

LAW OFFICES
Messer, Caparello & Self
A Professional Association

Post Office Box 1876
Tallahassee, Florida 32302-1876
Internet: www.lawfla.com

October 15, 2003

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

BY HAND DELIVERY

Re: Docket No. 030004-GU; Florida Public Utilities Company

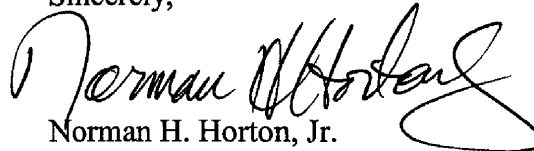
Dear Ms. Bayo:

Enclosed for filing on behalf of Florida Public Utilities Company are an original and 10 copies of Florida Public Utilities Company's Prehearing Statement. 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 extra copy of this letter "filed" and returning the same to me in the enclosed self-addressed stamped envelope.

Thank you for your assistance in this matter.

Sincerely,


Norman H. Horton, Jr.

NHH:amb
Enclosures

cc: Mr. Robert L. Smith
Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural Gas Conservation)
Cost Recovery Clause.)
_____)

Docket No. 030004-GU
Filed: October 15, 2003

**FLORIDA PUBLIC UTILITIES COMPANY'S
PREHEARING STATEMENT**

Florida Public Utilities Company ("FPU"), by and through its undersigned counsel, submits its prehearing statement for its consolidated natural gas division in connection with the hearing that is scheduled for November 12 - 14, 2003, in the above-styled docket.

A. WITNESSES

<u>Witness</u>	<u>Subject Matter</u>	<u>Issues</u>
Robert L. Smith	Conservation cost recovery and true-up for its consolidated natural gas division	1-3

B. EXHIBITS

<u>Exhibit Number</u>	<u>Witness</u>	<u>Description</u>
_____ RLS-1 (Composite)	Smith	Revised Schedules CT-1, CT-2, CT-3, CT-4, and CT-5
_____ RLS-2 (Composite)	Smith	Schedules C1, C2, C3, and C5

C. BASIC POSITION

FPU has properly projected its costs and calculated its true-up amounts and conservation cost recovery factors. Those amounts and factors should be approved by the Commission.

D. STATEMENT OF ISSUES AND POSITIONS

Issue 1: **What are the final end-of-period true-up amounts for the period January, 2002, through December, 2002?**

FPU's Position: \$123,348 underrecovery

Issue 2: **What are the appropriate conservation cost recovery factors for the period January, 2004 through December, 2004?**

FPU's Position:

Residential	\$0.08923
General Service	\$0.03274
Large Volume Service	\$0.02184
Large Volume Transportation Service	\$0.02184

Issue 3: **What should be the effective date of the conservation cost recovery factors for billing purposes?**

FPU's Position: The conservation cost recovery factors should be effective for the period January, 2004 through December, 2004, and to billings thereafter until other conservation cost recovery factors are approved by the Commission.

E. QUESTIONS OF LAW

None.

F. POLICY QUESTIONS

None.

G. STIPULATED ISSUES

None.

H. MOTIONS

None.

I. OTHER MATTERS

None.

Respectfully submitted this 15th day of October, 2003.

MESSER, CAPARELLO & SELF, P.A.
Post Office Box 1876
Tallahassee, Florida 32302-1876


NORMAN H. HORTON, JR.

Attorney 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:

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

Matthew R. Costa, Esq.
Peoples Gas System
P.O. Box 111
Tampa, FL 33601-0111

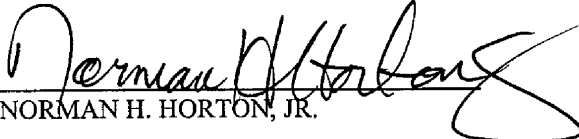
Ms. Angela Llewellyn
Peoples Gas System
P.O. Box 2562
Tampa, FL 33601-2562

Ms. Gloria Lopez
City Gas Company of Florida
955 East 25th Street
Hialeah, FL 33013-3498

Gary Perko, Esq.
Hopping, Green Sams and Smith
P.O. Box 6526
Tallahassee, FL 32314

Wayne L. Schiefelbein, Esq.
Rose, Sundstrom & Bentley, LLP
2548 Blairstone Pines Drive
Tallahassee, FL 32301

Ansley Watson, Jr., Esq.
MacFarlane, Ferguson, Allison & Kelly
P.O. Box 1531
Tampa, FL 33601-1531


NORMAN H. HORTON, JR.