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October 15, 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 electronic filing in the above docket on behalf of Peoples Gas System, please find the Prehearing Statement of Peoples Gas System. We attempted to file this on Friday, 10/12/18, but your offices were closed due to Hurricane Michael, so please accept for filing the attached Prehearing Statement of Peoples Gas System.

Your assistance in this matter is greatly appreciated.

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:  
10-15-18

**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 November 5, 2018.

**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 2017 - December 2017; estimated PGA true-up amounts for January 2018- December 2018; total PGA true-up amount for January 2018 - December 2018; and levelized PGA cost recovery (cap) factor for January 2019 - December 2019	1-6

**B. EXHIBITS**

<u>Exhibit</u>	<u>Witness</u>	<u>Description</u>
_____ (KMF-1)	Floyd	Calculation of final true-up for January 2017 - December 2017 (Schedule A-7)
_____ KMF-2)	Floyd	Calculation of estimated true-up for January 2018 - December 2018; total

true-up for January 2017 – December 2017); calculation of PGA factor for January 2019 – December 2019 (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 \$669,716 over-recovery for the period January 2017 through December 2017; its actual/estimated PGA true-up amount of \$1,596,468 over-recovery for the period January 2018 through December 2018; and its levelized PGA (cap) factor of \$1.02968 per therm for the period January 2019 through December 2019. (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 2017 through December 2017?**

**PGS: \$669,716 over-recovery (Floyd)**

**ISSUE 2: What are the actual/estimated purchased gas adjustment true-up amounts for the period January 2018 through December 2018?**

**PGS: \$1,596,468 over-recovery (Floyd)**

**ISSUE 3: What are the total purchased gas adjustment true-up amounts to be collected during the period January 2019 through December 2019?**

**PGS: \$2,266,183 over-recovery (Floyd)**

**ISSUE 4: What are the levelized purchased gas cost recovery (cap) factors for the period January 2018 through December 2018?**

**PGS: \$1.02968 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 2019 through December 2019. Billing cycles may start**

before January 1, 2019, and the last cycle may be read after December 31, 2019, so that each customer is billed for twelve months regardless of when the adjustment charge became effective. (Floyd)

**ISSUE 6:** **Should the Commission approve revised tariffs reflecting the new purchased gas adjustment charges determined to be appropriate in this proceeding?**

**PGS:** The Commission should approve revised tariffs reflecting the new purchased gas adjustment charges determined to be appropriate in this proceeding. The Commission should direct staff to verify that the revised tariffs are consistent with the Commission's decision. (Floyd)

E. **STIPULATED ISSUES**

None as to PGS.

F. **PENDING MOTIONS**

None as to PGS.

G. **PENDING CONFIDENTIALITY CLAIMS OR REQUESTS**

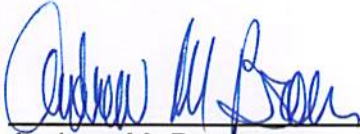
PGS has no pending confidentiality claims or requests at this time.

H. **COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE**

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

Dated this 15th day of October, 2018.

Respectfully submitted,



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Attorneys for Peoples Gas System

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing Prehearing Statement have been furnished by electronic mail this 15th day of October 2018, to the following:

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