Diamond Williams

100003 - GU

From:

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

Sent:

Wednesday, October 13, 2010 3:55 PM

To:

Filings@psc.state.fl.us

Cc:

Floyd, Kandi M.; Brown, Paula K.; Katherine Fleming

Subject:

Docket No. 100003-GU

Attachments: 100003 - prehearing stat-PGS-PGA (3).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. 100003-GU – Purchased gas adjustment (PGA) true-up

c. Peoples Gas System

d. Total of 4 pages

e. The attached document is Peoples' Prehearing Statement in the above docket.

Ansley Watson, Jr.

Macfarlane Ferguson & McMullen One Tampa City Center P.O. Box 1531 Tampa, FL 33601 201 N. Franklin Street Suite 2000 Tampa, FL 33602

Main: (813)273-4200 Direct: (813)273-4321 Mobile: (813)695-5900 Fax: (813)273-4396 aw@macfar.com V Card ♦ Bio

Please visit www.mfmlegal.com for more information about our Firm



This electronic message transmission contains information from the law firm of Macfarlane Ferguson & McMullen and is intended only for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination or distribution of this communication to other than the intended recipient is strictly prohibited. If you have received this communication in error, please notify us immediately by collect telephone at (813) 273-4200 or electronic mail (info@mfmlegal.com). Thank you

IRS Circular 230 Disclosure: Any tax advice in this communication is not intended or written by Macfarlane Ferguson & McMullen to be used, and cannot be used, by a client or any other person or entity for the purpose of (i) avoiding penalties that may be imposed under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or other matter addressed herein.

DOCUMENT NUMBER - DATE

08576 OCT 13 º

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Purchased gas adjustment)	DOCKET NO. 100003-G
(PGA) true-up.)	Submitted for filing:
)	10-13-10

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 1, 2010.

A. WITNESSES

Witness	Subject Matter	Issues
(Direct)		
Kandi M. Floyd (PGS)	Projected gas costs, therm sales and weighted average cost of gas ("WACOG"); final PGA true-up amount for January 2009 - December 2009; estimated PGA true-up amounts for January 2010 - December 2010; total PGA true-up amount for January 2010 - December 2010; and levelized PGA cost recovery (cap) factor for January 2011 - December 2011	1-5

B. EXHIBITS

Exhibit	Witness	Description
(KMF-1)	Floyd	Calculation of final true-up for January 2009 – December 2009 (Schedule A-7)

08576 OCT 13 = FPSC-COMMISSION CLERK

Floyd

(KMF-2)

Calculation of estimated true-up for January 2010 – December 2010; total true-up for January 2010 – December 2010); calculation of PGA factor for January 2011 – December 2011 (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 \$8,770,782 (underrecovery) for the period January 2009 through December 2009; its actual/estimated PGA true-up amount of \$7,766,515 (overrecovery) for the period January 2010 through December 2010; and its levelized PGA (cap) factor of \$0.99606 per therm for the period January 2011 through December 2011. (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 2009 through December 2009?

PGS: \$8,770,782 underrecovery (Floyd)

ISSUE 2: What are the actual/estimated purchased gas adjustment true-up amounts for the period January 2010 through December 2010?

PGS: \$7,766,515 overrecovery (Floyd)

ISSUE 3: What are the total purchased gas adjustment true-up amounts to be collected during the period January 2011 through December 2011?

PGS: \$1,004,266 underrecovery (Floyd)

ISSUE 4: What are the appropriate levelized purchased gas cost recovery (cap) factors for the period January 2011 through December 2011?

PGS: \$0.99606 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 2011 through December 2011. Billing cycles may start before January 1, 2011, and the last cycle may be read after December 31, 2011, 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 13th day of October, 2010.

Respectfully submitted,

Deleted: ¶

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

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing Prehearing Statement has been furnished by U. S. Mail this 13th day of October, 2010, 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 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. Melvin Williams Florida City Gas 933 East 25th Street Hialeah, FL 33013-3403

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

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

Charles A. Costin, Esquire Costin and Costin P. O. Box 98 Port St. Joe, FL 32457-0098

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

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