BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re:	Conservation Cost)	Docket No. 040004-EG
	Recovery Clause)	Submitted for Filing
		_)	October 6, 2004

ST. JOE NATURAL GAS COMPANY'S PREHEARING STATEMENT

St. Joe Natural Gas Company, Inc. ("SJNG") by and through its undersigned officer, hereby submits its Prehearing Statements for the hearing scheduled to commence in the proceeding November 8, 2004.

A. Witness that may be called:

None, Debbie Stitt has substituted prepared testimony which should be inserted into the record as if read.

B. Additional Exhibits:

Schedules C1 through C4.

C. Statement of Basic Position:

The Commission should approve the final adjusted net true-up amount for the twelve month period ending December 31,2005 including interest, the projected conservation program expenses for the twelve month period ending Dec 31, 2005 and the Conservation Cost Recovery Factors to be applied to customer bills rendered for the twelve month period ending December 31, 2005 as filed by SJNG.

D. SJNG's position on each issue :

What is the final end-of-the-period true-up amount for the period
January 2003 through December 2003.

DOCUMENT NUMBER-CATE

SJNG: An overrecovery of \$5,627.00

What is the appropriate Conservation Cost Recovery Factor to be applied to customer bills during the twelve month period ending December 31, 2005?

SJNG: \$0.00776 cents per therm for residential, \$0.00652 cents for commercial, and \$0.000305 cents for large commercial.

Stuart L. Shoaf, President

St. Joe Natural Gas Company, Inc.

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