns (H), (I), (J) and (K) show
14 the corresponding third party supplier commodity costs,
15 pipeline transportation commodity costs, pipeline
16 transportation reservation costs, and other charges
17 (e.g., balancing charges), respectively. These costs
18 are determined using the actual amounts paid by Peoples.
19 In the case of end-user transportation, these costs are
20 reimbursed to Peoples or paid directly to FGT. All ACA
21 and fuel charges are included in the commodity costs in
22 Column (I) and, therefore, are not shown in Column (K).
23 Column (L) in each row is the sum of Columns (H), (I),
24 (J) and (K) divided by Column (G).
25

1 **Q.** Please explain the components of these schedules and the
2 assumptions that were made in developing the Company's
3 projections.

4
5 **A.** Schedule E-1 shows the Cost of Gas Purchased, Therms
6 Purchased, and Cents per therm for all rate classes.

7
8 The costs associated with various categories or items
9 are shown on lines 1 through 14. Line 6 on Schedule E-1
10 includes legal expenses associated with various
11 interstate pipeline dockets such as tariff filings,
12 seasonal fuel filings and certification proceedings.
13 The volumes consumed for similar categories or items are
14 shown on lines 15 through 27, and the resulting
15 effective cost per therm rate for each similar category
16 or item is contained on lines 28 through 45. The data
17 shown on Schedule E-1 is calculated from Schedules E-3
18 (A) through (F) for the year ending December 31, 2019.

19
20 **Q.** What information is presented on Schedule E-1/R of
21 Composite Exhibit KMF-2?

22
23 **A.** Schedule E-1/R of Composite Exhibit KMF-2 shows seven
24 months actual and five months estimated data for the
25 current period from January 2018 through December 2018

1 for all customer classes.

2

3 **Q.** What information is presented on Schedule E-2 of
4 Composite Exhibit KMF-2?

5

6 **A.** Schedule E-2 of Composite Exhibit KMF-2 shows the amount
7 of the prior period over/under recoveries of gas costs
8 that are included in the current PGA calculation.

9

10 **Q.** What is the purpose of Schedule E-4 of Composite Exhibit
11 KMF-2?

12

13 **A.** Schedule E-4 of Composite Exhibit KMF-2 simply shows the
14 calculation of the estimated true-up amount for the
15 January 2018 through December 2018 period. It is based
16 on actual data for seven months and projected data for
17 five months.

18

19 **Q.** What information is contained on Schedule E-5 of
20 Composite Exhibit KMF-2?

21

22 **A.** Schedule E-5 of Composite Exhibit KMF-2 is statistical
23 data that includes the projected therm sales and numbers
24 of customers by customer class for the period from
25 January 2019 through December 2019.

1 **Q.** What is the appropriate cap factor for which Peoples
2 seeks approval?

3

4 **A.** The WACOG for which Peoples seeks approval as the annual
5 cap is a factor of \$1.02968 per therm as shown in
6 Schedule E-1. This annual cap will be applicable to all
7 rate classes.

8

9 **Q.** Does this conclude your testimony?

10

11 **A.** Yes, it does.

12

13

14

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**PEOPLES GAS SYSTEM
SCHEDULES SUPPORTING
PURCHASED GAS ADJUSTMENT
PROJECTION FILING FOR
January 2019 - December 2019**

PURCHASED GAS ADJUSTMENT (PGA)

INDEX

SCHEDULE	TITLE	PAGE
E-1	Original Estimate for the Period - Jan-Dec 2019	16
E1/R	Revised Estimate for the Period - Jan-Dec 2018	17
E-2	Calculation of True-Up Amount for Current Period - Jan-Dec 2018	20
E-3	Transportation Purchases System Supply and End Use	21
E-4	Calculation of True-Up Amount for Projected Period - Jan-Dec 2019	22
E-5	Therm Sales and Customer Data	23

ORIGINAL ESTIMATE FOR THE PROJECTED PERIOD: JANUARY '19 through DECEMBER '19

Combined For All Rate Classes

	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL PERIOD
COST OF GAS PURCHASED													
1 COMMODITY Pipeline	\$38,021	\$35,391	\$36,852	\$28,475	\$22,690	\$18,986	\$18,824	\$17,935	\$17,440	\$18,675	\$22,576	\$29,625	\$305,490
2 NO NOTICE SERVICE	\$49,640	\$44,836	\$34,822	\$30,831	\$31,859	\$30,831	\$31,859	\$31,859	\$30,831	\$31,859	\$33,699	\$49,640	\$432,566
3 SWING SERVICE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4 COMMODITY Other	\$5,988,547	\$5,929,746	\$5,161,065	\$3,966,285	\$3,064,831	\$2,622,742	\$2,452,272	\$2,344,388	\$2,391,920	\$2,495,883	\$3,176,760	\$4,288,646	\$43,883,085
5 DEMAND	\$7,583,118	\$7,132,897	\$7,992,995	\$7,101,300	\$6,064,576	\$5,940,992	\$6,232,469	\$6,328,969	\$5,952,007	\$7,573,098	\$8,425,805	\$8,688,994	\$85,017,220
6 OTHER	\$372,952	\$331,318	\$335,813	\$393,796	\$344,803	\$356,302	\$369,724	\$343,591	\$338,947	\$351,724	\$373,947	\$343,594	\$4,256,511
LESS END-USE CONTRACT:													
7 COMMODITY Pipeline	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8 DEMAND	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9 SWING SERVICE REVENUE	\$686,671	\$652,685	\$576,116	\$618,834	\$521,890	\$516,328	\$469,873	\$444,012	\$502,582	\$409,607	\$495,218	\$569,195	\$6,463,011
10													
11 TOTAL COST (1+2+3+4+5+6)-(7+8+9+10)	\$13,345,607	\$12,821,503	\$12,985,431	\$10,901,853	\$9,006,869	\$8,453,525	\$8,635,275	\$8,622,730	\$8,228,563	\$10,061,632	\$11,537,569	\$12,831,304	\$127,431,861
12 NET UNBILLED	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13 COMPANY USE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14 TOTAL THERM SALES	\$13,345,607	\$12,821,503	\$12,985,431	\$10,901,853	\$9,006,869	\$8,453,525	\$8,635,275	\$8,622,730	\$8,228,563	\$10,061,632	\$11,537,569	\$12,831,304	\$127,431,861
THERMS PURCHASED													
15 COMMODITY Pipeline	15,529,148	15,544,442	13,904,397	11,704,943	9,092,996	7,690,074	7,108,664	6,776,024	6,955,380	7,225,400	9,124,626	11,942,104	122,598,198
16 NO NOTICE SERVICE	10,385,000	9,380,000	7,285,000	6,450,000	6,665,000	6,450,000	6,665,000	6,665,000	6,450,000	6,665,000	7,050,000	10,385,000	90,495,000
17 SWING SERVICE	0	0	0	0	0	0	0	0	0	0	0	0	0
18 COMMODITY Other	15,474,796	15,490,037	13,855,732	11,663,975	9,061,171	7,663,159	7,083,784	6,752,307	6,931,037	7,200,111	9,092,690	11,900,307	122,169,106
19 DEMAND	121,232,320	113,865,920	127,346,140	112,464,300	93,169,880	91,444,800	96,097,520	97,667,670	91,685,175	118,386,210	134,379,900	138,579,610	1,336,319,445
20 OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0
LESS END-USE CONTRACT:													
21 COMMODITY Pipeline	0	0	0	0	0	0	0	0	0	0	0	0	0
22 DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0
23 OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0
24 TOTAL PURCHASES (17+18)	15,474,796	15,490,037	13,855,732	11,663,975	9,061,171	7,663,159	7,083,784	6,752,307	6,931,037	7,200,111	9,092,690	11,900,307	122,169,106
25 NET UNBILLED	0	0	0	0	0	0	0	0	0	0	0	0	0
26 COMPANY USE	0	0	0	0	0	0	0	0	0	0	0	0	0
27 TOTAL THERM SALES (24-26)	15,474,796	15,490,037	13,855,732	11,663,975	9,061,171	7,663,159	7,083,784	6,752,307	6,931,037	7,200,111	9,092,690	11,900,307	122,169,106
CENTS PER THERM													
28 COMMODITY Pipeline (1/15)	0.00245	0.00228	0.00265	0.00243	0.00250	0.00247	0.00265	0.00265	0.00251	0.00258	0.00247	0.00248	0.00249
29 NO NOTICE SERVICE (2/16)	0.00478	0.00478	0.00478	0.00478	0.00478	0.00478	0.00478	0.00478	0.00478	0.00478	0.00478	0.00478	0.00478
30 SWING SERVICE (3/17)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
31 COMMODITY Other (4/18)	0.38699	0.38281	0.37249	0.34005	0.33824	0.34225	0.34618	0.34720	0.34510	0.34665	0.34938	0.36038	0.35920
32 DEMAND (5/19)	0.06255	0.06264	0.06277	0.06314	0.06509	0.06497	0.06486	0.06480	0.06492	0.06397	0.06270	0.06270	0.06362
33 OTHER (6/20)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
LESS END-USE CONTRACT:													
34 COMMODITY Pipeline (7/21)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
35 DEMAND (8/22)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
36 OTHER (9/23)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
37 TOTAL COST OF PURCHASES (11/24)	0.86241	0.82773	0.93719	0.93466	0.99401	1.10314	1.21902	1.27701	1.18721	1.39743	1.26888	1.07823	1.04308
38 NET UNBILLED (12/25)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
39 COMPANY USE (13/26)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
40 TOTAL COST OF THERMS SOLD (11/27)	0.86241	0.82773	0.93719	0.93466	0.99401	1.10314	1.21902	1.27701	1.18721	1.39743	1.26888	1.07823	1.04308
41 TRUE-UP (E-4)	(0.01855)	(0.01855)	(0.01855)	(0.01855)	(0.01855)	(0.01855)	(0.01855)	(0.01855)	(0.01855)	(0.01855)	(0.01855)	(0.01855)	(0.01855)
42 TOTAL COST OF GAS (40+41)	0.84386	0.80918	0.91864	0.91611	0.97546	1.08459	1.20047	1.25846	1.16866	1.37888	1.25033	1.05968	1.02453
43 REVENUE TAX FACTOR	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503
44 PGA FACTOR ADJUSTED FOR TAXES (42x43)	0.84810	0.81325	0.92326	0.92072	0.98036	1.09004	1.20651	1.26479	1.17453	1.38581	1.25662	1.06501	1.02968
45 PGA FACTOR ROUNDED TO NEAREST .001	84.810	81.325	92.326	92.072	98.036	109.004	120.651	126.479	117.453	138.581	125.662	106.501	102.968

COMPANY: PEOPLES GAS SYSTEM

PURCHASED GAS ADJUSTMENT

Docket No. 20180003-GU

SCHEDULE E-1/R

COST RECOVERY CLAUSE CALCULATION

PGA CAP 2019

REVISED ESTIMATE FOR THE PROJECTED PERIOD:

JANUARY '18 THROUGH DECEMBER '18

Exhibit KMF-2, Page 1 of 3

Combined For All Rate Classes

COST OF GAS PURCHASED	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	REV.PROJ.	REV.PROJ.	REV.PROJ.	REV.PROJ.	REV.PROJ.	REV.PROJ.
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
1 COMMODITY (Pipeline)	\$203,145	\$25,163	\$33,576	(\$590,143)	\$44,406	\$58,141	\$71,385	\$87,989	\$72,204	\$50,336	\$49,745	\$74,094	\$180,040
1a COMMODITY (Pipeline)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1b COMMODITY (Pipeline)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1c COMMODITY (Pipeline)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2 NO NOTICE SERVICE	\$49,640	\$44,836	\$34,822	\$30,831	\$31,859	\$30,831	\$31,859	\$31,859	\$30,831	\$31,859	\$33,699	\$49,640	\$432,566
3 SWING SERVICE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4 COMMODITY Other (THIRD PARTY)	\$16,580,682	\$4,700,286	\$6,381,149	\$4,828,957	\$6,608,283	\$8,796,566	\$10,434,258	\$1,592,719	\$1,776,910	\$1,787,034	\$2,429,497	\$3,605,432	\$69,521,775
5 DEMAND	\$6,007,747	\$5,732,081	\$6,664,211	\$5,809,496	\$4,802,400	\$4,394,586	\$4,605,540	\$5,260,126	\$4,974,551	\$6,550,716	\$7,397,154	\$7,635,656	\$69,834,265
5a DEMAND	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5b DEMAND	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5c DEMAND	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6 OTHER	\$254,161	\$244,117	\$243,605	\$356,530	\$237,441	\$215,112	\$233,435	\$350,020	\$332,020	\$335,407	\$367,020	\$344,520	\$3,513,387
LESS END-USE CONTRACT													
7 COMMODITY (Pipeline)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8 DEMAND	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9 SWING SERVICE REVENUE	\$686,671	\$652,685	\$576,116	\$618,834	\$521,890	\$516,328	\$469,873	\$444,012	\$502,582	\$409,607	\$495,218	\$569,195	\$6,463,011
10													
11 TOTAL COST	\$22,408,705	\$10,093,799	\$12,781,246	\$9,816,837	\$11,202,500	\$12,978,909	\$14,906,603	\$6,878,701	\$6,683,934	\$8,345,744	\$9,781,898	\$11,140,146	\$137,019,021
12 NET UNBILLED	\$3,320,457	(\$1,256,969)	(\$1,915,164)	\$166,707	(\$1,300,898)	(\$719,876)	(\$212,038)	\$0	\$0	\$0	\$0	\$0	(\$1,917,781)
13 COMPANY USE	(\$8,945)	\$22,995	\$12,941	\$42,910	\$2,143	\$32,488	\$42,937	\$0	\$0	\$0	\$0	\$0	\$147,470
14 TOTAL THERM SALES	\$27,636,666	\$16,225,286	\$10,080,429	\$13,416,897	\$11,062,979	\$13,410,683	\$14,988,379	\$4,856,240	\$6,010,474	\$5,486,003	\$7,930,474	\$10,671,178	\$141,775,687

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COMPANY: PEOPLES GAS SYSTEM

PURCHASED GAS ADJUSTMENT

Docket No. 20180003-GU

SCHEDULE E-1/R

COST RECOVERY CLAUSE CALCULATION

PGA CAP 2019

REVISED ESTIMATE FOR THE PROJECTED PERIOD:

JANUARY '18 Through DECEMBER '18

Exhibit KMF-2, Page 2 of 3

Combined For All Rate Classes

THERMS PURCHASED	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	REV.PROJ.	REV.PROJ.	REV.PROJ.	REV.PROJ.	REV.PROJ.	REV.PROJ.
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
15 COMMODITY (Pipeline)	37,137,060	12,934,520	20,447,070	14,163,510	19,355,500	25,864,370	31,556,870	39,201,680	32,303,470	21,882,610	21,702,740	32,528,040	309,077,440
15a COMMODITY (Pipeline)	0	0	0	0	0	0	0	0	0	0	0	0	0
15b COMMODITY (Pipeline)	0	0	0	0	0	0	0	0	0	0	0	0	0
15c COMMODITY (Pipeline)	0	0	0	0	0	0	0	0	0	0	0	0	0
16 NO NOTICE SERVICE	10,385,000	9,380,000	7,285,000	6,450,000	6,665,000	6,450,000	6,665,000	6,665,000	6,450,000	6,665,000	7,050,000	10,385,000	90,495,000
17 SWING SERVICE	0	0	0	0	0	0	0	0	0	0	0	0	0
18 COMMODITY Other (THIRD PARTY)	42,247,645	12,833,102	24,480,759	18,503,843	23,567,212	30,491,816	36,300,552	6,356,718	6,674,439	6,778,187	9,002,471	11,235,284	228,472,027
19 DEMAND	105,688,530	97,320,610	123,277,200	107,205,400	89,066,710	79,478,400	82,953,000	90,737,000	85,824,375	112,381,820	128,072,400	132,224,610	1,234,230,055
19a DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0
19b DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0
19c DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0
20 OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0
LESS END-USE CONTRACT													
21 COMMODITY (Pipeline)	0	0	0	0	0	0	0	0	0	0	0	0	0
22 DEMAND	0	0	0	0	0	0	0	0	0	0	0	0	0
23 OTHER	0	0	0	0	0	0	0	0	0	0	0	0	0
24 TOTAL PURCHASES (17+18)	42,247,645	12,833,102	24,480,759	18,503,843	23,567,212	30,491,816	36,300,552	6,356,718	6,674,439	6,778,187	9,002,471	11,235,284	228,472,027
25 NET UNBILLED	3,080,258	(1,305,575)	(1,807,341)	179,607	(1,401,558)	(663,549)	(236,794)	0	0	0	0	0	(2,154,952)
26 COMPANY USE	18,798	51,800	38,912	21,260	19,300	102,762	50,552	0	0	0	0	0	303,385
27 TOTAL THERM SALES (24-26)	34,125,373	25,107,070	18,732,103	21,793,644	23,082,309	31,066,589	36,433,149	6,356,718	6,674,439	6,778,187	9,002,471	11,235,284	230,397,336

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DOCKET NO. 20180003-GU
 PGA 2019 CAP FACTOR
 EXHIBIT KMF-2, SCHEDULE E-1/R

COMPANY: PEOPLES GAS SYSTEM

PURCHASED GAS ADJUSTMENT

Docket No. 20180003-GU

SCHEDULE E-1/R

COST RECOVERY CLAUSE CALCULATION

PGA CAP 2019

REVISED ESTIMATE FOR THE PROJECTED PERIOD:

JANUARY '18 Through DECEMBER '18

Exhibit KMF-2, Page 3 of 3

Combined For All Rate Classes

CENTS PER THERM		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	REV.PROJ.	REV.PROJ.	REV.PROJ.	REV.PROJ.	REV.PROJ.	REV.PROJ.	
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	
28	COMMODITY (Pipeline)	(1/15)	0.00547	0.00195	0.00164	(0.04167)	0.00229	0.00225	0.00226	0.00224	0.00224	0.00230	0.00229	0.00228	0.00058
28a	COMMODITY (Pipeline)	(1a/15a)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
28b	COMMODITY (Pipeline)	(1b/15b)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
28c	COMMODITY (Pipeline)	(1c/15c)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
29	NO NOTICE SERVICE	(2/16)	0.00478	0.00478	0.00478	0.00478	0.00478	0.00478	0.00478	0.00478	0.00478	0.00478	0.00478	0.00478	0.00478
30	SWING SERVICE	(3/17)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
31	COMM. Other (THIRD PARTY)	(4/18)	0.39246	0.36626	0.26066	0.26097	0.28040	0.28849	0.28744	0.25056	0.26623	0.26364	0.26987	0.32090	0.30429
32	DEMAND	(5/19)	0.05684	0.05890	0.05406	0.05419	0.05392	0.05529	0.05552	0.05797	0.05796	0.05829	0.05776	0.05775	0.05658
32a	DEMAND	(5a/19a)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
32b	DEMAND	(5b/19b)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
32c	DEMAND	(5c/19c)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
33	OTHER	(6/20)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
LESS END-USE CONTRACT															
34	COMMODITY Pipeline	(7/21)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
35	DEMAND	(8/22)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
36	OTHER	(9/23)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
37	TOTAL COST OF PURCHASES	(11/24)	0.53041	0.78654	0.52209	0.53053	0.47534	0.42565	0.41064	1.08212	1.00142	1.23126	1.08658	0.99153	0.59972
38	NET UNBILLED	(12/25)	1.07798	0.96277	1.05966	0.92818	0.92818	1.08489	0.89545	0.00000	0.00000	0.00000	0.00000	0.00000	0.88994
39	COMPANY USE	(13/26)	(0.47583)	0.44392	0.33256	2.01833	0.11102	0.31615	0.84937	0.00000	0.00000	0.00000	0.00000	0.00000	0.48608
40	TOTAL COST OF THERMS SOLD	(11/27)	0.65666	0.40203	0.68232	0.45044	0.48512	0.41778	0.40915	1.08212	1.00142	1.23126	1.08658	0.99153	0.59471
41	TRUE-UP	(E-4)	0.03069	0.03069	0.03069	0.03069	0.03069	0.03069	0.03069	0.03069	0.03069	0.03069	0.03069	0.03069	0.03069
42	TOTAL COST OF GAS	(40+41)	0.68735	0.43272	0.71301	0.48113	0.51581	0.44847	0.43984	1.11281	1.03211	1.26195	1.11727	1.02222	0.62540
43	REVENUE TAX FACTOR		1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503	1.00503
44	PGA FACTOR ADJUSTED FOR TAXES	(42x43)	0.69081	0.43490	0.71659	0.48356	0.51840	0.45072	0.44205	1.11840	1.03730	1.26830	1.12289	1.02736	0.62854
45	PGA FACTOR ROUNDED TO NEAREST .001		69.081	43.490	71.659	48.356	51.840	45.072	44.205	111.840	103.730	126.830	112.289	102.736	62.854

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COMPANY: PEOPLES GAS SYSTEM
SCHEDULE E-2

CALCULATION OF TRUE-UP AMOUNT

Docket No. 20180003-GU
PGA CAP 2019
Exhibit KMF-2, Page 1 of 1

FOR THE CURRENT PERIOD: JANUARY '18 THROUGH DECEMBER '18

	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	REV.PROJ.	REV.PROJ.	REV.PROJ.	REV.PROJ.	REV.PROJ.	REV. PROJ.
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL PERIOD
TRUE-UP CALCULATION													
1 PURCHASED GAS COST	\$16,589,627	\$4,677,291	\$6,368,208	\$4,786,047	\$6,606,141	\$8,764,078	\$10,391,320	\$1,592,719	\$1,776,910	\$1,787,034	\$2,429,497	\$3,605,432	\$69,374,305
2 TRANSPORTATION COST	5,828,023	5,393,512	6,400,097	4,987,880	4,594,217	4,182,343	4,472,345	5,285,982	4,907,024	6,558,710	7,352,401	7,534,714	67,497,247
3 TOTAL	22,417,650	10,070,804	12,768,305	9,773,926	11,200,357	12,946,421	14,863,665	6,878,701	6,683,934	8,345,744	9,781,898	11,140,146	136,871,552
4 FUEL REVENUES (NET OF REVENUE TAX)	27,636,666	16,225,286	10,080,429	13,416,897	11,062,979	13,410,683	14,988,379	4,856,240	6,010,474	5,486,003	7,930,474	10,671,178	141,775,687
5 TRUE-UP REFUNDED/(COLLECTED)	(292,032)	(292,032)	(292,032)	(292,032)	(292,032)	(292,032)	(292,032)	(292,032)	(292,032)	(292,032)	(292,032)	(292,029)	(3,504,381)
6 FUEL REVENUE APPLICABLE TO PERIOD (LINE 4 + LINE 5)	27,344,634	15,933,254	9,788,397	13,124,865	10,770,947	13,118,651	14,696,347	4,564,208	5,718,442	5,193,971	7,638,442	10,379,149	138,271,306
7 TRUE-UP PROVISION - THIS PERIOD (LINE 6 - LINE 3)	4,926,984	5,862,451	(2,979,909)	3,350,938	(429,410)	172,230	(167,319)	(2,314,493)	(965,492)	(3,151,774)	(2,143,456)	(760,997)	1,399,753
8 INTEREST PROVISION-THIS PERIOD (21)	(285)	7,008	10,442	11,887	14,614	15,470	16,526	14,987	12,788	9,894	6,024	4,119	123,474
9 BEGINNING OF PERIOD TRUE-UP AND INTEREST	(2,834,666)	2,384,065	8,545,556	5,868,121	9,522,978	9,400,214	9,953,194	10,094,426	8,086,952	7,426,280	4,576,432	2,731,032	(2,834,666)
10 TRUE-UP COLLECTED OR (REFUNDED) (REVERSE OF LINE 5)	292,032	292,032	292,032	292,032	292,032	292,032	292,032	292,032	292,032	292,032	292,032	292,029	3,504,381
10a OVER EARNINGS REFUND	0	0	0	0	0	0	0	0	0	0	0	0	0
11 TOTAL ESTIMATED/ACTUAL TRUE-UP (7+8+9+10+10a)	2,384,065	8,545,556	5,868,121	9,522,978	9,400,214	9,879,946	10,094,433	8,086,952	7,426,280	4,576,432	2,731,032	2,266,183	2,192,942
11a REFUNDS FROM PIPELINE	0	0	0	0	0	73,248	(7)	0	0	0	0	0	73,241
12 ADJ TOTAL EST/ACT TRUE-UP(11+11a)	2,384,065	8,545,556	5,868,121	9,522,978	9,400,214	9,953,194	10,094,426	8,086,952	7,426,280	4,576,432	2,731,032	2,266,183	\$2,266,183
INTEREST PROVISION													
12 BEGINNING TRUE-UP AND INTEREST PROVISION (9)	(2,834,666)	2,384,065	8,545,556	5,868,121	9,522,978	9,400,214	9,953,194	10,094,426	8,086,952	7,426,280	4,576,432	2,731,032	
13 ENDING TRUE-UP BEFORE INTEREST (12+7-5+10a)	2,384,350	8,538,548	5,857,679	9,511,091	9,385,600	9,937,724	10,077,900	8,071,965	7,413,492	4,566,538	2,725,008	2,262,064	
14 TOTAL (12+13)	(450,316)	10,922,613	14,403,235	15,379,212	18,908,578	19,337,938	20,031,094	18,166,391	15,500,444	11,992,818	7,301,440	4,993,096	
15 AVERAGE (50% OF 14)	(225,158)	5,461,306	7,201,617	7,689,606	9,454,289	9,668,969	10,015,547	9,083,196	7,750,222	5,996,409	3,650,720	2,496,548	
16 INTEREST RATE - FIRST DAY OF MONTH	1.58	1.46	1.62	1.86	1.85	1.86	1.98	1.98	1.98	1.98	1.98	1.98	
17 INTEREST RATE - FIRST DAY OF SUBSEQUENT MONTH	1.46	1.62	1.86	1.85	1.86	1.98	1.98	1.98	1.98	1.98	1.98	1.98	
18 TOTAL (16+17)	3.040	3.080	3.480	3.710	3.710	3.840	3.960	3.960	3.960	3.960	3.960	3.960	
19 AVERAGE (50% OF 18)	1.520	1.540	1.740	1.855	1.855	1.920	1.980	1.980	1.980	1.980	1.980	1.980	
20 MONTHLY AVERAGE (19/12 Months)	0.12667	0.12833	0.14500	0.15458	0.15458	0.16000	0.16500	0.16500	0.16500	0.16500	0.16500	0.16500	
21 INTEREST PROVISION (15x20)	(\$285)	\$7,008	\$10,442	\$11,887	\$14,614	\$15,470	\$16,526	\$14,987	\$12,788	\$9,894	\$6,024	\$4,119	

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DOCKET NO. 20180003-GU
PGA 2019 CAP FACTOR
EXHIBIT KMF-2, SCHEDULE E-2

COMPANY: PEOPLES GAS SYSTEM
SCHEDULE E-3

TRANSPORTATION PURCHASES
SYSTEM SUPPLY AND END USE

Docket No. 20180003-GU
PGA CAP 2019
Exhibit KMF-2, Page 1 of 1

ESTIMATED FOR THE PROJECTED PERIOD OF:

JANUARY '19 THROUGH DECEMBER '19

(A)	(B) PURCHASED FROM	(C) PURCHASED FOR	(D) SCH TYPE	(E) SYSTEM SUPPLY	(F) END USE	(G) TOTAL PURCHASED	(H) & (I) COMMODITY COST		(J) DEMAND COST	(K) OTHER CHARGES ACA/FUEL	(L) TOTAL CENTS PER THERM
							THIRD PARTY	PIPELINE			
							1	FGT			
2	FGT	PGS	FTS-2 COMM	8,425,562		8,425,562		\$18,283		\$0.217	
3	FGT	PGS	FTS-1 DEMAND	655,282,615		655,282,615			\$36,107,257	\$5.510	
4	FGT	PGS	FTS-2 DEMAND	148,050,280		148,050,280			\$9,123,171	\$6.162	
5	FGT	PGS	FTS-3 DEMAND	108,425,200		108,425,200			\$10,734,095	\$9.900	
6	FGT	PGS	NO NOTICE	90,495,000		90,495,000			\$432,566	\$0.478	
7	SONAT	PGS	SONAT COMM	10,137,441		10,137,441		\$63,156		\$0.623	
8	SONAT	PGS	SONAT DEMAND	208,411,350		208,411,350			\$9,779,738	\$4.693	
9	GULFSTREAM	PGS	GULFSTREAM COMM	42,640,636		42,640,636		\$90,825		\$0.213	
10	GULFSTREAM	PGS	GULFSTREAM DEMAND	129,280,000		129,280,000			\$7,204,599	\$5.573	
11	SEACOAST	PGS	SEACOAST DEMAND	13,870,000		13,870,000			\$388,360	\$2.800	
12	SABAL TRAIL	PGS	SABAL TRAIL DEMAND	73,000,000		73,000,000			\$11,680,000	\$0.000	
13	THIRD PARTY	PGS	COMMODITY	122,169,106		122,169,106	\$43,883,085			\$35.920	
14	FGT	PGS	BAL. CHGS./OTHER	0		0			\$4,256,511	\$0.000	
15	FGT	PGS	SWING SERVICE REV.	0		0			(\$6,463,011)	\$0.000	
16	TOTAL			1,671,581,749	0	1,671,581,749	\$43,883,085	\$305,490	\$85,449,786	(\$2,206,500)	\$7.623

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COMPANY: PEOPLES GAS SYSTEM
SCHEDULE E-4

CALCULATION OF TRUE-UP AMOUNT
PROJECTED PERIOD

Docket No. 20180003-GU
PGA CAP 2019
Exhibit KMF-2, Page 1 of 1

ESTIMATED FOR THE PROJECTED PERIOD: JANUARY '19 through DECEMBER '19

	PRIOR PERIOD: JAN '17 - DEC '17			CURRENT PERIOD: JAN '18 - DEC '18	
	(1) 7 MOS. ACT. 5 MOS. REVISED EST.	(2) ACTUAL	(3) (2)-(1) DIFFERENCE	(4) 7 MOS. ACT. 5 MOS. REVISED EST.	(5) (3)+(4) TOTAL TRUE-UP
1 TOTAL THERM SALES \$	\$114,706,533	\$151,348,695	\$36,642,162	\$138,271,306	\$174,913,468
2 TRUE-UP PROVISION FOR THIS PERIOD OVER (UNDER) COLLECTION	(\$4,623,487)	(\$3,954,425)	\$669,062	\$1,399,753	\$2,068,814
2a MISCELLANEOUS ADJUSTMENTS	\$20,766	\$20,921	\$155	\$73,241	\$73,396
3 INTEREST PROVISION FOR THIS PERIOD	\$8,356	\$8,855	\$499	\$123,474	\$123,973
3a TRUE-UP (COLLECTED) OR REFUNDED	\$0	\$0	\$0	\$0	\$0
4 END OF PERIOD TOTAL NET TRUE-UP	(\$4,594,365)	(\$3,924,649)	\$669,716	\$1,596,468	\$2,266,183

NOTE: SEVEN MONTHS ACTUAL FIVE MONTHS REVISED ESTIMATE DATA OBTAINED FROM CURRENT PERIOD SCHEDULE (E-2).

COL.(1)SAME AS COL. (4 Less Line 3a) PRIOR PER. SCH.(E-4)	<u>TOTAL TRUE-UP \$</u>	equals	CENTS PER THERM TRUE-UP
COL.(2)DATA OBTAINED FROM DEC'17 SCHEDULE (A-2)	<u>PROJ. TH. SALES</u>		
LINE 4 COLUMN (2) SAME AS LINE 7 SCHEDULE (A-7), Dec'17			
LINE 4 COLUMN (3) SAME AS LINE 9 SCHEDULE (A-7), Dec'17	<u>\$2,266,183</u>	equals	0.01855
LINE 2 COLUMN (4) SAME AS LINE 7 SCHEDULE (E-2)	122,169,106		
LINE 2a COLUMN (4) SAME AS LINES 10a + 11a SCHEDULE (E-2)			
LINE 3 COLUMN (4) SAME AS LINE 8 SCHEDULE (E-2)			

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COMPANY: PEOPLES GAS SYSTEM		THERM SALES AND CUSTOMER DATA										Docket No. 20180003-GU	
SCHEDULE E-5												PGA CAP 2019	
ESTIMATED FOR THE PROJECTED PERIOD:		JANUARY '19 Through DECEMBER '19										Exhibit KMF-2, Page 1 of 1	
	Projected JAN	Projected FEB	Projected MAR	Projected APR	Projected MAY	Projected JUN	Projected JUL	Projected AUG	Projected SEP	Projected OCT	Projected NOV	Projected DEC	Projected TOTAL
PGA COST													
1	\$5,988,547	\$5,929,746	\$5,161,065	\$3,966,285	\$3,064,831	\$2,622,742	\$2,452,272	\$2,344,388	\$2,391,920	\$2,495,883	\$3,176,760	\$4,288,646	\$43,883,085
2	\$6,984,108	\$6,560,439	\$7,488,553	\$6,541,772	\$5,597,235	\$5,474,481	\$5,813,279	\$5,934,751	\$5,497,696	\$7,214,025	\$7,986,862	\$8,199,064	\$79,292,265
3	\$297,337	\$255,702	\$260,197	\$318,181	\$269,187	\$280,687	\$294,108	\$267,975	\$263,331	\$276,108	\$298,331	\$267,978	\$3,349,122
4	\$33,949	\$33,949	\$33,949	\$33,949	\$33,949	\$33,949	\$33,949	\$33,949	\$33,949	\$33,949	\$33,949	\$33,949	\$407,388
5	\$41,667	\$41,667	\$41,667	\$41,667	\$41,667	\$41,667	\$41,667	\$41,667	\$41,667	\$41,667	\$41,667	\$41,664	\$500,001
6	\$13,345,608	\$12,821,503	\$12,985,431	\$10,901,854	\$9,006,869	\$8,453,526	\$8,635,275	\$8,622,730	\$8,228,563	\$10,061,632	\$11,537,569	\$12,831,301	\$127,431,861
PGA THERM SALES													
7	10,254,484	10,204,868	8,874,699	7,103,728	5,138,575	4,008,679	3,501,787	3,344,440	3,460,224	3,724,812	5,033,443	7,317,134	71,966,874
8	5,220,311	5,285,168	4,981,032	4,560,247	3,922,596	3,654,480	3,581,997	3,407,867	3,470,812	3,475,299	4,059,247	4,583,173	50,202,230
9	15,474,796	15,490,037	13,855,732	11,663,975	9,061,171	7,663,159	7,083,784	6,752,307	6,931,037	7,200,111	9,092,690	11,900,307	122,169,106
PGA REVENUES													
10	\$8,696,828	\$8,299,109	\$8,193,655	\$6,540,544	\$5,037,654	\$4,369,620	\$4,224,942	\$4,230,014	\$4,064,137	\$5,161,882	\$6,325,125	\$7,792,820	\$72,936,331
11	\$4,648,780	\$4,522,394	\$4,791,776	\$4,361,310	\$3,969,215	\$4,083,906	\$4,410,333	\$4,392,716	\$4,164,426	\$4,899,750	\$5,212,444	\$5,038,481	\$54,495,530
12	\$13,345,608	\$12,821,503	\$12,985,431	\$10,901,854	\$9,006,869	\$8,453,526	\$8,635,275	\$8,622,730	\$8,228,563	\$10,061,632	\$11,537,569	\$12,831,301	\$127,431,861
NUMBER OF CUSTOMERS (Average for YTD)													
13	356,308	358,105	359,884	360,523	360,249	360,441	360,869	360,366	360,333	360,788	362,064	363,714	360,304
14	15,430	15,482	15,543	15,557	15,563	15,594	15,618	15,626	15,639	15,673	15,715	15,781	15,602
15	371,738	373,587	375,428	376,081	375,812	376,035	376,487	375,991	375,972	376,461	377,779	379,495	375,905

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