

ORIGINAL

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December 5, 1998

IN REPLY REFER TO:

Ansley Watson, Jr.
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VIA FEDERAL EXPRESS

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

Re: Docket No. 980002-EG -- Energy Conservation Cost Recovery Clause

Dear Ms. Bayo:

- ACK _____
- AFA Wendover 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 the following:
- APP _____
- CAF _____ ♦ Peoples' Amended Petition for Approval of True-Up Amounts (for the period October 1997 - April 1998) and Conservation Cost Recovery Factors (to be applied during the period April - December 1999); 13718-98
- CMR _____
- CTR _____
- EAG Challenger Prepared Direct Testimony of Vernon I. Krutsinger on behalf of Peoples (which supersedes and replaces Mr. Krutsinger's testimony filed on September 4, 1998); 13719-98
- LEG 1
- LIN 37 also
- OPC _____ ♦ Exhibit ___ (VIK-1), consisting of Schedules CT-1 through CT-6 for Peoples' divisions other than the West Florida Region (which supersedes and replaces the exhibit of the same number filed on September 4, 1998);
- RCH _____
- SEC 1
- WAS _____ ♦ Exhibit ___ (VIK-2), consisting of Schedules CT-1 through CT-6 for Peoples' West Florida Region (which supersedes and replaces the exhibit of the same number filed on September 4, 1998);
- OTH _____ ♦ Exhibit ___ (VIK-3), consisting of Schedules C-1 through C-5 for Peoples' divisions other than the West Florida Region; and

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TALLAHASSEE
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Blanca S. Bayo, Director
December 5, 1998
Page 2

- ◆ Exhibit ____ (VIK-4), consisting of Schedules C-1 through C-5 for Peoples' West Florida Region.

The enclosed testimony and exhibits will be offered by Peoples at the hearing in this docket scheduled to commence on February 17, 1999.

A diskette -- containing both the enclosed amended petition and the testimony of Mr. Krutsinger -- is also enclosed.

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

Thank you for your usual assistance.

Sincerely,



ANSLEY WATSON, JR.

AWjr/a
Enclosures

cc: Vernon I. Krutsinger
J. Brent Caldwell
Kandi Floyd
Angela Llewellyn
All Parties of Record

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Energy Conservation :
Cost Recovery Clause :
_____ :

DOCKET NO. 980002-EG

Submitted for Filing:
12-7-98

98 DEC -7 11 10 16
MAIL ROOM

**AMENDED PETITION OF PEOPLES GAS SYSTEM
FOR APPROVAL OF TRUE-UP AMOUNTS
AND CONSERVATION COST RECOVERY FACTORS**

Peoples Gas System ("Peoples"), by its undersigned attorneys and pursuant to Rule 25-17.015, Florida Administrative Code, submits this amended petition for approval of (A) its adjusted net energy conservation cost recovery true-up amounts for the period October 1, 1997 through March 31, 1998, and (B) its conservation cost recovery factors to be applied to bills rendered for meter readings taken between April 1 and December 31, 1999, inclusive, and to continue in effect thereafter until modified by the Commission, and in support thereof says:

1. The name and address of the Petitioner are:

Peoples Gas System
P. O. Box 2562
Tampa, Florida 33601-2562

ACK _____
AFA _____
APP _____
CAF _____ are:
CMU _____
CTR _____
EAG _____
LEG _____
LIN _____
OPC _____
RCH _____
SEC _____
WAS _____
OTH _____

2. The persons to whom notices, orders, and pleadings in this docket should be addressed

Ansley Watson, Jr., Esquire
Macfarlane Ferguson & McMullen
400 North Tampa Street, Suite 2300
P. O. Box 1531
Tampa, Florida 33601-1531

Angela Llewellyn
Peoples Gas System
702 North Franklin Street
P. O. Box 2562
Tampa, Florida 33601-2562

For deliveries by hand or courier service, the ZIP Code for 400 North Tampa Street and for 702 North Franklin Street is 33602.

DOCUMENT NUMBER-DATE

13718 DEC-7 1998

REG. RECORDS REPORTING

3. This amended petition supersedes and replaces Peoples' petition served on September 2, 1998, and filed in this docket on September 4, 1998.

4. Peoples' calculation of the true-ups for which approval is requested is consistent with the Commission's prescribed methodology. These calculations and the supporting documentation are contained in Exhibits ____ (VIK-1), covering Peoples' divisions other than the West Florida Region, and ____ (VIK-2), covering Peoples' West Florida Region (the territory formerly served by West Florida Natural Gas Company). Each exhibit consists of the Energy Conservation Cost Recovery True-Up Reporting Forms, completed as directed by the Commission Staff. These exhibits are being filed simultaneously with this amended petition, and supersede and replace the exhibits of the same numbers previously filed herein on September 4, 1998.

5. For the period October 1997 through March 1988, Peoples has calculated its adjusted net true-up for its divisions other than the West Florida Region to be an overrecovery, including principal and interest, of \$513,876. For the same period, the adjusted net true-up amount for the West Florida Region, including principal and interest, is \$149,604.

6. The conservation cost recovery factors for which approval is sought were calculated in accordance with the methodology which has been previously approved by the Commission in this docket. The factors are designed to recover the projected conservation program expenses of Peoples for the period April 1 through December 31, 1999, adjusted for the estimated true-up for the period April 1998 through March 1999, as well as interest calculated in accordance with the methodology established by the Commission. The calculation of the factors and the supporting documentation are contained in Exhibits ____ (VIK-3), covering Peoples' divisions other than the West Florida Region, and ____ (VIK-4), covering Peoples' West

Florida Region.

the prepared testimony of PGS witness Vernon I. Krutsinger, which prepared testimony is filed herewith.

7. For Peoples' divisions other than the West Florida Region, Peoples projects total conservation program expenses, net of all program revenues, of \$6,861,702 for the period April 1 through December 31, 1999. The net true-up for these divisions is an overrecovery of \$1,340,791. After decreasing the projected conservation expenses by the amount of this overrecovery, \$5,520,911 remains to be recovered during the April - December 1999 period. When this expense is allocated to the affected rate classes pursuant to the methodology approved by the Commission, and expanded for taxes, the recovery factors for the period April - December 1999 required to recover such expense are as follows:

<u>Rate Class</u>	<u>ECCR Factor (cents per therm)</u>
Residential	6.936
Small Commercial	6.144
Commercial	2.287
Commercial Large Vol. 1	1.843
Commercial Large Vol. 2	1.339
Street Lighting	0.778
NGVSS	0.604

8. For Peoples' West Florida Region, Peoples projects total conservation program expenses, net of all program revenues, of \$924,373 for the period April 1 through December 31, 1999. The net true-up for the West Florida Region is an overrecovery of \$485,621. After decreasing the projected conservation expenses by the amount of this overrecovery, \$438,751 remains to be recovered during the April - December 1999 period. When this expense is allocated to the affected rate classes pursuant to the methodology approved by the Commission, and expanded for taxes, the recovery factors for the period April - December 1999 required to

recover such expense are as follows:

<u>Rate Class</u>	<u>ECCR Factor (cents per therm)</u>
Residential	4.927
Commercial	1.382
Commercial Large Vol. 1	1.041
Industrial	1.010
Firm Transportation	0.372
Special Contract	0.235

9. The prepared direct testimony of Vernon I. Krutsinger is submitted herewith in support of this amended petition and the exhibits mentioned above, and supersedes and replaces the prepared direct testimony of the same witness which was filed herein on September 4, 1998.

WHEREFORE, based on the foregoing, Peoples Gas System respectfully requests that the Commission grant this amended petition and approve:

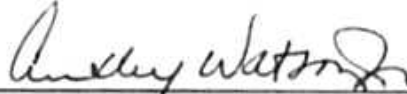
A. the overrecovery of \$513,876 as the final true-up amount for the October 1997 through March 1998 period in Peoples' divisions other than the West Florida Region;

B. the overrecovery of \$149,604 as the final true-up amount for the October 1997 through March 1998 period in Peoples' West Florida Region;

C. the conservation adjustment factors set forth in paragraph 7 of this amended petition to be applied to bills rendered for meter readings taken between April 1 and December 31, 1999, inclusive, in Peoples' divisions other than the West Florida Region; and

D. the conservation adjustment factors set forth in paragraph 8 of this amended petition to be applied to bills rendered for meter readings taken between April 1 and December 31, 1999, inclusive, in Peoples' West Florida Region.

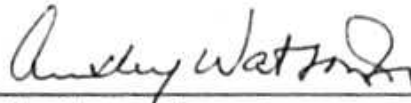
Respectfully submitted,



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 Amended Petition of Peoples Gas System, the Prepared Direct Testimony of Vernon I. Krutsinger, and Peoples' Exhibits ____ (VIK-1), ____ (VIK-2), ____ (VIK-3) and ____ (VIK-4) have been furnished this 5th day of December, 1998, by regular U.S. Mail, to all known parties of record in this docket.



Ansley Watson, Jr.