

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas Adjustment) DOCKET NO. 960003-GU
(PGA) True-Up.) ORDER NO. PSC-96-0323-FOF-GU
_____) FILED: March 5, 1996

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON
JULIA L. JOHNSON
DIANE K. KIESLING

APPEARANCES:

WAYNE L. SCHIEFELBEIN, Esquire, Gatlin Woods & Carlson,
1709-D Mahan Drive, Tallahassee, Florida 32308
On behalf of Chesapeake Utilities Corporation.

MICHAEL A. PALECKI, Esquire, 955 East 25th Street,
Hialeah, Florida 33013
On behalf of City Gas Company of Florida, a Division of
NUI Corporation.

NORMAN H. HORTON, JR., Esquire, Messer Caparello, Madsen,
Goldman & Metz, P.A., Post Office Box 1876, Tallahassee,
Florida 32302-1876
On behalf of Florida Public Utilities Company, Sebring
Gas System, Inc., South Florida Natural Gas Company and
West Florida Natural Gas Company.

BRIAN J. POWERS, General Manager, Post Office Box 8,
Indiantown, Florida 34956
On behalf of Indiantown Gas Company.

MATTHEW R. COSTA, Esquire, Macfarlane, Ausley, Ferguson,
& McMullen, P. O. Box 1531, Tampa, Florida 33601
On behalf of Peoples Gas System, Inc.

STUART L. SHOAF, President, Post Office Box 549, Port St.
Joe, Florida 32456-0549
On behalf of St. Joe Natural Gas Company.

JOHN ROGER HOWE, Esquire, Office of Public Counsel, c/o
The Florida Legislature, 111 West Madison Street, Room
812, Tallahassee, Florida 32399-1400
On behalf of the Citizens of the State of Florida.

DOCUMENT NUMBER-DATE

02651 MAR-5%

FPSC-RECORDS/REPORTING

SHEILA L. ERSTLING, Esquire and MARY E. CULPEPPER,
Esquire, Florida Public Service Commission, 2540 Shumard
Oak Boulevard, Tallahassee, Florida 32399-0850
On behalf of the Commission Staff.

**FINAL ORDER APPROVING PURCHASED GAS ADJUSTMENT TRUE-UP
AMOUNTS AND ESTABLISHING PURCHASED GAS COST RECOVERY FACTORS
TO BE APPLIED DURING THE PERIOD APRIL, 1996 THROUGH MARCH, 1997**

I. CASE BACKGROUND

As part of the continuing fuel cost recovery, purchased gas cost recovery, energy conservation cost recovery, and environmental cost recovery proceedings, a hearing was held February 21, 1996, in this docket and in Docket Nos. 960001-EI, 960002-EG and 960007-EI.

Chesapeake Utilities Corporation, Florida Division (CUC), City Gas Company (CGC), Florida Public Utilities Company (FPUC), Indiantown Gas Company (IGC), Peoples Gas System, Inc. (PGS), Sebring Gas System, Inc. (SGS), St. Joe Natural Gas Company (SJNG), South Florida Natural Gas Company (SFNG), and West Florida Natural Gas Company (WFNG) submitted testimony and exhibits in support of their proposed net true-up amounts, projected end-of-period net true-up amounts and their purchased gas cost recovery factors. At the Prehearing Conference, Staff, the Office of Public Counsel, all of the intervenors and the utilities reached agreement as to the appropriate true-up amounts and recovery factors for each of the utilities. The case was presented to the panel as a stipulation.

Adjusted True-ups, Projected True-ups and Cost Recovery Factors

The parties stipulated to the purchased gas cost recovery true-up amounts for the various periods, and the appropriate factors to be applied during the April, 1996 through March, 1997, period. We accept the stipulations as reasonable and supported by competent substantial evidence of record.

We find that the appropriate final purchased gas adjustment true-up amounts for the period April, 1994 through March, 1995, are as follows:

Chesapeake Utilities Corporation	\$	642	Over-recovery
City Gas Company of Florida	\$	46,056	Over-recovery
Florida Public Utilities	\$	945,255	Under-recovery

Indiantown Gas Company	\$ 24,936	Over-recovery
Peoples Gas System, Inc.	\$4,372,789	Over-recovery
Sebring Gas System, Inc.	\$ 3,871	Under-recovery
St. Joe Natural Gas Company	\$ 38,950	Under-recovery
South Florida Natural Gas Company	\$ 71,061	Over-recovery
West Florida Natural Gas Company	\$ 431,650	Over-recovery

We find that the estimated purchased gas adjustment true-up amounts for the period April, 1995 through March, 1996, are as follows:

Chesapeake Utilities Corporation	\$ 765,449	Over-recovery
City Gas Company of Florida	\$ 199,133	Under-recovery
Florida Public Utilities	\$1,371,194	Over-recovery
Indiantown Gas Company	\$ 51,847	Over-recovery
Peoples Gas System, Inc.	\$5,890,774	Under-recovery
Sebring Gas System, Inc.	\$ 53	Over-recovery
St. Joe Natural Gas Company	\$ 55,504	Under-recovery
South Florida Natural Gas Company	\$ 41,431	Over-recovery
West Florida Natural Gas Company	\$ 162,207	Under-recovery

We find that the appropriate total purchased gas adjustment true-up amounts to be collected during the period April, 1996 through March, 1997, are as follows:

Chesapeake Utilities Corporation	\$ 766,091	Over-recovery
City Gas Company of Florida	\$ 153,077	Under-recovery
Florida Public Utilities	\$ 425,939	Over-recovery
Indiantown Gas Company	\$ 76,783	Over-recovery
Peoples Gas System, Inc.	\$1,517,985	Under-recovery
Sebring Gas System, Inc.	\$ 3,818	Under-recovery
St. Joe Natural Gas Company	\$ 94,454	Under-recovery
South Florida Natural Gas Company	\$ 112,492	Over-recovery
West Florida Natural Gas Company	\$ 269,443	Over-recovery

We find that the appropriate levelized purchased gas cost recovery (cap) factors for the period April, 1996 through March, 1997, are as follows:

Chesapeake Utilities Corporation	35.159 cents-per-therm
City Gas Company of Florida	42.184 cents-per-therm
Florida Public Utilities	38.519 cents-per-therm
Indiantown Gas Company	34.824 cents-per-therm
Peoples Gas System, Inc.	38.469 cents-per-therm
Sebring Gas System, Inc.	35.607 cents-per-therm
St. Joe Natural Gas Company	34.600 cents-per-therm
South Florida Natural Gas Company	27.000 cents-per-therm
West Florida Natural Gas Company	33.300 cents-per-therm

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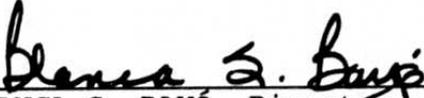
We find that the factors shall be effective for all meter readings taken on or after April 1, 1996, beginning with the first or applicable billing cycle for the period April, 1996, through March, 1997.

In consideration of the foregoing, it is

ORDERED by the Florida Public Service Commission that the findings and stipulations set forth in the body of this Order are hereby approved. It is further

ORDERED that the utilities named herein are authorized to collect the purchased gas cost recovery amounts and utilize the factors approved herein for bills rendered for meter readings taken between April 1, 1996, through March 31, 1997.

By ORDER of the Florida Public Service Commission, this 5th day of March, 1996.



BLANCA S. BAYO, Director
Division of Records and Reporting

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900 (a), Florida Rules of Appellate Procedure.