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IN REPLY REFER TO:

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

VIA FEDEX

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

Docket No. 000002-EG -- Energy Conservation Cost Recovery Clause

Dear Ms. Bayo:

Enclosed for filing with the Commission in the above docket on behalf of Peoples Gas System ("Peoples"), please find the original and 15 copies of Peoples' Prehearing Statement.

Please acknowledge your receipt and the date of filing of the enclosures on the duplicate copy of this letter and return the same to me in the enclosed preaddressed envelope.

Thank you for your usual assistance.

Sincerely,

ANSLEY WATSON, JR

CMP COM AWjr/a CTR

Enclosures

LEG OPC

APP CAF

ECR

J. Brent Caldwell

All Parties of Record

DOCUMENT NUMBER - DATE

13664 OCT 258

FPSC-RECORDS/REPORTING



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Energy Conservation Cost

DOCKET NO. 000002-EG

Recovery Clause

Submitted for Filing:

10-25-00

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 (PGS)	True-up for period April 1999 - December 1999; Projected expenses and ECCR factors for period January through December 2001	1, 2

C. EXHIBITS:

<u>Exhibit</u>	Witness	<u>Description</u>
(ЉС-1)	Caldwell	Conservation cost recovery true-up data (April 1999 - December 1999) consisting of schedules CT-1 through CT-6 (except PGS West Florida Region).
(JBC-2)	Caldwell	Conservation cost recovery true-up data (April 1999 - December 1999) consisting of schedules CT-1 through CT-6 (PGS West Florida Region).

DOCUMENT NUMBER-DATE

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(JBC-3R)	Caldwell	Data for development of conservation cost recovery factor (January 1 - December 31, 2001), consisting of schedules C-1 through C-5 (except PGS West Florida Region).
(JBC-4R)	Caldwell	Data for development of conservation cost recovery factor (January 1 - December 31, 2001), consisting of schedules C-1 through C-5 (PGS West Florida Region).

D. STATEMENT OF BASIC POSITION:

PGS's Statement of Basic Position:

The Commission should approve -- for areas other than PGS's West Florida Region -- PGS's end-of-period final true-up amount of \$28,005 (overrecovery) for the period April 1999 through December 1999; the estimated true-up amount for the period January - December 2000; and the projected conservation program expenses for the period January 1 through December 31, 2001.

For areas other than PGS's West Florida Region, the Commission should approve the following ECCR factors for the following rate classes for the period January 1 through December 31, 2001:

	ECCR Factor
Rate Class	(per therm)
Residential	\$0.06002
Small Commercial	\$0.04848
Commercial	\$0.02183
Commercial - Large Volume 1	\$0.01781
Commercial - Large Volume 2	\$0.01302
Street Lighting	\$0.00754
Natural Gas Vehicle Service	\$0.00591

(Caldwell)

For PGS's West Florida Region, the Commission should approve PGS's end-of-period final true-up amount of \$270,698 (underrecovery) for the period April 1999 through March 1999; the estimated true-up amount for the period January - December 2000; and the projected conservation program expenses for the period January 1 through December 31, 2001.

For PGS's West Florida Region, the Commission should approve the following ECCR factors for the following rate classes for the period January 1 through December 31, 2001:

	ECCR Factor
Rate Class	(per therm)
Residential	\$0.09337
Commercial	\$0.02994
Commercial Large Volume	\$0.02209
Industrial	\$0.02190

(Caldwell)

E. STATEMENT OF ISSUES AND POSITIONS:

Generic Conservation Cost Recovery Issues For Natural Gas Utilities

1. <u>ISSUE</u>: What is the end-of-period final true-up amount for the period April

1, 1999 through December 31, 2000?

PGS (except West Florida): \$28,005 overrecovery. (Caldwell)

PGS - West Florida: \$270,698 underrecovery. (Caldwell)

2. <u>ISSUE</u>: What are the appropriate conservation cost recovery factors for the

period January 1 through December 31, 2001?

PGS (except West Florida): The appropriate conservation cost recovery

factors for the period January 1 through

December 31, 2001 are as follow:

	ECCR Factor
Rate Class	(per therm)
Residential	\$0.06002
Small Commercial	\$0.04848
Commercial	\$0.02183
Commercial - Large Volume 1	\$0.01781
Commercial - Large Volume 2	\$0.01302
Street Lighting	\$0.00754
Natural Gas Vehicle Service	\$0.00591

(Caldwell)

<u>PGS - West Florida</u>: The appropriate conservation cost recovery factors for the period January 1 through December 31, 2001 are as follow:

	ECCR Factor
Rate Class	(per therm)
Residential	\$0.09337
Commercial	\$0.02994
Commercial Large Volume	\$0.02209
Industrial	\$0.02190

(Caldwell)

F. STIPULATED ISSUES:

None as to PGS.

G. PENDING MOTIONS AND OTHER MATTERS:

None as to PGS.

Dated this 24th day of October, 2000.

Respectfully submitted,

Ansley Watson, Jr.

Macfarlane Ferguson & McMullen

P. O. Box 1531, Tampa, Florida 33601

(813) 273-4200

Attorneys for Peoples Gas System

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Prehearing Statement of Peoples Gas System has been furnished this 24th day of October, 2000, by regular U.S. Mail, to all known parties of record in Docket No. 000002-EG.

Ansley Watson, Jr.