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December 17, 1999

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IN REPLY REFER TO:

Ansley Watson, Jr. P.O. Box 1531 Tampa, Florida 33601 e-mail: aw@macfar.com

VIA FEDERAL EXPRESS

Blanca S. Bayo, Director Division of Records & Reporting Florida Public Service Commission Capital Circle Office Center 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Re: Docket No. 990935-GU -- Petition for approval of experimental Rider FTA-2 (Firm Transportation Aggregation Service 2), and modifications to imbalance cashout provisions of Rider FTA program, by Peoples Gas System

Dear Ms. Bayo:

Enclosed for filing in the above docket, please find the original and 15 copies of the Prehearing Statement of Peoples Gas System, together with a diskette containing the same.

Please acknowledge your receipt of the enclosures and the date of their filing on the duplicate copy of this letter enclosed for that purpose, and return the same to me in the preaddressed envelope also enclosed herewith.

AFA	Thank you for your usual assistance.			99	
APP CAF CMU CIR LEG LEG LAS MAS 3	tin	Sincerely, ANSLEY WATSON, JR.	MAIL ROCM	DEC 20 /// ID:	
OPC RRR A SEC E	Wjr/a closures			47.	
OTH CO	Wm. Cochran Keating, IV, Ms. Angela Llewelly RECE			~ D.1	T.C

DOCUMENT NUMBER-DATE

DEC 20 8

FPSC-RECORDS/REPORTING



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for approval of experimental)	Docket No. 990935-GU
Rider FTA-2 (Firm Transportation)	
Aggregation Service 2), and modifications)	Submitted for Filing:
to imbalance cashout provisions of Rider)	12-20-99
FTA program, by Peoples Gas System.)	
)	

PREHEARING STATEMENT OF PEOPLES GAS SYSTEM

A. APPEARANCES:

ANSLEY WATSON, JR., Esquire Macfarlane Ferguson & McMullen, P. O. Box 1531, Tampa, Florida 33601 On behalf of Peoples Gas System

B. WITNESSES:

Witness	Subject Matter	<u>Issues</u>
(Direct)		
J. Brent Caldwell (Peoples)	Rider FTA-2 and cashout modifications	1,* 2*

^{*} Mr. Caldwell's testimony and exhibits provide the factual context within which the questions of law may be decided.

C. EXHIBITS:

<u>Exhibit</u>	Witness	Description
(JBC-1)	Caldwell	Rider FTA-2 (applicable in Peoples' service areas other than West Florida Region)
(JBC-2)	Caldwell	Rider FTA-2 (applicable in Peoples' West Florida Region)

DOCUMENT NUMBER - DATE

15489 DEC 20 #

(JBC-3)

D. STATEMENT OF BASIC POSITION:

Peoples' Statement of Basic Position:

Peoples' Rider FTA-2 and the modifications to the cashout provisions in the Firm Delivery Agreement should be approved, or permitted to remain in effect without approval, because they provide benefits to Peoples and its customers, and are fair and reasonable. Approval of Rider FTA-2 is consistent with the Commission's desire that transportation service be made available to more of Peoples' commercial customers, with the Commission's previous approvals of Peoples' substantially similar Rider FTA, and with the Commission's previous approval of substantially similar tariff provisions for City Gas Company of Florida.

E. QUESTIONS OF FACT AT ISSUE

Peoples:

None.

F. QUESTIONS OF LAW

1. <u>ISSUE</u>:

Are the provisions of Rider FTA-2 and the modifications to the cashout provisions of Peoples Firm Delivery Agreement fair, just

and reasonable?

Peoples:

Yes.

2. <u>ISSUE</u>:

Should the Commission either approve Rider FTA-2 and the modifications to the cashout provisions of the Firm Delivery Agreement or permit them to remain in effect without approval?

Peoples:

Yes.

3. <u>ISSUE</u>:

Should this docket be closed?

Peoples:

Yes.

G. QUESTIONS OF POLICY

Peoples:

None.

H. STIPULATED ISSUES

Peoples:

None.

I. PENDING MOTIONS OR OTHER MATTERS

Peoples:

None at this time.

J. PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY

Peoples:

None at this time.

Respectfully submitted this 17th day of December, 1999.

Ansley Watson, Jr.

Macfarlane Ferguson & McMullen

P. O. Box 1531

Tampa, Florida 33601-1531

Telephone: (813) 273-4200 or -4321 Facsimile: (813) 273-4396 or -4397 Attorneys for Peoples Gas System

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing motion has been furnished, via facsimile and regular U.S. Mail, to Wm. Cochran Keating, IV, Esquire, Staff Counsel, Florida Public Service Commission, Capital Circle Office Center, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, this 17th day of December, 1999.

Ansley Watson, Jr.

Churchy Water