

COMPLISSION

RECEIVED-

December 15, 2011

Ms. Ann Cole Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

110003-GU 110004-GU

Re: Peoples Gas System Natural Gas Tariff, Original Volume 3

Dear Ms. Cole:

Enclosed herewith for filing on behalf of Peoples Gas System, please find one legislative copy and five revised copies of Sheet Number 7.101-1 and 7.101-2.

These revised tariff sheets represent the 2012 Purchased Gas Adjustment cap factor as approved by Commission Order No. PSC-11-0523-FOF-GU and the 2011 Energy Conservation Cost Recovery factors as approved by Commission Order No. PSC 11-0527-FOF-GU.

Please call me at (813) 228-4668 if you have questions regarding the enclosed revised tariff sheets.

Sincerely,

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Kandi Floyd COM -Manager, State Regulatory APA Peoples Gas System ECR Kummer GCL cc: Ms. Connie Kummer RAD Ansley Watson Jr., Esq. SRC ADM OPC CLK

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GENERAL APPLICABILITY PROVISIONS (Continued)

and Contract Interruptible rate schedules will be curtailed or interrupted at the sole discretion of the Company. The Customer shall hold the Company harmless from any and all liabilities, penalties, alternate fuels subsidies, price adjustments and claims of whatever type, resulting from or arising out of the Company's curtailment or interruption of deliveries of Gas transported by Company under an interruptible rate schedule.

B. PURCHASED GAS ADJUSTMENT CLAUSE

The energy charge of the Monthly Rate for Gas supplied in any Billing Period shall be adjusted by the Company's expected weighted average cost of Gas (WACOG). The WACOG may not exceed the Commission-approved purchased Gas cost recovery factor based on estimated Gas purchases for the twelve-month period of January through December, in accordance with the methodology adopted by the Commission on May 2, 1991, in Order No. 24463, Docket No. 910003-GU, or as such methodology may be amended from time to time by further order of the Commission. The WACOG determined as set forth above shall be multiplied by 1.00503 for regulatory fees, rounded to the nearest \$.00001 per Therm, and applied to the total number of Therms consumed by the Customer during the Billing Period.

The purchased Gas cost recovery factor (cap) approved by the Commission for bills rendered for meter readings taken on or after January 1, 2012; beginning with the first or applicable billing cycle through the last billing cycle for December 2012 is \$.98437 per Therm.

The purchased Gas cost recovery factor shall serve as a cap or maximum recovery factor. If re-projected expenses for the remaining period exceed projected recoveries by at least 10% for the twelve (12) month period, a mid-course correction may formally be requested by the Company. For changes in market conditions and costs, the Company, upon one day's notice to the Commission, may increase or decrease the WACOG as long as any increase does not exceed the authorized cap. The current month WACOG may be adjusted for prior months' differences between projected and actual costs of Gas purchased, but may not exceed the approved cap for the period.

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GENERAL APPLICABILITY PROVISIONS (Continued)

and Contract Interruptible rate schedules will be curtailed or interrupted at the sole discretion of the Company. The Customer shall hold the Company harmless from any and all liabilities, penalties, alternate fuels subsidies, price adjustments and claims of whatever type, resulting from or arising out of the Company's curtailment or interruption of deliveries of Gas transported by Company under an interruptible rate schedule.

Β. PURCHASED GAS ADJUSTMENT CLAUSE

Except for Gas purchases by Customer at the initial point of Company's receipt of such Gas on Company's distribution system pursuant to Rate Schedule CG, tThe energy charge of the Monthly Rate for Gas supplied in any Billing Period shall be adjusted by the Company's expected weighted average cost of Gas (WACOG). The WACOG may not exceed the Commission-approved purchased Gas cost recovery factor based on estimated Gas purchases (excluding purchases made by Customers at the initial point of Company's receipt of such Gas on Company's distribution system pursuant to Rate Schedule CG) for the twelve-month period of January through December, in accordance with the methodology adopted by the Commission on May 2, 1991, in Order No. 24463, Docket No. 910003-GU, or as such methodology may be amended from time to time by further order of the Commission. The WACOG determined as set forth above shall be multiplied by 1.00503 for regulatory fees, rounded to the nearest \$.00001 per Therm, and applied to the total number of Therms (excluding purchases made by Customer at the initial point of Company's receipt of such Gas on Company's distribution system pursuant to Rate Schedule CG) consumed by the Customer during the Billing Period.

The purchased Gas cost recovery factor (cap) approved by the Commission for bills rendered for meter readings taken on or after January 1, 20122011; beginning with the first or applicable billing cycle through the last billing cycle for December 20122011 is \$.98437_99606 per Therm.

The purchased Gas cost recovery factor shall serve as a cap or maximum recovery factor. If re-projected expenses for the remaining period exceed projected recoveries by at least 10% for the twelve (12) month period, a mid-course correction may formally be requested by the Company. For changes in market conditions and costs, the Company, upon one day's notice to the Commission, may increase or decrease the WACOG as long as any increase does not exceed the authorized cap. The current month WACOG may be adjusted for prior months' differences between projected and actual costs of Gas purchased, but may not exceed the approved cap for the period.

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GENERAL APPLICABILITY PROVISIONS (Continued)

C. ENERGY CONSERVATION COST RECOVERY ADJUSTMENT CLAUSE

The bill for Gas and transportation service supplied to a retail Customer in any Billing Period shall be adjusted as follows:

Except as otherwise provided herein, each rate schedule shall be increased or decreased to the nearest \$0.00001 per therm and include the tax factor of 1.00503 for each Therm of consumption or transportation to recover the conservation related expenditures by the Company. The Company shall record both projected and actual expenses and revenues associated with the implementation of the Company's Energy Conservation Plan as authorized by the Commission. The procedure for the review, approval, recovery and recording of such costs and revenues is set forth in the Commission Rule 25-17.015, F.A.C.

The cost recovery factors for the period from meter readings taken on or after January 1, 2012 through the last billing cycle for December2012 are as follows:

Rate Class
Residential
Residential Standby Generator
Small General Service
Commercial Standby Generator
General Service - 1
General Service - 2
General Service - 3
General Service - 4
General Service - 5
Commercial Street Lighting
Natural Gas Vehicle Service

Recovery Factor

\$0.03324 per Therm \$0.03324 per Therm \$0.02511 per Therm \$0.01210 per Therm \$0.00891 per Therm \$0.00731 per Therm \$0.00553 per Therm \$0.00405 per Therm \$0.00648 per Therm \$0.00728 per Therm

Pursuant to FPSC Order No. 23576, no conservation cost recovery factor shall be applied to Therms consumed or transported for use in a cogeneration facility, regardless of the rate schedule under which such Therms are consumed or transported by Company.

GENERAL APPLICABILITY PROVISIONS (Continued)

C. ENERGY CONSERVATION COST RECOVERY ADJUSTMENT CLAUSE

The bill for Gas and transportation service supplied to a retail Customer in any Billing Period shall be adjusted as follows:

Except as otherwise provided herein, each rate schedule shall be increased or decreased to the nearest \$0.00001 per therm and include the tax factor of 1.00503 for each Therm of consumption or transportation to recover the conservation related expenditures by the Company. The Company shall record both projected and actual expenses and revenues associated with the implementation of the Company's Energy Conservation Plan as authorized by the Commission. The procedure for the review, approval, recovery and recording of such costs and revenues is set forth in the Commission Rule 25-17.015, F.A.C.

The cost recovery factors for the period from meter readings taken on or after January 1, 2012 2014 through the last billing cycle for December2012-2014 are as follows:

Rate Class

Residential Residential Standby Generator Small General Service Commercial Standby Generator General Service - 1 General Service - 2 General Service - 3 General Service - 4 General Service - 5 Commercial Street Lighting Natural Gas Vehicle Service

Recovery Factor

\$0.03324 04135per Therm \$0.03324 04135per Therm \$0.02511 02828per Therm \$0.01210 01315per Therm \$0.01210 01315per Therm \$0.00891 00950per Therm \$0.00731 00786per Therm \$0.00553 00585per Therm \$0.00405 00431per Therm \$0.00648 00688per Therm \$0.00728 00794per Therm

Pursuant to FPSC Order No. 23576, no conservation cost recovery factor shall be applied to Therms consumed or transported for use in a cogeneration facility, regardless of the rate schedule under which such Therms are consumed or transported by Company.