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October 25, 2001

BY HAND DELIVERY

Ms. Blanca Bayo, Director Division of Records and Reporting Room 110, Easley Building Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, Florida 32399-0850

Re: Docket No. 010003-GU

Dear Ms. Bayo:

Enclosed for filing on behalf of Florida Public Utilities Company in connection with the hearings to begin November 20, 2001 in this docket are an original and 10 copies of the Prehearing Statement. Also enclosed is a 3 1/2" diskette with the document on it in WordPerfect 9.0.

Please indicate receipt of this document by stamping the enclosed extra copy of this letter.

Thank you for your assistance in this matter.

Sincerely,

Norman H. Horton.

NHH:amb Enclosures cc: Mr. George Bachman Parties of Record

APP

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FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Purchased Gas Cost Recovery)

Docket No. 010003-GU Filed: October 25, 2001

E-4,

FLORIDA PUBLIC UTILITIES COMPANY'S <u>PRHEARING STATEMENT</u>

Florida Public Utilities Company ("FPU") hereby submits its prehearing statement to be

taken up at the hearing now scheduled to begin on November 20, 2001 in this docket.

A. WITNESSES

Witness	Subject Matter		<u>Issues</u>
George M. Bachman	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
<u>B. EXHIBITS</u>			
Exhibit Number	Witness	Description	
GMB-1	Bachman	Schedule A-7	
GMB-2 (Composite)	Bachman	Schedules E-1, E-1/R and E-5	k, E-2, E-3, Ì

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, 2000 through December, 2000?

<u>FPU's Position</u>: \$1,395,028 (underrecovery)

<u>Issue 2</u>: What is the estimated purchased gas adjustment true-up amount for the period January, 2001 through December, 2001?

<u>FPU's Position</u>: \$1,761,048 (overrecovery)

<u>Issue 3</u>: What is the total purchased gas adjustment true-up amount to be refunded or collected in the January, 2001 through December, 2001 period?

<u>FPU's Position</u>: \$366,020 (overrecovery)

<u>Issue 4</u>: What is the appropriate levelized purchased gas cost recovery (cap) factor to be charged during the period January, 2002 through December, 2002?

<u>FPU's Position</u>: 83.412 cents per therm.

- **Issue 5:** 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 afterJanuary, 2002, beginning with the first or applicable billing cycle for
the period January, 2002 through December, 2002.

Dated this 25th day of October, 2001.

MESSER, CAPARELLO & SELF, P.A. Suite 701, SunTrust Bank Building Post Office Box 1876 Tallahassee, FL 32302-1876 (850) 222-0720

VIA .

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 Florida Public Utilities Company's Prehearing Statement in Docket No. 010003-GU have been served by hand delivery (*) and/or U. S. Mail this 25th day of October, 2001 upon the following:

Cochran Keating, Esq.* Division of Legal Services Florida Public Service Commission 2540 Shumard Oak Blvd., Room 370 Tallahassee, FL 32399-0850

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