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October 17, 2005

BY HAND DELIVERY

Ms. Blanca Bayó, Director
Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Florida Public Utilities Company; Docket No. 050003-GU

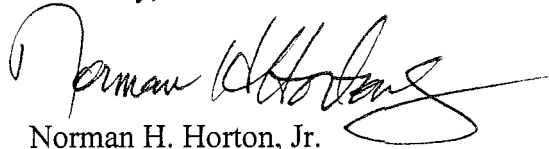
Dear Ms. Bayo:

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 12.0 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

DOCUMENT NUMBER-DATE

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10033 OCT 17 05
FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Purchased Gas Cost Recovery)
_____)

Docket No. 050003-GU
Filed: October 17, 2005

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

Florida Public Utilities Company ("FPU") hereby submits its prehearing statement to be taken up at the hearing now scheduled to begin on November 7-9, 2005 in this docket.

A. WITNESSES

<u>Witness</u>	<u>Subject Matter</u>	<u>Issues</u>
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

<u>Exhibit Number</u>	<u>Witness</u>	<u>Description</u>
_____ CM-1	Martin	Schedule A-7
_____ CMM-1 (Composite)	Martin	Schedules E-1, E-1/R, E-2, E-3, E-4, and E-5

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

Issue 1: **What is the appropriate final purchased gas adjustment true-up amount for the period January 2004 through December 2004?**

FPU's Position: \$772,395 (overrecovery)

Issue 2: **What is the estimated purchased gas adjustment true-up amount for the period January 2005 through December 2005?**

FPU's Position: \$2,208,051 (underrecovery)

Issue 3: **What is the total purchased gas adjustment true-up amount to be collected in the January 2006 through December 2006 period?**

FPU's Position: \$1,435,656 (underrecovery)

Issue 4: **What is the appropriate levelized purchased gas cost recovery (cap) factor to be charged during the period January 2005 through December 2005?**

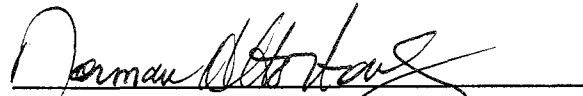
FPU's Position: 155.053 cents per therm.

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 after January 2006, beginning with the first or applicable billing cycle for the period January 2006 through December 2006.

Dated this 17th day of October, 2005.

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A handwritten signature in black ink, appearing to read "Norman H. Horton, Jr.", written over a horizontal line.

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 U. S. Mail this 17th day of October, 2005 upon the following:

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