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February 12, 1998

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. 980003-GU; South Florida Natural Gas Company

Dear Ms. Bayo:

Enclosed for filing on behalf of Sebring Gas System, Inc. in connection with the hearings to begin February 25, 1998 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 6.1.

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, Jr.

ACK   
AFA Vandiver  
APP NHH:amb  
CAF Enclosures  
CMU cc: Mr. Jerry Melendy  
Parties of Record  
CTR \_\_\_\_\_  
EAG \_\_\_\_\_  
LES 1  
LIR 3  
ORC \_\_\_\_\_  
RCH \_\_\_\_\_  
SAL 1  
WYS \_\_\_\_\_  
ZSR \_\_\_\_\_

RECEIVED & FILED  
*R*  
FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

02200 FEB 12 88

FPSC-RECORDS/REPORTING

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Purchased Gas )  
Adjustment Cost Recovery )  
\_\_\_\_\_ )

Docket No. 980003-GU  
Filed: February 12, 1998

**PREHEARING STATEMENT OF  
SEBRING GAS SYSTEM, INC.**

Sebring Gas System, Inc., through undersigned counsel, respectfully submits this prehearing statement.

**A. APPEARANCES**

Norman H. Horton, Jr.  
Messer, Caparello & Self, P.A.  
Post Office Box 1876  
Tallahassee, FL 32302-1876

On behalf of Sebring Gas System, Inc.

**B. WITNESSES**

<u>Witness</u>	<u>Subject Matter</u>	<u>Issues</u>
Melendy	Purchased Gas Cost Recovery Projections, True-ups, and Estimate of Therm Sales	1-5

**C. EXHIBITS**

<u>Number</u>	<u>Witness</u>	<u>Description</u>
_____ JHM-02 (composite)	Melendy	Schedules E-1, E-1R, E-2, E-3, E-4 and E-5

**D. STATEMENT OF BASIC POSITION**

Sebring Gas System, Inc. has properly calculated its true-up amounts and projected gas costs. Its costs and projections are reasonable and its purchased gas cost recovery factor should be approved.

DOCUMENT NUMBER-DATE

02200 FEB 12 98

FPSC-RECORDS/REPORTING

**E. STATEMENT OF ISSUES AND POSITIONS**

**ISSUE 1:** What are the appropriate final purchased gas adjustment true-up amounts for the period April, 1996 through March, 1997?

Sebring's Position: \$9,331 underrecovery

**ISSUE 2:** What are the estimated purchased gas adjustment true-up amounts for the period April, 1997 through March, 1998?

Sebring's Position: \$4,621 underrecovery

**ISSUE 3:** What are the total purchased gas adjustment true-up amounts to be [refunded or collected] during the period April, 1998 through March, 1999?

Sebring's Position: \$13,952 underrecovery

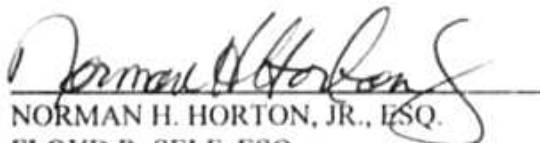
**ISSUE 4:** What are the appropriate levelized purchased gas cost recovery (cap) factors for the period April, 1998 through March, 1999?

Sebring's Position: 4.614 cents per therm.

Dated this 12th day of February, 1998.

Respectfully submitted,

MESSER, CAPARELLO & SELF, P.A.  
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Tallahassee, FL 32302-1876  
(904) 222-0720

  
NORMAN H. HORTON, JR., ESQ.  
FLOYD R. SELF, ESQ.

Attorneys for Sebring Gas System, Inc.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of Sebring Gas System, Inc.'s Preclearing Statement in Docket No. 980003-GU have been served by hand delivery (\*) and/or U. S. Mail this 12th day of February, 1998 upon the following:

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