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October 15, 2003

BY HAND DELIVERY

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

Re: Florida Public Utilities Company; Docket No. 030003-GU

Dear Ms. Bayo:

Enclosed for filing on behalf of Florida Public Utilities Company in this docket are an original and 10 copies of Florida Public Utilities Company's Prehearing Statement in the above referenced docket. Also enclosed is a 3 1/2" diskette with the document on it in WordPerfect 9.0 format.

Please acknowledge receipt of these documents by stamping the enclosed extra copy of this letter.

Thank you for your assistance.

Sincerely,

Norman H. Horton, Jr.

NHH/amb Enclosures

cc:

Ms. Cheryl Martin Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Purchased Gas Cost Recovery)	Docket No. 030003-GU
)	Filed: October 15, 2003

FLORIDA PUBLIC UTILITIES COMPANY'S PRHEARING STATEMENT

Florida Public Utilities Company ("FPU") hereby submits its prehearing statement to be taken up at the hearing now scheduled to begin on November 12 - 14, 2003 in this docket.

A. WITNESSES

Issues

Subject Matter

Witness

Cheryl M. Martin	Purchased gas cost recovery projections, true-ups, and estimate of therm sales		1-5	
Marc L. Schneidermann	Natural gas sales projection, demand and commodity costs, and WACOG		4	
B. EXHIBITS				
Exhibit Number	Witness	<u>Description</u>		
CM-1	Martin	Revised Schedule A-7		
CMM-1 (Composite)	Martin	Schedules E-1, E-1/R and E-5	, E-2, E-3, E-4,	

C. BASIC POSITION

FPU has properly projected its true-up amounts and projected gas costs. Its costs and projections are reasonable and its purchased gas cost recovery factors should be approved by the Commission.

D. STATEMENT OF ISSUES AND POSITIONS

<u>Issue 1</u>: What is the appropriate final purchased gas adjustment true-up amount

for the period January, 2002 through December, 2002?

FPU's Position: \$479,733 (overrecovery)

Issue 2: What is the estimated purchased gas adjustment true-up amount for the

period January, 2003 through December, 2003?

FPU's Position: \$292,342 (underrecovery)

Issue 3: What is the total purchased gas adjustment true-up amount to be

refunded in the January, 2004 through December, 2004 period?

FPU's Position: \$187,391 (overrecovery)

Issue 4: What is the appropriate levelized purchased gas cost recovery (cap)

factor to be charged during the period January, 2004 through December,

2004?

FPU's Position: 91.812 cents per therm.

<u>Issue 5</u>: What should be the effective date of the new purchased gas adjustment

charge for billing purposes?

FPU's Position: The factor should be effective for all meter readings on or after

January, 2004, beginning with the first or applicable billing cycle for

the period January, 2004 through December, 2004.

Dated this 15th day of October, 2003.

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NORMAN H. HORTON, JR. ESQ.

FLOYD R. SELF, ESQ.

Attorneys for Florida Public Utilities Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing have been served by hand delivery (*) and/or U. S. Mail this 15th day of October, 2003 upon the following:

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