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Ansley Watson, Jr. P.O. Box 1531 Tampa, Florida 33601 e-mail: <u>aw@macfar.com</u>

VIA E-FILING

Blanca S. Bayo, Director Division of Commission Clerk & Administrative Services Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Re: Docket No. 040003-GU - Purchased gas adjustment (PGA) true-up

Dear Ms. Bayo:

Enclosed for filing with the Commission, please find Peoples Gas System's Preliminary List of Issues and Positions for the hearing scheduled to be held in the above docket November 8-10, 2004.

Thank you for your usual assistance.

Sincerely,

Ansley Watson, Jr

AWjr/a Enclosure

cc: Mrs. Kandi M. Floyd

Matthew R. Costa, Esquire

Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Purchased gas adjustment)	DOCKET NO. 040003-GU
(PGA) true-up.)	Submitted for filing:
)	10-6-04

PEOPLES GAS SYSTEM'S PRELIMINARY LIST OF ISSUES AND POSITIONS

Peoples Gas System ("PGS"), by its undersigned attorneys, submits the following Preliminary List of Issues and Positions:

Generic Purchased Gas Adjustment Issues

<u>ISSUE 1</u>: What are the appropriate final purchased gas adjustment true-up amounts for the period January 2003 through December 2003?

PGS: \$7,268,762 underrecovery

ISSUE 2: What are the estimated purchased gas adjustment true-up amounts for the period January 2004 through December 2004?

PGS: \$10,448,229 overrecovery

ISSUE 3: What are the total purchased gas adjustment true-up amounts to be collected or refunded during the period January 2005 through December 2005?

<u>PGS</u>: \$3,179,465 overrecovery

ISSUE 4: What are the appropriate levelized purchased gas cost recovery (cap) factors for the period January 2005 through December 2005?

PGS: \$0.99037 per therm

<u>ISSUE 5</u>: What should be the effective date of the new purchased gas adjustment charge for billing purposes?

PGS: The factor should be effective for all bills from the first billing cycle in January 2005 through and including the last billing cycle in December 2005.

Respectfully submitted,

Ansley Watson/Jr.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing Preliminary List of Issues and Positions has been furnished by U. S. Mail this 6th day of October, 2004, to the following:

Katherine Fleming, Esquire
Office of General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee. FL 32399-0850

Robert Vandiver, Esquire Office of the Public Counsel c/o The Florida Legislature 111 W. Madison St. - #812 Tallahassee, FL 32399-1400

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Anslev Watson, Jr.