



SEBRING GAS SYSTEM, INC.

ORIGINAL

3516 U.S. Hwy. 27, South
Sebring, FL 33870-5452
(941) 385-0194

January 12, 1998

Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RECEIVED
Florida Public Service Commission
Sebring, Florida, 33870
MAIL ROOM
98 JAN 15 AM 10:18

RE: Docket No. ~~98003-GU~~
Petition for Approval of Purchased Gas Adjustment (PGA) Factor,
Testimony, (PGA) and True-Up Projections for April 1998 through
March 1999.

Dear Ms. Bayo:

Enclosed for filing in the above docket on behalf of Sebring Gas System, Inc.,
please find an original and fifteen of the following:

1. Petition for Approval of Sebring Gas System's Purchased Gas Adjustment True-Up Factor, *00891-98*
2. Direct Testimony of Jerry H. Melendy, Jr.; *00892-98*
3. Purchased Gas Projection Filing (April, 1998-March, 1999, including PGA Schedules

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Sincerely,

Jerry H. Melendy, Jr.
Vice President
Sebring Gas System, Inc.

DOCUMENT NUMBER-DATE
00891 JAN 15 98

FPSC-RECORDS/REPORTING

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas True-up)
_____)

DOCKET NO. 980003-GU

**PETITION FOR APPROVAL OF
SEBRING GAS SYSTEM'S
PURCHASED GAS ADJUSTMENT FACTOR**

Sebring Gas System, Inc. ("the Company"), pursuant to the requirements of this docket, petitions the Commission for approval of the Company's final true-up factor related to the twelve month period ended March 31, 1999. In support hereof, the Company states:

1. The exact name of the Company and the address of its principal business office is:

Sebring Gas System, Inc.
3515 U.S. Hwy 27, South
Sebring, Fl 33870

2. The names and addresses of the persons authorized to receive notices and communications in respect to this docket is:

Jerry H. Melendy, Jr.
3515 U.S. Hwy 27, South
Sebring, Fl 33870

DOCUMENT NUMBER-DATE

00891 JAN 15 88

FPSC-RECORDS/REPORTING

3. Pursuant to the requirements of this docket, the Company has prefiled the PGA true-up forms supplied by the Electric and Gas Department for the April 1996-March 1997 period in a manner consistent with the Department's instructions.

4. As indicated in the prefiled true-up forms, Sebring Gas has experienced an underrecovery of \$710 for the April 1996 - March 1997 period. In a FPSC docket dated March 14, 1997, an estimated overrecovery of \$8,621 for the April 1996 - March 1997 period was approved for calculation of the true-up factor for April 1997 - March 1998. Therefore, a final true-up amount of \$9,331 underrecovery will be included in the current calculation of the April 1998 - March 1999 true-up factor.

5. For the period of April 1997 - March 1998, the Company projects an underrecovery of \$4,621, resulting in a net underrecovery of \$13,952 to collect in the period April 1998 - March 1999. Therefore, the cumulative true-up factor to be applied to gas bills for this period is a collection of 2.1443 cents per therm sold.

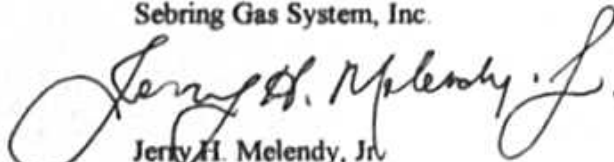
6. As indicated on the attached schedules E-1 through E-5, the Company projects total gas costs for the April 1998 - March 1999 period to be \$270,890. The Company projects therm sales of 650,662, resulting in a weighted average cost of gas (WACOG) of 44.814 cents per therm for the twelve-month period ending March 31, 1999.

7. The Company projects the average cost of gas to be 44.814 cents per therm, which includes the actual estimated cost of gas, plus the projected period's true-up of 2.1443 cents per therm, and the total of the two figures multiplied by the tax revenue factor of 1.01911.

WHEREFORE, for the purpose of establishing the maximum rate to be charged for all sales during the period April 1998 - March 1999, the Company petitions the Commission to enter its Order approving the Company's true-up factor of 44.814 cents per therm.

DATED this 13th day of January, 1998.

Respectfully submitted,
Sebring Gas System, Inc.



Jerry H. Melendy, Jr.
Vice President