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October 8, 2019

VIA E-PORTAL FILING

Mr. Adam J. Teitzman Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Re: Docket No. 20190003-GU - Purchased Gas Adjustment (PGA) True-Up

Dear Mr. Teitzman:

Attached for electronic filing in the above docket on behalf of Peoples Gas System, please find their Prehearing Statement.

Thank you for your assistance.

sincerely,

VOUNDEU IN 18

AB/plb Attachment

cc:

Parties of Record

Ms. Kandi M. Floyd Ansley Watson, Jr., Esq.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Purchased gas adjustment)	DOCKET NO. 20190003-GU
(PGA) true-up.)	Submitted for filing:
)	10-8-19

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 5, 2019.

A. <u>WITNESSES</u>

Witness	Subject Matter	<u>Issues</u>
(Direct)		
Kandi M. Floyd (PGS)	Projected gas costs, therm sales and weighted average cost of gas ("WACOG"); final PGA true-up amount for January 2018 - December 2018; estimated PGA true-up amounts for January 2019— December 2019; total PGA true-up amount for January 2019 - December 2019; and levelized PGA cost recovery (cap) factor for January 2020 - December 2020	1-6

B. **EXHIBITS**

<u>Exhibit</u>	Witness	Description
(KMF-1)	Floyd	Calculation of final true-up for January 2018 – December 2018 (Schedule A-7)
KMF-2)	Floyd	Calculation of estimated true-up for January 2019 – December 2019; total

true-up for January 2018 – December 2018); calculation of PGA factor for January 2020 – December 2020 (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 \$4,678,361 under-recovery for the period January 2018 through December 2018; its actual/estimated PGA true-up amount of \$6,444,261 over-recovery for the period January 2019 through December 2019; and its levelized PGA (cap) factor of \$0.9909 per therm for the period January 2020 through December 2020. (Floyd)

D. STATEMENT OF ISSUES AND POSITIONS

Generic Purchased Gas Adjustment Issues

<u>ISSUE 1</u>: What are the final purchased gas adjustment true-up amounts for the period January 2018 through December 2018?

PGS: \$4,678,361 under-recovery (Floyd)

<u>ISSUE 2</u>: What are the actual/estimated purchased gas adjustment true-up amounts for the period January 2019 through December 2019?

PGS: \$6,444,261 over-recovery (Floyd)

<u>ISSUE 3</u>: What are the total purchased gas adjustment true-up amounts to be collected during the period January 2020 through December 2020?

PGS: \$1,765,900 over-recovery (Floyd)

<u>ISSUE 4</u>: What are the levelized purchased gas cost recovery (cap) factors for the period January 2020 through December 2020?

PGS: \$0.9909 per therm (Floyd)

<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 2020 through December 2020. Billing cycles may start

before January 1, 2020, and the last cycle may be read after December 31, 2020, so that each customer is billed for twelve months regardless of when the adjustment charge became effective. (Floyd)

ISSUE 6: Should the Commission approve revised tariffs reflecting the new purchased gas adjustment charges determined to be appropriate in this proceeding?

<u>PGS</u>: The Commission should approve revised tariffs reflecting the new purchased gas adjustment charges determined to be appropriate in this proceeding. The Commission should direct staff to verify that the revised tariffs are consistent with the Commission's decision. (Floyd)

E. <u>STIPULATED ISSUES</u>

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 8th day of October, 2019.

Respectfully submitted,

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Attorneys for Peoples Gas System

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing Prehearing Statement have been furnished by electronic mail this 8th day of October 2019, to the following:

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