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September 11, 1998

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Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Betty Easley Conference Center
Room 110
Tallahassee, Florida 32399-0850

Re: Docket No. 980003-GU

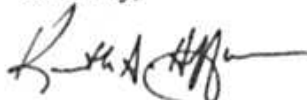
Dear Ms. Bayo:

Enclosed herewith for filing in the above-referenced docket on behalf of Florida Public Utilities Company ("FPU") are the following documents:

1. Original and five copies of FPU's Request for Confidential Classification; 09972-98
2. An envelope containing the document considered "confidential"; and 09973-98
3. The original and fifteen copies of the direct testimony of George Bachman. 09974-98

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the same to me. Thank you for your assistance with this filing.

Sincerely,



Kenneth A. Hoffman

KAH/rl

cc: All Parties of Record

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 980003-GU
DETERMINATION OF PURCHASED
GAS/COST RECOVERY FACTOR

Direct Testimony of
George Bachman
On Behalf of
Florida Public Utilities Company

- 1 Q. Please state your name and business address.
- 2 A. George Bachman, 401 South Dixie Highway, West Palm Beach, FL 33401.
- 3 Q. By whom are you employed and in what capacity?
- 4 A. I am employed by Florida Public Utilities Company as the Director of
5 Accounting.
- 6 Q. What is the purpose of your testimony at this time?
- 7 A. To advise the Commission of the actual over/under recovery of the Purchased Gas
8 Adjustment for the period April 1, 1997 through March 31, 1998. As compared to
9 the true-up amount previously reported for that period which was based on eight
10 months actual and four months estimated.
- 11 Q. Please state the actual amount of over/under recovery of the Purchased Gas
12 Adjustment for April 1, 1997 through March 31, 1998.
- 13 A. The Company under-recovered \$937,284 during April 1997 through March 1998.
14 This amount is substantiated on Schedules A-2 and A-7.
- 15 Q. How does this amount compare with the estimated true-up amount which was
16 allowed by the Commission during the February 1998 hearing?
- 17 A. We had estimated an under-recovery of \$420,352 as of March 1998.

DOCUMENT NUMBER-DATE

09974 SEP 11 88

FPSC-RECORDS/REPORTING

1 Q. Have you prepared any exhibits at this time?

2 A. We prepared and pre-filed composite exhibit GMB-1 which contains Schedules

3 A-1, A-1 Supplement, A-2, A-3, A-4, A-5, A-6, and A-7.

4 Q. Does this conclude your testimony?

5 A. Yes

6

7 GMB-PGA-998.TEST

8 disk PGA 12/96

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