Marguerite Lockard

From:

Ansley Watson, JR. [AW@macfar.com]

Sent:

Friday, October 12, 2007 3:09 PM

To:

Filings@psc.state.fl.us

Cc:

Kandi Floyd; RegDept@tecoenergy.com; Matt Costa; Katherine Fleming

Subject:

Docket No. 070003-GU

Attachments: prehearingst-PGS-PGA (2) (2).doc

a. Ansley Watson, Jr.

Macfarlane Ferguson & McMullen

P. O. Box 1531

Tampa, Florida 33601 Phone: (813) 273-4321 Fax: (813) 273-4396 E-mail: aw@macfar.com

- b. Docket No. 070003-GU -Purchased Gas Adjustment (PGA) True-Up
- c. Peoples Gas System
- d. Total of four (4) pages
- e. The attached document consists of Peoples Gas System's Prehearing Statement in the above docket

Ansley Watson, Jr.
Macfarlane Ferguson & McMullen
P. O. Box 1531
Tampa, Florida 33601

Phone: (813) 273-4321 Fax: (813) 273-4396 E-mail: aw@macfar.com

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

| In re: Purchased gas adjustment (PGA) true-up. | |)) _) | DOCKET NO. 070003-GI Submitted for filing: 10-12-07 | J |
|--|---|---|---|---------------|
| 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 November | | | | |
| 6-8, 2007. | | | | |
| A. | WITNESSES | | | |
| | Witness | Subject Mat | <u>ter</u> | <u>Issues</u> |
| | (Direct) | | | |
| | W. Edward Elliott (PGS) | sales and we cost of gas final PGA true-u January 200 2007; total amount for December levelized recovery (cost of gas and the covery (cost of | as costs, therm eighted average s ("WACOG"); rue-up amount ary 2006 - 2006; estimated p amounts for 07 – December PGA true-up January 2008 – 2008; and PGA cost eap) factor for | 1-5 |

B. <u>EXHIBITS</u>

Exhibit Witness Description

Elliott Calculation of final true-up for January 2006 – December 2006 (Schedule A-7)

2008

0001 MENT NUMBER-DATE 09378 CCT 125 FPSC-COMPHISSION CLERK _____Elliott

(EE-2)

Calculation of estimated true-up for January 2007 – December 2007; total true-up for January 2008 – December 2008); calculation of PGA factor for January 2008 – December 2008 (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 \$1,456,054 (underrecovery) for the period January 2006 through December 2006; its estimated PGA true-up amount of \$7,251,014 (overrecovery) for the period January 2007 through December 2007; and its levelized PGA (cap) factor of \$1.31810 per therm for the period January 1, 2008 through December 31, 2008. (Elliott)

D. <u>STATEMENT OF ISSUES AND POSITIONS</u>

Generic Purchased Gas Adjustment Issues

ISSUE 1: What are the appropriate final purchased gas adjustment true-up amounts for the period January 2006 through December 2006?

PGS: \$1,456,054 underrecovery (Elliott)

ISSUE 2: What are the estimated purchased gas adjustment true-up amounts for the period January 2007 through December 2007?

PGS: \$7,251,014 overrecovery (Elliott)

ISSUE 3: What are the total purchased gas adjustment true-up amounts to be collected or refunded during the period January 2008 through December 2008?

PGS: \$5,794,960 overrecovery (Elliott)

ISSUE 4: What are the appropriate levelized purchased gas cost recovery (cap) factors for the period January 2008 through December 2008?

PGS: \$1.31810 per therm (Elliott)

<u>ISSUE 5</u>: 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 2008 through December 2008. Billing cycles may start before January 1, 2008, and the last cycle may be read after December 31, 2008, so that each customer is billed for twelve months regardless of when the adjustment charge became effective. (Elliott)

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 12th day of October, 2007.

Respectfully submitted,

s/Ansley Watson, Jr.
Ansley Watson, Jr.
Macfarlane Ferguson & McMullen
P. O. Box 1531
Tampa, Florida 33601-1531
Phone: (813) 273-4321

Fax: (813) 273-4396 E-mail: aw@macfar.com

Attorneys for Peoples Gas System

Matthew R. Costa Corporate Counsel TECO Energy, Inc. P. O. Box 111

Tampa, Florida 33601-0111 Phone: (813) 228-4938 Fax: (813) 228-1328

E-mail: mcosta@tecoenergy.com

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing Prehearing Statement has been furnished by U. S. Mail this 12th day of October, 2007, to the following:

Katherine E. Fleming, Esquire Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Florida Public Utilities Company Cheryl Martin/John T. English P. O. Box 3395 West Palm Beach, FL 33402-3395

Beth Keating, Esquire Akerman Senterfitt 106 E. College Ave., Suite 1200 Tallahassee, FL 32301

Mr. Stuart L. Shoaf St. Joe Natural Gas Company, Inc P. O. Box 549 Port St. Joe, FL 32457-0549

Ms. Paula K. Brown Regulatory Affairs Peoples Gas System P. O. Box 111 Tampa, FL 33601-0111 Mr. Charles A. Rawson, III Florida City Gas 4180 South U.S. Highway 1 Rockledge, FL 32955-5309

Norman H. Horton, Jr., Esquire Messer, Caparello & Self, P.A. P.O. Box 15579 Tallahassee, FL 32317

Charles Beck/Patricia Christensen Office of Public Counsel c/o The Florida Legislature 111 W. Madison St. - #812 Tallahassee, FL 32399-1400

Elizabeth Wade/Melvin Williams AGL Resources Inc. Ten Peachtree Place Location 1470 Atlanta, GA 30309

s/Ansley Watson, Jr. Ansley Watson, Jr.