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February 25, 1999

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. 981698-GU -- Request by Tampa Electric Company d/b/a Peoples Gas System for approval of a methodology for charging multiple purchased gas adjustment factors**

Dear Ms. Bayo:

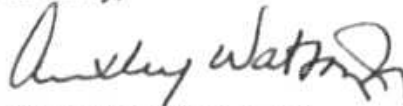
Enclosed for filing with the Commission on behalf of Peoples Gas System in the above docket, please find the original and 15 copies of Peoples' Amended Petition.

I also enclose a diskette containing the Amended Petition (but not Attachments 1 and 2) in Wordperfect 5.1 format.

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.

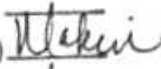
RECEIVED & FILED

  
FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

~~02540~~ FEB 26 99

FPSC-RECORDS/REPORTING

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG 
- LEG 1 AWjr/a
- LIN \_\_\_\_\_ Enclosures
- OPC \_\_\_\_\_
- RCH \_\_\_\_\_
- SEC 1
- WAS \_\_\_\_\_
- OTH \_\_\_\_\_

Blanca S. Bayo  
February 25, 1999  
Page 2

cc: Mr. Wayne R. Makin  
Mr. J. Brent Caldwell

## BACKGROUND

3. Peoples' initial petition in this docket was filed on November 23, 1998. This amended petition is prompted by comments received by Peoples from various interested persons since the filing of the initial petition, and modifies the methodology for which approval was initially sought in two primary areas. First, Peoples now seeks approval for making the cost allocations hereinafter discussed based on separate peak months for the "summer" and "winter" seasons, rather than on the winter peak month PGA sales. Second, the Company now proposes to use a single, system-wide true-up balance and recovery factor, rather than using separate true-up balances and recovery factors for the two PGA classes proposed. All other aspects of the original petition remain unchanged.

4. By its Orders Nos. 24463 and 24463-A in Docket No. 910003-GU, the Commission adopted a revised method for the recovery of purchased gas costs by regulated natural gas utilities, to be used for the recovery of such costs commencing October 1, 1991. These orders provide that a natural gas utility's purchased gas costs are to be recovered through a projected PGA factor for the period from April of one year, through March of the following year, with the projected PGA factor to serve as a cap, or maximum recovery factor. A "true-up" of the actual PGA revenues and expenses against the utility's original projections of such amounts is also a key feature of this cost recovery mechanism. By Order No. PSC-98-0691-FOF-PU, the Commission modified the timing of recovery of PGA costs to coincide with the calendar year beginning January 1999.

5. The revised methodology was precipitated by the advent of "open access" on the Florida Gas Transmission Company ("FGT") interstate pipeline system. The first cost recovery

Peoples' amended petition, commencing with bills rendered for meter readings taken on or about April 1, 1999, and thereafter, Peoples will begin using multiple PGA factors -- each applicable to different classes of customers -- to recover such costs. Each of these factors would remain subject to Peoples' PGA "cap" of 49.786 cents per therm, approved by the Commission's Order No. PSC-98-1689-FOF-GU, or as modified during conduct of the ongoing Docket No. 990003-GU. The different PGA factors would be subject to caps approved for future PGA periods.

7. Peoples' proposes charging two different PGA factors for two distinctly different classes: residential and commercial. The rate classes included in each PGA class are shown below:

PGA Class	Rate Classes in Volume 1 Tariff	Rate Classes in Volume 2 Tariff
Residential	RS	RS
Commercial	SGS, GS, GSLV-1, GSLV-2, CSLS, NGVSS, WHS, SIS, IS, ISLV and CIS	CS, LCS, FIS, and IS

While Peoples has chosen to allocate costs to only two classes, it believes the requested methodology would be appropriate for any number of classes or groupings of rate classes.

8. Peoples requests the Commission's authorization to change the manner in which it recovers its costs of purchased gas in order to more closely align the level of each PGA factor with the costs incurred by Peoples to provide gas supply to each group of customers. This realignment between cost and price will represent a more equitable allocation of costs and send a more accurate price signal to each customer class.

9. The majority of the cost incurred by Peoples for interstate pipeline capacity is fixed.

Peoples must contract for pipeline capacity on a long-term basis. The quantity of pipeline capacity reserved (contracted) is directly related to the expected peak demand needed on a cold winter day. For Peoples, the peak throughput day is usually in January which is also the month with the highest monthly volume of sales. Since interstate pipeline capacity is a fixed cost, the level of that cost is driven by the peak throughput month of January, and therefore demand-related interstate pipeline cost is incurred based upon the level of sales for January. Peoples proposed in its initial petition that this cost relationship be recognized by allocating demand cost according to the ratio of PGA class sales in January to total sales.

10. Peoples' revised proposed methodology uses "winter" allocation factors for the months of October through March, and "summer" allocation factors for the months of April through September. These seasonal periods were selected to be consistent with prior cost recovery clauses that utilized the same six-month winter and summer periods. Peoples believes seasonal allocation of costs is appropriate because the quantity of interstate pipeline capacity currently held by Peoples varies by season. The contribution of each PGA class to the peak month of PGA sales in each season will be used to determine the allocation factors for fixed, demand-related costs. Those allocation factors determine the monthly cost assignment to each PGA class for the given season. Based on January 1998 PGA sales, the winter allocation factors would be 25.84% for residential customers and 74.16% for commercial customers. Based on April 1998 PGA sales, the summer allocation factors would be 20.28% for residential customers and 79.72% for commercial customers.


11. The fixed costs associated with interstate pipeline capacity are demand reservation charges and the No Notice Transportation Service charges. Demand costs for all three types of

the single PGA factor, on a monthly basis during each season due to the variation in sales volumes for each class compared to the seasonal peak month sales volumes. The allocation factors will be updated regularly as more current seasonal PGA sales data is available. The factors will also be updated as weather extremes, customer migration to transportation service or other circumstances dictate. Similarly, the methodology is readily expandable to include more than the two classes (residential and commercial) currently proposed.

16. In summary, allocation of fixed, demand-related costs to separate PGA factors for Residential and Commercial customers according to the contribution of each class to the peak monthly sales volumes in each of the two seasons proposed is an improved assignment of cost responsibility compared to the existing single PGA factor. Peoples has decided to join other Florida natural gas utilities in moving to separate PGA factors for application to different customer classes, as permitted by the Commission's Order No. 25064, and seeks an order of the Commission approving the methodology Peoples has used to develop its multiple PGA factors.

WHEREFORE, Peoples respectfully requests that the Commission enter its order approving the Company's methodology as described in this amended petition, and further requests that the Commission expedite its review of this request in order that Peoples' multiple PGA factors may become effective for bills rendered for cycle or meter readings taken on or about April 1, 1999.

Respectfully submitted,



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Ansley Watson, Jr., and  
James M. (Buddy) Robinson IV  
Macfarlane Ferguson & McMullen  
P. O. Box 1531, Tampa, Florida 33601  
(813) 273-4200  
Attorneys for Peoples Gas System



## Attachment 1

### Derivation of Winter Season Allocation Factors Peoples Gas System

	Winter Demand Allocation Factors		Monthly Volume Allocation Factors	
	Peak Month January, 1998 Actual Sales	Percent of Total	Current Month December, 1998 Projected Sales	Percent of Total
<u>Residential</u>	<u>8,113,280.3</u>		<u>6,841,285.0</u>	
Residential PGA Factor	8,113,280.3	25.84%	6,841,285.0	22.32%
Small General Service	322,285.7		239,006.0	
Gen. Svc.-Comm.	11,421,109.0		10,833,541.0	
Gen. Svc.-Comm. Lg. Vol.-1	9,444,113.5		9,713,823.0	
Gen. Svc.-Comm. Lg. Vol.-2	777,025.5		968,572.0	
Natural Gas Vehicle Sales	58,769.0		58,269.0	
Comm. Street Lighting	52,413.5		55,598.0	
Wholesale	12,513.9		9,200.0	
Small Interruptible	1,199,214.7		1,325,306.0	
Interruptible Lg. Vol.-1	2,538.2		600,000.0	
<u>Interruptible Lg. Vol.-2</u>	<u>0.0</u>		<u>0.0</u>	
Commercial PGA Factor	23,289,983.0	74.16%	23,803,315.0	77.68%
Total System	31,403,263.3	100.00%	30,644,600.0	100.00%



PEOPLES GAS SYSTEM FLEXED DOWN PGA FUEL RATE COMBINED FOR ALL RATE CLASSES g:\gsact\pgs\splitfx.wk4		SCHEDULE A-1			
		ESTIMATE FOR THE PERIOD: APRIL 98 THROUGH MARCH 99 CURRENT MONTH: DECEMBER 1998			
(A)		(B) ORIGINAL PROJECTION	(C) FLEX DOWN ESTIMATE	(D) DIFFERENCE AMOUNT	
<b>COST OF GAS PURCHASED</b>					
1	COMMODITY Pipeline (FGT)	\$85,178	\$97,588	\$12,410	
1a	COMMODITY Pipeline (SONAT)	\$25,223	\$33,047	\$7,824	
1b	COMMODITY Pipeline (SO. GA.)	\$13,684	\$16,723	\$3,039	
2	NO NOTICE SERVICE	\$61,383	\$61,383	\$0	
3	SWING SERVICE	\$3,982,347	\$871,400	(\$3,110,947)	
4	COMMODITY Other (THIRD PARTY)	\$6,922,870	\$5,907,714	(\$1,015,156)	
5	DEMAND (FGT)	\$3,322,258	\$3,142,277	(\$179,981)	
5a	DEMAND (SONAT)	\$257,219	\$306,468	\$49,249	
5b	DEMAND (SO. GA.)	\$164,960	\$177,155	\$12,195	
6	OTHER	\$220,000	\$130,000	(\$90,000)	
LESS END-USE CONTRACT:					
7	COMMODITY Pipeline (FGT)	\$0	\$42,786	\$42,786	
8	DEMAND (FGT)	\$0	\$540,243	\$540,243	
9		\$0	\$0	\$0	
10		\$0	\$0	\$0	
11	TOTAL COST (1+1a+1b+2+3+4+5+5a+5b+6)-(7+8+9+10)	\$15,055,121	\$10,160,724	(\$4,894,397)	
12	NET UNBILLED	\$0	\$0	\$0	
13	COMPANY USE	\$0	\$0	\$0	
14	TOTAL THERM SALES (11)	\$15,055,121	\$10,160,724	(\$4,894,397)	
<b>THERMS PURCHASED</b>					
15	COMMODITY Pipeline (FGT)	24,159,510	36,109,406	11,949,896	
15a	COMMODITY Pipeline (SONAT)	6,637,758	8,147,390	1,509,632	
15b	COMMODITY Pipeline (SO. GA.)	6,485,060	5,640,890	(844,200)	
16	NO NOTICE SERVICE	10,403,910	10,403,910	0	
17	SWING SERVICE	10,885,860	3,370,465	(7,515,395)	
18	COMMODITY Other (THIRD PARTY)	19,758,740	26,624,515	6,865,775	
19	DEMAND (FGT)	79,643,960	73,189,890	(6,454,070)	
19a	DEMAND (SONAT)	8,979,497	9,118,473	138,976	
19b	DEMAND (SO. GA.)	8,772,969	7,197,890	(1,575,079)	
20	OTHER	200,000	0	(200,000)	
LESS END-USE CONTRACT:					
21	COMMODITY Pipeline (FGT)	0	14,074,426	14,074,426	
22	DEMAND (FGT)	0	14,549,346	14,549,346	
23		0	0	0	
24	TOTAL PURCHASES (17+18-23)	30,644,600	29,994,980	(649,620)	
25	NET UNBILLED	0	0	0	
26	COMPANY USE	0	0	0	
27	TOTAL THERM SALES (24)	30,644,600	29,994,980	(649,620)	
<b>CENTS PER THERM</b>					
28	COMM. Pipeline (FGT)	(1/15)	0.00353	0.00270	(0.00082)
28a	COMM. Pipeline (SONAT)	(1a/15a)	0.00380	0.00406	0.00026
28b	COMM. Pipeline (SO. GA.)	(1b/15b)	0.00211	0.00298	0.00085
29	NO NOTICE SERVICE	(2/16)	0.00590	0.00590	0.00000
30	SWING SERVICE	(3/17)	0.36563	0.25854	(0.10729)
31	COMM. Other (THIRD PARTY)	(4/18)	0.35037	0.22169	(0.12868)
32	DEMAND (FGT)	(5/19)	0.04171	0.04293	0.00122
32a	DEMAND (SONAT)	(5a/19a)	0.02885	0.03361	0.00496
32b	DEMAND (SO. GA.)	(5b/19b)	0.01880	0.02461	0.00581
33	OTHER	(6/20)	1.10000	0.00000	(1.10000)
LESS END-USE CONTRACT:					
34	COMMODITY Pipeline (FGT)	(7/21)	0.00000	0.00304	0.00304
35	DEMAND (FGT)	(8/22)	0.00000	0.03713	0.03713
36		(9/23)	0.00000	0.00000	0.00000
37	TOTAL COST	(11/24)	0.49128	0.33875	(0.15253)
38	NET UNBILLED	(12/25)	0.00000	0.00000	0.00000
39	COMPANY USE	(13/26)	0.00000	0.00000	0.00000
40	TOTAL THERM SALES	(37)	0.49128	0.33875	(0.15253)
41	TRUE-UP	(E-4)	(0.00002)	(0.00002)	0.00000
42	TOTAL COST OF GAS	(40+41)	0.49126	0.33873	(0.15253)
43	REVENUE TAX FACTOR		1.00376	1.00376	0.00000
44	PGA FACTOR ADJUSTED FOR TAXES	(42x43)	0.49310	0.34000	0.00000
45	PGA FACTOR ROUNDED TO NEAREST .001		49.310	34.000	0.000

PEOPLES GAS SYSTEM  
FLEXED DOWN PGA FUEL RATE  
FOR RESIDENTIAL CUSTOMERS  
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SCHEDULE A-1

ESTIMATE FOR THE PERIOD: APRIL 98 THROUGH MARCH 99  
CURRENT MONTH: DECEMBER 1998

(A)	(B) ORIGINAL PROJECTION	(C) FLEX DOWN ESTIMATE	(D) DIFFERENCE AMOUNT
<b>COST OF GAS PURCHASED</b>			
1 COMMODITY Pipeline (FGT)	\$19,011	\$21,781	\$2,770
1a COMMODITY Pipeline (SONAT)	\$5,630	\$7,376	\$1,746
1b COMMODITY Pipeline (SO. GA.)	\$3,054	\$3,733	\$679
2 NO NOTICE SERVICE	\$15,861	\$15,861	\$0
3 SWING SERVICE	\$888,860	\$194,498	(\$694,364)
4 COMMODITY Other (THIRD PARTY)	\$1,545,185	\$1,318,602	(\$226,583)
5 DEMAND (FGT)	\$858,471	\$811,964	(\$46,507)
5a DEMAND (SONAT)	\$68,485	\$79,191	\$12,726
5b DEMAND (SO. GA.)	\$42,626	\$45,777	\$3,151
6 OTHER	\$49,104	\$29,016	(\$20,088)
LESS END-USE CONTRACT:			
7 COMMODITY Pipeline (FGT)	\$0	\$9,550	\$9,550
8 DEMAND (FGT)	\$0	\$139,599	\$139,599
9	\$0	\$0	\$0
10	\$0	\$0	\$0
11 TOTAL COST (1+1a+1b+2+3+4+5+5a+5b+6)-(7+8+9+10)	\$3,494,268	\$2,378,648	(\$1,115,620)
12 NET UNBILLED	\$0	\$0	\$0
13 COMPANY USE	\$0	\$0	\$0
14 TOTAL THERM SALES (11)	\$3,494,268	\$2,378,648	(\$1,115,620)
<b>THERMS PURCH. USED</b>			
15 COMMODITY Pipeline (FGT)	5,392,403	8,059,819	2,667,218
15a COMMODITY Pipeline (SONAT)	1,481,548	1,818,497	336,949
15b COMMODITY Pipeline (SO. GA.)	1,447,472	1,259,047	(188,425)
16 NO NOTICE SERVICE	2,688,370	2,688,370	0
17 SWING SERVICE	2,429,724	752,288	(1,677,436)
18 COMMODITY Other (THIRD PARTY)	4,410,151	5,942,592	1,532,441
19 DEMAND (FGT)	20,579,999	18,912,268	(1,667,731)
19a DEMAND (SONAT)	2,320,302	2,356,213	35,911
19b DEMAND (SO. GA.)	2,268,935	1,859,935	(407,000)
20 OTHER	44,840	0	(44,840)
LESS END-USE CONTRACT:			
21 COMMODITY Pipeline (FGT)	0	3,141,412	3,141,412
22 DEMAND (FGT)	0	3,759,551	3,759,551
23	0	0	0
24 TOTAL PURCHASES (17+18-23)	6,839,875	6,694,880	(144,995)
25 NET UNBILLED	0	0	0
26 COMPANY USE	0	0	0
27 TOTAL THERM SALES (24)	6,839,875	6,694,880	(144,995)
<b>CENTS PER THERM</b>			
28 COMM. Pipeline (FGT) (1/15)	0.00353	0.00270	(0.00082)
28a COMM. Pipeline (SONAT) (1a/15a)	0.00380	0.00408	0.00028
28b COMM. Pipeline (SO. GA.) (1b/15b)	0.00211	0.00298	0.00088
29 NO NOTICE SERVICE (2/16)	0.00590	0.00590	0.00000
30 SWING SERVICE (3/17)	0.36583	0.25854	(0.10729)
31 COMM. Other (THIRD PARTY) (4/18)	0.35037	0.22189	(0.12848)
32 DEMAND (FGT) (5/19)	0.04171	0.04293	0.00122
32a DEMAND (SONAT) (5a/19a)	0.02864	0.03361	0.00496
32b DEMAND (SO. GA.) (5b/19b)	0.01880	0.02481	0.00581
33 OTHER (6/20)	1.10000	0.00000	(1.10000)
LESS END-USE CONTRACT:			
34 COMMODITY Pipeline (FGT) (7/21)	0.00000	0.00304	0.00304
35 DEMAND (FGT) (8/22)	0.00000	0.03713	0.03713
36 (9/23)	0.00000	0.00000	0.00000
37 TOTAL COST (11/24)	0.51087	0.35529	(0.15558)
38 NET UNBILLED (12/25)	0.00000	0.00000	0.00000
39 COMPANY USE (13/26)	0.00000	0.00000	0.00000
40 TOTAL THERM SALES (37)	0.51087	0.35529	(0.15558)
41 TRUE-UP (E-4)	(0.00002)	(0.00002)	0.00000
42 TOTAL COST OF GAS (40+41)	0.51085	0.35527	(0.15558)
43 REVENUE TAX FACTOR	1.00376	1.00376	0.00000
44 PGA FACTOR ADJUSTED FOR TAXES (42x43)	0.51277	0.35861	0.00000
45 PGA FACTOR ROUNDED TO NEAREST .001	51.277	35.861	0.000

PEOPLES GAS SYSTEM  
FLEXED DOWN PGA FUEL RATE  
COMBINED FOR ALL RATE CLASSES  
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SCHEDULE A-1

ESTIMATE FOR THE PERIOD: JANUARY 99 THROUGH DECEMBER 99  
CURRENT MONTH: APRIL 1999

(A)	(B) ORIGINAL PROJECTION	(C) FLEX DOWN ESTIMATE	(D) DIFFERENCE AMOUNT	
<b>COST OF GAS PURCHASED</b>				
1 COMMODITY Pipeline (FGT)	\$48,751	\$76,625	\$29,874	
1a COMMODITY Pipeline (SONAT)	\$28,290	\$22,596	(\$5,694)	
1b COMMODITY Pipeline (SO. GA.)	\$16,353	\$12,752	(\$3,601)	
2 NO NOTICE SERVICE	\$22,125	\$22,125	\$0	
3 SWING SERVICE	\$1,812,373	\$876,977	(\$935,396)	
4 COMMODITY Other (THIRD PARTY)	\$8,479,953	\$3,149,893	(\$5,330,060)	
5 DEMAND (FGT)	\$2,672,737	\$2,852,434	\$179,697	
5a DEMAND (SONAT)	\$50,136	\$268,207	\$218,071	
5b DEMAND (SO. GA.)	\$32,153	\$151,557	\$119,404	
6 OTHER	\$100,000	\$130,000	\$30,000	
LESS END-USE CONTRACT:				
7 COMMODITY Pipeline (FGT)	\$0	\$51,656	\$51,656	
8 DEMAND (FGT)	\$0	\$534,624	\$534,624	
9	\$0	\$0	\$0	
10	\$0	\$0	\$0	
11 TOTAL COST (1+1a+1b+2+3+4+5+5a+5b+6)-(7+8+9+10)	\$13,260,872	\$6,976,886	(\$6,283,986)	
12 NET UNBILLED	\$0	\$0	\$0	
13 COMPANY USE	\$0	\$0	\$0	
14 TOTAL THERM SALES (11)	\$13,260,872	\$6,976,886	(\$6,283,986)	
<b>THERMS PURCHASED</b>				
15 COMMODITY Pipeline (FGT)	19,258,142	32,118,490	12,858,348	
15a COMMODITY Pipeline (SONAT)	7,856,403	8,620,225	761,822	
15b COMMODITY Pipeline (SO. GA.)	7,677,660	5,320,860	(2,356,800)	
16 NO NOTICE SERVICE	3,750,000	3,750,000	0	
17 SWING SERVICE	4,649,930	4,649,930	0	
18 COMMODITY Other (THIRD PARTY)	22,285,872	18,137,230	(4,148,642)	
19 DEMAND (FGT)	63,353,400	61,254,600	(2,098,800)	
19a DEMAND (SONAT)	1,808,598	7,518,129	5,709,531	
19b DEMAND (SO. GA.)	1,767,000	7,188,900	5,421,900	
20 OTHER	0	0	0	
LESS END-USE CONTRACT:				
21 COMMODITY Pipeline (FGT)	0	17,751,290	17,751,290	
22 DEMAND (FGT)	0	17,751,290	17,751,290	
23	0	0	0	
24 TOTAL PURCHASES (17+18-23)	26,935,802	22,787,160	(4,148,642)	
25 NET UNBILLED	0	0	0	
26 COMPANY USE	0	0	0	
27 TOTAL THERM SALES (24)	26,935,802	22,787,160	(4,148,642)	
<b>CENTS PER THERM</b>				
28 COMM. Pipeline (FGT)	(1/15)	0.00243	0.00239	(0.00004)
28a COMM. Pipeline (SONAT)	(1a/15a)	0.00360	0.00262	(0.00098)
28b COMM. Pipeline (SO. GA.)	(1b/15b)	0.00213	0.00240	0.00027
29 NO NOTICE SERVICE	(2/16)	0.00590	0.00590	0.00000
30 SWING SERVICE	(3/17)	0.38976	0.18860	(0.20116)
31 COMM. Other (THIRD PARTY)	(4/18)	0.38051	0.17367	(0.20684)
32 DEMAND (FGT)	(5/19)	0.04219	0.04657	0.00438
32a DEMAND (SONAT)	(5a/19a)	0.02772	0.03567	0.00795
32b DEMAND (SO. GA.)	(5b/19b)	0.01820	0.02108	0.00289
33 OTHER	(6/20)	0.00000	0.00000	0.00000
LESS END-USE CONTRACT:				
34 COMMODITY Pipeline (FGT)	(7/21)	0.00000	0.00291	0.00291
35 DEMAND (FGT)	(8/22)	0.00000	0.03012	0.03012
36	(9/23)	0.00000	0.00000	0.00000
37 TOTAL COST	(11/24)	0.49231	0.30618	(0.18613)
38 NET UNBILLED	(12/25)	0.00000	0.00000	0.00000
39 COMPANY USE	(13/26)	0.00000	0.00000	0.00000
40 TOTAL THERM SALES	(37)	0.49231	0.30618	(0.18613)
41 TRUE-UP	(E-4)	(0.00067)	(0.00017)	0.00000
42 TOTAL COST OF GAS	(40+41)	0.49165	0.30601	(0.18613)
43 REVENUE TAX FACTOR		1.00503	1.00503	0.00000
44 PGA FACTOR ADJUSTED FOR TAXES	(42x43)	0.49412	0.30705	0.00000
45 PGA FACTOR ROUNDED TO NEAREST .001		49.412	30.705	0.000

PEOPLES GAS SYSTEM  
FLEXED DOWN PGA FUEL RATE  
FOR RESIDENTIAL CUSTOMERS  
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## SCHEDULE A-1

ESTIMATE FOR THE PERIOD: JANUARY 99 THROUGH DECEMBER 99  
CURRENT MONTH: APRIL 1999

(A)	(B) ORIGINAL PROJECTION	(C) FLEX DOWN ESTIMATE	(D) DIFFERENCE AMOUNT
<b>COST OF GAS PURCHASED</b>			
1 COMMODITY Pipeline (FGT)	\$8,602	\$14,099	\$5,497
1a COMMODITY Pipeline (SONAT)	\$5,205	\$4,158	(\$1,047)
1b COMMODITY Pipeline (SO. GA.)	\$3,009	\$2,346	(\$663)
2 NO NOTICE SERVICE	\$4,487	\$4,487	\$0
3 SWING SERVICE	\$333,477	\$161,364	(\$172,113)
4 COMMODITY Other (THIRD PARTY)	\$1,560,311	\$579,580	(\$980,731)
5 DEMAND (FGT)	\$542,031	\$578,474	\$36,443
5a DEMAND (SONAT)	\$10,168	\$54,392	\$44,224
5b DEMAND (SO. GA.)	\$6,521	\$30,736	\$24,215
6 OTHER	\$18,400	\$23,920	\$5,520
LESS END-USE CONTRACT:			
7 COMMODITY Pipeline (FGT)	\$0	\$9,505	\$9,505
8 DEMAND (FGT)	\$0	\$108,422	\$108,422
9	\$0	\$0	\$0
10	\$0	\$0	\$0
11 TOTAL COST (1+1a+1b+2+3+4+5+5a+5b+6)-(7+8+9+10)	\$2,492,212	\$1,335,629	(\$1,156,583)
12 NET UNBILLED	\$0	\$0	\$0
13 COMPANY USE	\$0	\$0	\$0
14 TOTAL THERM SALES (11)	\$2,492,212	\$1,335,629	(\$1,156,583)
<b>THERMS PURCHASED</b>			
15 COMMODITY Pipeline (FGT)	3,543,498	5,909,434	2,365,936
15a COMMODITY Pipeline (SONAT)	1,445,946	1,586,121	140,175
15b COMMODITY Pipeline (SO. GA.)	1,412,689	979,038	(433,651)
16 NO NOTICE SERVICE	760,500	760,500	0
17 SWING SERVICE	855,587	855,587	0
18 COMMODITY Other (THIRD PARTY)	4,100,800	3,337,250	(763,550)
19 DEMAND (FGT)	12,848,070	12,422,433	(425,637)
19a DEMAND (SONAT)	368,784	1,524,677	1,155,893
19b DEMAND (SO. GA.)	358,348	1,457,909	1,099,561
20 OTHER	0	0	0
LESS END-USE CONTRACT:			
21 COMMODITY Pipeline (FGT)	0	3,266,237	3,266,237
22 DEMAND (FGT)	0	3,599,962	3,599,962
23	0	0	0
24 TOTAL PURCHASES (17+18-23)	4,956,187	4,192,637	(763,550)
25 NET UNBILLED	0	0	0
26 COMPANY USE	0	0	0
27 TOTAL THERM SALES (24)	4,956,187	4,192,637	(763,550)
<b>CENTS PER THERM</b>			
28 COMM. Pipeline (FGT) (1/15)	0.00243	0.00239	(0.00004)
28a COMM. Pipeline (SONAT) (1a/15a)	0.00360	0.00262	(0.00098)
28b COMM. Pipeline (SO. GA.) (1b/15b)	0.00213	0.00240	0.00027
29 NO NOTICE SERVICE (2/16)	0.00590	0.00590	0.00000
30 SWING SERVICE (3/17)	0.38976	0.18860	(0.20116)
31 COMM. Other (THIRD PARTY) (4/18)	0.38051	0.17367	(0.20684)
32 DEMAND (FGT) (5/19)	0.04219	0.04657	0.00438
32a DEMAND (SONAT) (5a/19a)	0.02772	0.03567	0.00795
32b DEMAND (SO. GA.) (5b/19b)	0.01820	0.02108	0.00288
33 OTHER (6/20)	0.00000	0.00000	0.00000
LESS END-USE CONTRACT:			
34 COMMODITY Pipeline (FGT) (7/21)	0.00000	0.00291	0.00291
35 DEMAND (FGT) (8/22)	0.00000	0.03012	0.03012
36 (9/23)	0.00000	0.00000	0.00000
37 TOTAL COST (11/24)	0.50285	0.31855	(0.18430)
38 NET UNBILLED (12/25)	0.00000	0.00000	0.00000
39 COMPANY USE (13/26)	0.00000	0.00000	0.00000
40 TOTAL THERM SALES (37)	0.50285	0.31855	(0.18430)
41 TRUE-UP (E-4)	(0.00002)	(0.00002)	0.00000
42 TOTAL COST OF GAS (40+41)	0.50283	0.31853	(0.18430)
43 REVENUE TAX FACTOR	1.00378	1.00378	0.00000
44 PGA FACTOR ADJUSTED FOR TAXES (42x43)	0.50472	0.31973	0.00000
45 PGA FACTOR ROUNDED TO NEAREST .001	50.472	31.973	0.000



PEOPLES GAS SYSTEM  
FLEXED DOWN PGA FUEL RATE  
FOR COMMERCIAL CUSTOMERS  
g:\gasact\pgal\split499.wk4

## SCHEDULE A-1

ESTIMATE FOR THE PERIOD: JANUARY 99 THROUGH DECEMBER 99  
CURRENT MONTH: APRIL 1999

(A)	(B) ORIGINAL PROJECTION	(C) FLEX DOWN ESTIMATE	(D) DIFFERENCE AMOUNT	
<b>COST OF GAS PURCHASED</b>				
1 COMMODITY Pipeline (FGT)	\$38,149	\$62,528	\$24,377	
1a COMMODITY Pipeline (SONAT)	\$23,085	\$18,438	(\$4,647)	
1b COMMODITY Pipeline (SO. GA.)	\$13,344	\$10,406	(\$2,938)	
2 NO NOTICE SERVICE	\$17,638	\$17,638	\$0	
3 SWING SERVICE	\$1,476,896	\$715,613	(\$763,283)	
4 COMMODITY Other (THIRD PARTY)	\$6,919,642	\$2,570,313	(\$4,349,329)	
5 DEMAND (FGT)	\$2,130,706	\$2,273,960	\$143,254	
5a DEMAND (SONAT)	\$39,988	\$213,815	\$173,847	
5b DEMAND (SO. GA.)	\$25,632	\$120,821	\$95,189	
6 OTHER	\$81,000	\$106,080	\$24,480	
LESS END-USE CONTRACT:				
7 COMMODITY Pipeline (FGT)	\$0	\$42,151	\$42,151	
8 DEMAND (FGT)	\$0	\$426,202	\$426,202	
9	\$0	\$0	\$0	
10	\$0	\$0	\$0	
11 TOTAL COST (1+1a+1b+2+3+4+5+5a+5b+6)-(7+8+9+10)	\$10,788,661	\$5,641,257	(\$5,127,404)	
12 NET UNBILLED	\$0	\$0	\$0	
13 COMPANY USE	\$0	\$0	\$0	
14 TOTAL THERM SALES (11)	\$10,788,661	\$5,641,257	(\$5,127,404)	
<b>THERMS PURCHASED</b>				
15 COMMODITY Pipeline (FGT)	15,714,644	26,207,056	10,492,412	
15a COMMODITY Pipeline (SONAT)	6,412,457	7,034,104	621,647	
15b COMMODITY Pipeline (SO. GA.)	6,264,971	4,341,822	(1,923,149)	
16 NO NOTICE SERVICE	2,989,500	2,989,500	0	
17 SWING SERVICE	3,794,343	3,794,343	0	
18 COMMODITY Other (THIRD PARTY)	18,185,272	14,799,980	(3,385,292)	
19 DEMAND (FGT)	50,505,330	48,832,187	(1,673,163)	
19a DEMAND (SONAT)	1,441,814	5,993,452	4,551,638	
19b DEMAND (SO. GA.)	1,408,652	5,730,991	4,322,339	
20 OTHER	0	0	0	
LESS END-USE CONTRACT:				
21 COMMODITY Pipeline (FGT)	0	14,485,053	14,485,053	
22 DEMAND (FGT)	0	14,151,328	14,151,328	
23	0	0	0	
24 TOTAL PURCHASES (17+18-23)	21,979,615	18,594,323	(3,385,292)	
25 NET UNBILLED	0	0	0	
26 COMPANY USE	0	0	0	
27 TOTAL THERM SALES (24)	21,979,615	18,594,323	(3,385,292)	
<b>CENTS PER THERM</b>				
28 COMM. Pipeline (FGT)	(1/15)	0.00243	0.00239	(0.00004)
28a COMM. Pipeline (SONAT)	(1a/15a)	0.00360	0.00282	(0.00098)
28b COMM. Pipeline (SO. GA.)	(1b/15b)	0.00213	0.00240	0.00027
29 NO NOTICE SERVICE	(2/16)	0.00590	0.00590	0.00000
30 SWING SERVICE	(3/17)	0.38976	0.18860	(0.20116)
31 COMM. Other (THIRD PARTY)	(4/18)	0.38051	0.17367	(0.20684)
32 DEMAND (FGT)	(5/19)	0.04219	0.04657	0.00438
32a DEMAND (SONAT)	(5a/19a)	0.02772	0.03567	0.00795
32b DEMAND (SO. GA.)	(5b/19b)	0.01820	0.02108	0.00289
33 OTHER	(6/20)	0.00000	0.00000	0.00000
LESS END-USE CONTRACT:				
34 COMMODITY Pipeline (FGT)	(7/21)	0.00000	0.00291	0.00291
35 DEMAND (FGT)	(8/22)	0.00000	0.03012	0.03012
36	(9/23)	0.00000	0.00000	0.00000
37 TOTAL COST	(11/24)	0.48994	0.30339	(0.18655)
38 NET UNBILLED	(12/25)	0.00000	0.00000	0.00000
39 COMPANY USE	(13/26)	0.00000	0.00000	0.00000
40 TOTAL THERM SALES	(37)	0.48994	0.30339	(0.18655)
41 TRUE-UP	(E-4)	(0.00002)	(0.00002)	0.00000
42 TOTAL COST OF GAS	(40+41)	0.48992	0.30337	(0.18655)
43 REVENUE TAX FACTOR		1.00376	1.00376	0.00000
44 PGA FACTOR ADJUSTED FOR TAXES	(42x43)	0.49176	0.30451	0.00000
45 PGA FACTOR ROUNDED TO NEAREST .001		49.176	30.451	0.000

P O Box 2182  
Tampa, Florida 33601-2582

013 228-4873

**TECO Energy, Inc**  
**Peoples Gas System**

# Fax

981698

98 1879

<b>To:</b> Monte at FPSC Records & Reporting	<b>From:</b> Joe McCormick
<b>Fax:</b> 850 413-7116	<b>Pages:</b> 2
<b>Phone:</b> 850 413-6770	<b>Date:</b> February 25, 1999
<b>Re:</b> Change in Fax Number for Peoples Gas System (GU 606)	

RECORDS AND  
REPORTING

59 FEB 26 PM 12:11

RECEIVED FPSC

- Urgent     For Review     Please Comment     Please Reply     Please Recycle

• **Comment:** Peoples Gas is receiving faxes at an incorrect number within the company from the Commission's Records Fax Server.

Fax correspondence to Angela Llewellyn at Peoples Gas System is currently being received at fax number 813 228-4742. The correct fax number for Peoples Gas System is 813 228-1770.

Please change your records to reflect the change.

Thank you.

*Joe McCormick*  
Joe McCormick

and

*Angela Llewellyn*  
Angela Llewellyn

Done 2/26/99