

OFFICIAL COPY
Division of
Economic Regulation
PSC

ANNUAL REPORT OF
NATURAL GAS UTILITIES

CITY GAS COMPANY OF FLORIDA
A DIVISION OF NUI CORPORATION

(EXACT NAME OF RESPONDENT)

955 E. 25th St., HIALEAH, FL 33013 - 3498

(ADDRESS OF RESPONDENT)

TO THE

FLORIDA PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2002

RECEIVED
PUBLIC SERVICE
COMMISSION
JAN 14 2003

Officer or other person to whom correspondence should be addressed concerning this report:

Name: Carolyn Bermudez

Title: Accounting Manager

Address: 955 E. 25th St.

City: Hialeah

State: FL

Telephone No. (305) 691-8710 x 5920

PSC/ECR 020-G (4/96)

ANNUAL REPORT OF NATURAL GAS UTILITIES

IDENTIFICATION

01 Exact Legal Name of Respondent NUI Utilities, Inc D/B/A City Gas Company of Florida		02 Year of Report Dec. 31, 2002
03 Previous Name and Date of Change (if name changed during year)		
04 Address of Principal Office at End of Year (Street, City, State, Zip Code) 955 E. 25th Street, Hialeah, FL 33013-3498		
05 Name of Contact Person Darryl DeLauro	06 Title of Contact Person Controller of Utilities Operations	
07 Address of Contact Person (Street, City, State, Zip Code) One Elizabethtown Plaza, Union, NJ 07083		
08 Telephone of Contact Person, Including Area Code (908) 289-5000	09 This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr) April 30, 2003

ATTESTATION

I certify that I am the responsible accounting officer of


NUI Corporation;

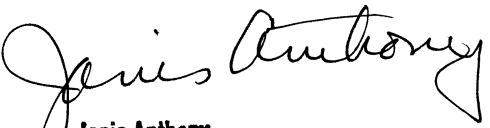
that I have examined the following report; that to the best of my knowledge, information and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from January 1, 2002 to December 31, 2002, inclusive.

I also certify that all affiliated transfer prices and affiliated cost allocations were determined consistent with the methods reported to this Commission on the appropriate forms included in this report.

I am aware that Section 837.06, Florida Statutes, provides:

Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in S. 775.082 and S. 775.083.

Date:	Signature: 
Name: A. Mark Abramovic	Title: Senior Vice President, Chief Operating Officer and Chief Financial Officer


Janis Anthony
A Notary Public of New Jersey
My Commission Expires August 23, 2003

Name of Respondent	For the Year Ended
CITY GAS COMPANY OF FLORIDA A DIVISION OF NUI UTILITIES, INC.	Dec. 31, 2002

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Name of Respondent CITY GAS COMPANY OF FLORIDA A DIVISION OF NUI UTILITIES, INC.	For the Year Ended Dec. 31, 2002
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GENERAL INFORMATION

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

A. Mark Abramovic
Senior Vice President, Chief Operating Officer and
Chief Financial Officer
One Elizabethtown Plaza
Union, NJ 07083

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

NUI Corporation was incorporated in New Jersey on January 29, 1969

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

N/A

4. State the type of utility and nonutility services furnished by respondent during the year in each State in which the respondent operated.

Utility- Distribution of Natural Gas

Non-Utility- Leased Appliances, Merchandising and Jobbing, Propane Sales

City Gas Company of Florida is a division of NUI Utilities, Inc., a wholly-owned subsidiary of NUI Corporation (NUI) and operates entirely within Florida. NUI Utilities also had operations in North Carolina, Pennsylvania, New York, New Jersey and Maryland, that are not covered by this report.

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

(1) YES ...Enter the date when such independent accountant was initially engaged: _____

(2) NO X

Name of Respondent
CITY GAS COMPANY OF FLORIDA
A DIVISION OF NUI UTILITIES, INC.

For the Year Ended

Dec. 31, 2002

CONTROL OVER RESPONDENT

1. If any corporation, business trust, or similar organization or combination of such organizations jointly held control over the respondent at end of year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee (s), state name of trustee (s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.
2. If the above required information is available from the SEC 10K Report Form filing, a specific reference to the report form (i.e. year and company title) may be listed provided the fiscal years for both the 10-K report and this report are compatible.

City Gas Company of Florida is a division of NUI Utilities, Inc. NUI Utilities, Inc. is a wholly-owne subsidiary of NUI Corporation (NUI).

Name of Respondent CITY GAS COMPANY OF FLORIDA A DIVISION OF NUI UTILITIES, INC.	For the Year Ended Dec. 31, 2002
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CORPORATIONS CONTROLLED BY RESPONDENT

- | | |
|--|--|
| <p>1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.</p> <p>2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.</p> | <p>3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.</p> <p>4. If the above required information is available from the SEC 10-K Report Form filing, a specific reference to the report form (i.e. year and company title) may be listed in column (a) provided the fiscal years for both the 10-K report and this report are compatible.</p> |
|--|--|

DEFINITIONS

- | | |
|---|--|
| <p>1. See the Uniform System of Accounts for a definition of control.</p> <p>2. Direct control is that which is exercised without interposition of an intermediary.</p> <p>3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.</p> <p>4. Joint control is that in which neither interest can effectively</p> | <p>control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.</p> |
|---|--|

Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
<p>NONE - City Gas Company of Florida is a division of NUI Utilities, Inc. and does not control, directly or indirectly, any corporation, business trust or similar organization. See footnotes, page 19, for detail of all entities controlled by NUI Corporation.</p>			

Name of Respondent
 CITY GAS COMPANY OF FLORIDA
 A DIVISION OF NUI UTILITIES, INC.

For the Year Ended
 Dec. 31, 2002

OFFICERS

1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policymaking functions.
 2. If a change was made during the year in the incumbency of

any position, show name and total remuneration of the previous incumbent, and date the change in incumbency was made.
 3. Utilities which are required to file the same data with the Securities and Exchange Commission, may substitute a copy of item 4 of Regulation S-K (identified as this page). The substituted page(s) should be the same size as this page.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	President & CEO	John Kean Jr.	\$ 490,000
2			
3	Senior Vice President	A. Mark Abramovic	305,000
4			
5	Vice President	Victor A. Fortkiewicz	189,900
6			
7	Treasurer	Charles N. Garber	180,000
8			
9	Secretary	James R. Van Horn	226,000
10			
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35	The amounts noted above are for the officers of NUI Utilities, Inc.		
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Name of Respondent
CITY GAS COMPANY OF FLORIDA
A DIVISION OF NUI UTILITIES, INC.

For the Year Ended

Dec. 31, 2002

DIRECTORS

1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a) abbreviated titles of the directors who are officers of the respondent.

2. Designate members of the Executive Committee by an asterisk and the Chairman of the Executive Committee by a double asterisk.

Name (and Title) of Director (a)	Principal Business Address (b)	No. of Directors Meetings During Yr. (c)	Fees During Year (d)
CITY GAS COMPANY OF FLORIDA DOES NOT HAVE A BOARD OF DIRECTORS			

Name of Respondent
 CITY GAS COMPANY OF FLORIDA
 A DIVISION OF NUI UTILITIES, INC.

For the Year Ended

Dec. 31, 2002

SECURITY HOLDERS AND VOTING POWERS

1. Give the names and addresses of the 10 security holders of the respondents who, at the date of the latest closing of the stock book or compilation of the list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes which each would have had the right to cast on that date if a meeting were in order. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.) duration of the trust, and principal holders of beneficiary interests in the trust. If the stock book was not closed or a list of stockholders was not compiled within one year prior to the end of the year, or if since the previous compilation of a list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.

2. If any security other than stock carries voting rights, explain in a supplemental statement of circumstances whereby such security became vested with voting rights and

give other important particulars (details) concerning the voting rights of such security. State whether voting rights are actual or contingent: if contingent, describe the contingency.

3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote.

4. Furnish particulars (details) concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by any officer, director, associated company, or any of the ten largest security holders. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants or rights were issued on a prorata basis.

1. Give date of the latest closing of the stock book prior to the end year, and state the purpose of such closing:

December 15, 2002
 Dividend payment record date.

2. State the total number of votes cast at the latest general meeting prior to the end of year for the election of directors of the respondents and number of such votes cast by proxy.

Total: 100
 By Proxy: -

3. Give the date and place of such meeting:

January 22, 2002
 Somerset Hills Hotel
 200 Liberty Corner Road
 Warren, NJ

VOTING SECURITIES
 Number of votes as of (date): January 22, 2002

Line No.	Name (Title) and Address of Security Holder (a)	Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
4	TOTAL votes of all voting securities	100	100		
5	TOTAL number of security holders	1	1		
6	TOTAL votes of security holders listed below	100	100		
7					
8					
9					
10					
11					
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19					
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21					
22	NOTE: This information relates to NUI Corporation, of which respondent is a division.				
23					
28					
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31					
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33					

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquires. Each inquiry should be answered. Enter "none" "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important information to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give name of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other conditions. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases,

development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements etc.

6. Obligations incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, including ordinary commercial paper maturing on demand or not later than one year after date of issue: State on behalf of whom the obligation was assumed and amount of the obligation. Give reference to Commission authorization if any was required.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. State briefly the status of any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on page 8, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. Estimate increase or decrease in annual revenues due to important rate changes: State effective rate and approximate amount of increase or decrease from each revenue classification. State the number of customers affected.
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by instruction 1 to 11 above, such notes may be attached to this page.

1. The following franchise agreements were acquired during 2002:
 - a. The Town of Medley granted a franchise with a term ending April 11, 2011.
 - b. The City of Homestead granted a franchise with a term ending 12/31/2014 and one five year renewal with mutual opt out provisions for both the City and the Company.
 - c. The City of Melbourne amended its franchise to include transportation customers in the calculation of its franchise fee.
 - d. The City of West Melbourne granted a franchise with a term ending in April of 2032.
 - e. The Town of West Palm Shores granted a franchise with a term ending October 3, 2032.
2. None
3. None
4. None
5. In December 2001, the Company placed in-service a forty-eight (48) mile extension of its distribution system. The new twelve (12) inch distribution pipeline begins at a point of interconnection with the facilities of Florida Gas Transmission company in West Palm Beach, Florida
6. None
7. In March of 2001, NUI Corporation re-established its holding company structure; there was no change in the utility's articles of incorporation, but the entity's name was changed to NUI Utilities.
8. None
9. The Company is involved in various claims and litigation incident to its business. In the opinion of management, none of these claims and litigation will have a material adverse effect upon the Company's results of operation or its financial condition. On October 28, 2002, a lawsuit captioned Jack Klebanow, on behalf of himself and all others similarly situated vs. NUI Corporation and John Kean, Jr. was filed in the US District Court for the District of New Jersey. On October 31, 2002, a lawsuit captioned Gisela Friedman, on behalf of herself and all others similarly situated v. NUI Corporation and John Kena, Jr. was filed in the US District Court for the District of New Jersey, and on November 6, 2002, a lawsuit captioned Thomas Davis, on behalf of himself and all others similarly situated vs. NUI Corporation and John Kean, Jr. was filed in the US District Court for the District of New Jersey. These three lawsuits are substantially similar. The plaintiffs are shareholders who assert claims on behalf of a putative class of purchasers of NUI's common stock between November 8, 2001 and October 17, 2002 (the Friedman complaint asserts a class period of July 26, 2001 to October 17, 2002). The plaintiffs allege that the Company and its President and Chief Executive Officer violated federal securities laws by issuing false statements and failing to disclose information regarding the Company's financial condition and current and future financial prospects in its earnings statements, press releases, and in statements to analysts and others. Specifically, the plaintiffs allege that the Company failed to disclose that it was experiencing problems with regard to increased costs in its telecommunications business, increased costs of insuring its medical medical benefits, a rise in bad debt from its customers, and a decline in the value of its pension plan assets. The plaintiffs allege that these non-disclosed costs put a strain on the Company's operating margins, and on October 18, 2002, caused the Company to announce that it would sustain greatly reduced earnings for fiscal years 2002 and 2003. Based upon these allegations, the plaintiffs allege claims under Section 10(b), including Rule 10b-5 promulgated thereunder and Section 20(a) of the Securities Exchange Act of 1934, and seek unspecified monetary damages, pre and post-judgment interest, attorneys' fees and experts' fees, costs, and any other available relief. Two other actions, Marvin E. Russell, on behalf of himself and all others similarly situated v. NUI Corporation et al and Phyllis Waltzer on behalf of herself and all others similarly situated v NUI Corporation et al were filed in the US District Court for the District of New Jersey. The Friedman, Davis, Russell and Waltzer actions have been consolidated with the Klebanow action. By Court order dated February 3, 2003 plaintiff Lincluden Management, Ltd was appointed Lead Plaintiff in the consolidated action, the law firm of Schiffin & Baroway, LLP was appointed Lead Counsel, the law firm of Lite/dePalma Greenberg & Rivas LLC was appointed Liaison Counsel and an Amended Consolidated Class Action Complaint is to be filed with the Court by April 7, 2003 and this consolidated action will be captioned "in re NUI Securities Litigation".
10. No material transactions.
11. On January 16, 2001, the Company received approval from the Florida Public Service Commission to in rates. This increases annual base rates by \$5.13 million to cover the cost of service enhancements and reliability improvements since the Company's last base rate case increase in 1996. The new rate level provides for an allowed return on equity of 11.5% and an overall return of 7.88%.
12. N/A

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	20-21	\$209,053,180	\$218,437,326
3	Construction Work in Progress (107)	20-21	7,130,327	6,064,360
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		216,183,507	224,501,686
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 111, 115)	20-21	84,513,143	91,859,547
6	Net Utility Plant (Enter Total of line 4 less 5)		131,670,364	132,642,139
7	Utility Plant Adjustments (116)	19		
8	Gas Stored (117.1, 117.2, 117.3, 117.4)	-		
9	OTHER PROPERTY AND INVESTMENTS			
10	Nonutility Property (121)	-	186,554	186,554
11	(Less) Accum. Prov. for Depr. and Amort. (122)	-	30,188	30,217
12	Investments in Associated Companies (123)	-		
13	Investment in Subsidiary Companies (123.1)	-		
14	Other Investments (124)	-		
15	Special Funds (125-128)	-	29,958	29,958
16	TOTAL Other Property and Investments (Total of lines 10 through 15)		186,324	186,295
17	CURRENT AND ACCRUED ASSETS			
18	Cash (131)	-	(0)	0
19	Special Deposits (132-134)	-		
20	Working Funds (135)	-	2,492	2,750
21	Temporary Cash Investments (136)	-		
22	Notes Receivable (141)	-		
23	Customer Accounts Receivable (142)	-	11,910,633	11,561,296
24	Other Accounts Receivable (143)	-	(55,235)	268,976
25	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)	-	(96,366)	(374,833)
26	Notes Receivable from Associated Companies (145)	-		
27	Accounts Receivable from Assoc. Companies (146)	-	0	
28	Fuel Stock (151)	-		
29	Fuel Stock Expense Undistributed (152)	-		
30	Residuals (Elec) and Extracted Products (Gas) (153)	-		
31	Plant Material and Operating Supplies (154)	-	345,906	411,348
32	Merchandise (155)	-	3,451	1,960
33	Other Material and Supplies (156)	-		
34	Stores Expenses Undistributed (163)	-		
35	Gas Stored Undgrd. & Liq. Nat. Gas Stored (164.1-164.3)	-		
36	Prepayments (165)	32	835,408	1,635,077
37	Advances for Gas (166-167)	-		
38	Interest and Dividends Receivable (171)	-		
39	Rents Receivable (172)	-		
40	Accrued Utility Revenues (173)	-		
41	Miscellaneous Current and Accrued Assets (174)	-		
42	TOTAL Current and Accrued Assets (Enter Total of lines 18 through 41)		12,946,288	13,506,574
43	DEFERRED DEBITS			
44	Unamortized Debt Expense (181)	-	664,575	596,332
45	Extraordinary Property Losses (182.1)	32		
46	Unrecovered Plant and Regulatory Study Costs (182.2)	32		
47	Other Regulatory Assets (182.3)	33	698,449	4,779,152
48	Prelim. Survey and Investigation Charges (Gas) (183.1, 183.2)	-		
49	Clearing Accounts (184)	-		
50	Temporary Facilities (185)	-		
51	Miscellaneous Deferred Debits (186)	34	27	257
52	Def. Losses from Disposition of Utility Plant. (187)	-		
53	Research, Devel. and Demonstration Expend. (188)	-		
54	Unamortized Loss on Reacquired Debt (189)	-	14,220	0
55	Accumulated Deferred Income Taxes (190)	35	586,489	449,269
56	Unrecovered Purchased Gas Costs (191)	-	1,014,063	(49,811)
57	TOTAL Deferred Debits (Enter Total of lines 44 through 56)		2,977,823	5,775,199
58	TOTAL Assets and other Debits (Enter Total of lines 6, 7, 8, 16, 42, 57)		\$147,780,798	\$152,110,206

COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	PROPRIETARY CAPITAL			
2	Common Stock (201, 202, 203, 205, 206, 207)	-		
3	Preferred Stock Issued (204)	-		
4	Other Paid-in Capital (208-211) & Accounts 212, 213, 214	-	30,429,678	30,429,678
5	Retained Earnings (215, 215.1, 216)	15-16	6,132,148	3,812,771
6	Unappropriated Undistributed Subsidiary Earnings (216.1)	15-16		
7	(Less) Reacquired Capital Stock (217)	-		
8	TOTAL Proprietary Capital (Enter Total of lines 2 through 7)		36,561,826	34,242,449
9	LONG-TERM DEBT			
10	Bonds (221)	37	15,846,224	16,117,923
11	(Less) Reacquired Bonds (222)	37		
12	Advances from Associated Companies (223)	37		
13	Other Long-Term Debt (224)	37	39,000,000	30,000,000
14	Unamortized Premium on Long-Term Debt (225)	38		
15	(Less) Unamortized Discount on Long-Term Debt-Dr. (226)	38	286,377	273,789
16	TOTAL Long-Term Debt (Enter Total of lines 10 through 15)		54,559,847	45,844,134
17	OTHER NONCURRENT LIABILITIES			
18	Obligations Under Capital Leases - Noncurrent (227)	-	513,244	8,093,833
19	Accumulated Provision for Property Insurance (228.1)	-		
20	Accumulated Provision for Injuries and Damages (228.2)	-	102,333	112,001
21	Accumulated Provision for Pensions and Benefits (228.3)	-	0	
22	Accumulated Miscellaneous Operating Provisions (228.4)	-		
23	Accumulated Provision for Rate Refunds (229)	-		
24	TOTAL Other Noncurrent Liabilities (Enter Total of lines 18 through 23)		615,578	8,205,834
25	CURRENT AND ACCRUED LIABILITIES			
26	Notes Payable (231)	-		
27	Accounts Payable (232)	-	4,669,278	7,818,039
28	Notes Payable to Associated Companies (233)	-	26,401,744	28,293,255
29	Accounts Payable to Associated Companies (234)	-		
30	Customer Deposits (235)	-	5,802,889	5,801,675
31	Taxes Accrued (236)	41	459,517	552,296
32	Interest Accrued (237)	-	1,856,992	1,701,772
33	Dividends Declared (238)	-		
34	Matured Long-Term Debt (239)	-		
35	Matured Interest (240)	-		
36	Tax Collections Payable (241)	-	(440,460)	(467,489)
37	Miscellaneous Current and Accrued Liabilities (242)	43	21,692	444,662
38	Obligations Under Capital Leases-Current (243)	-	347,582	908,357
39				
40	TOTAL Current and Accrued Liabilities (Enter Total of lines 26 through 39)		\$39,119,235	\$45,052,566
41	DEFERRED CREDITS			
42	Customer Advances for Construction (252)	-		
43	Other Deferred Credits (253)	43	0	15,638
44	Other Regulatory Liabilities (254)	45	385,323	4,550,860
45	Accumulated Deferred Investment Tax Credits (255)	42	796,830	681,066
46	Deferred Gains from Disposition of Utility Plant (256)	-		
47	Unamortized Gain on Reacquired Debt (257)	39		
48	Accumulated Deferred Income Taxes (281-283)	44	15,742,160	13,517,660
49	TOTAL Deferred Credits (Enter Total of lines 42 through 48)		16,924,313	18,765,223
50				
51	TOTAL Liabilities and Other Credits (Enter Total of lines 8, 16, 24, 40 and 49)		\$147,780,798	\$152,110,206
52				

STATEMENT OF INCOME

1. Report amounts for Accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (i,k,m,o) in a similar manner to a utility department. Spread the amount (s) over lines 01 through 24 as appropriate. Include these amounts in columns (c) and (d) totals.
 2. Report amounts in Account 414, Other Utility Operating Income, in the same manner as Accounts 412 and 413 above.
 3. Report data for lines 7,9,10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.

unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power and gas purchases.

4. Use page 19 for important notes regarding the statement of income or any account thereof.

6. Give concise explanations on page 19 concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting

5. Give concise explanations on page 19 concerning

Line No.	Account (a)	Ref. Page No. (b)	Total Current Year (c)	Total Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	46-47	\$96,670,880	\$106,193,273
3	Operating Expenses			
4	Operation Expenses (401)	49-51	75,498,910	83,798,919
5	Maintenance Expenses (402)	49-51	1,089,485	1,146,000
6	Depreciation Expense (403)	59	7,195,973	6,539,848
7	Amort. & Depl. of Utility Plant (404-405)	59		
8	Amort. of Utility Plant Acq. Adj. (406)	59	1,032,967	1,032,967
9	Amort. of Property Losses, Unrecovered Plant and Regulatory Study Costs (407.1)	-		
10	Amort. of Conversion Expenses (407.2)	-	91,855	89,892
11	Regulatory Debits (407.3)	-		
12	(Less) Regulatory Credits (407.4)	-		
13	Taxes Other Than Income Taxes (408.1)	41	4,770,411	5,499,037
14	Income Taxes - Federal (409.1)	41	2,645,310	644,025
15	- Other (409.1)	41		
16	Provision for Deferred Inc. Taxes (410.1)	35, 44	(2,235,164)	294,726
17	(Less) Provision for Deferred Income Taxes - Cr.(411.1)	35, 44		
18	Investment Tax Credit Adj. - Net (411.4)	42		
19	(Less) Gains from Disp. of Utility Plant (411.6)	-		
20	Losses from Disp. of Utility Plant (411.7)	-		
21	(Less) Gains from Disposition of Allowances (411.8)	-		
22	Losses from Disposition of Allowances (411.9)	-		
23	TOTAL Utility Operating Expenses (Total of lines 4 -22)		90,089,747	99,045,414
24	Net Utility Operating Income (Total of line 2 less 23) (Carry forward to page 14, line 25)		\$6,581,133	\$7,147,859

STATEMENT OF INCOME (Continued)

revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.

7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be attached at page 19.

8. Enter on page 19 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of

allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.

9. Explain in a footnote if the previous year's figures are different from that reported in prior reports.

10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 2 to 22, and report the information in the blank space on page 19 or in a supplemental statement.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY - WATER		Line No.
Current Year (e)	Previous Year (f)	Current Year (g)	Previous Year (h)	Current Year (i)	Previous Year (j)	
		\$96,670,880	\$106,193,273			1
						2
						3
		75,498,910	83,798,919			4
		1,089,485	1,146,000			5
		7,195,973	6,539,848			6
						7
		1,032,967	1,032,967			8
						9
		91,855	89,892			10
						11
						12
		4,770,411	5,499,037			13
		2,645,310	644,025			14
						15
		(2,235,164)	294,726			16
						17
						18
						19
						20
						21
						22
		90,089,747	99,045,414			23
		6,581,133	7,147,859			24

STATEMENT OF INCOME (Continued)

Line No.	Account (a)	Ref. Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
25	Net Utility Operating Income (Carried forward from page 12)		\$6,581,133	\$7,147,859
26	Other Income and Deductions			
27	Other Income			
28	Nonutility Operating Income			
29	Revenues From Merchandising, Jobbing and Contract Work (415)	-		
	(Less) Costs and Exp. of Merchandising, Job & Contract Work (416)	-		
31	Revenues From Nonutility Operations (417)	-		
32	(Less) Expenses of Nonutility Operations (417.1)	-		
33	Nonoperating Rental Income (418)	-		
34	Equity in Earnings of Subsidiary Companies (418.1)	15-16		
35	Interest and Dividend Income (419)	-		
36	Allowance for Other Funds Used During Construction (419.1)	-		
37	Miscellaneous Nonoperating Income (421)	-	(34,371)	(62,546)
38	Gain on Disposition of Property (421.1)	-		
39	TOTAL Other Income (Enter Total of lines 29 through 38)		(34,371)	(62,546)
40	Other Income Deductions			
41	Loss on Disposition of Property (421.2)	-		
42	Miscellaneous Amortization (425)	60	0	0
43	Miscellaneous Income Deductions (426.1-426.5)	60	2,280	3,860
44	TOTAL Other Income Deductions (Total of lines 41 through 43)		2,280	3,860
45	Taxes Applic. to Other Income and Deductions			
46	Taxes Other Than Income Taxes (408.2)	41		
47	Income Taxes - Federal (409.2)	41		
48	Income Taxes - Other (409.2)	41	(14,138)	(25,616)
49	Provision for Deferred Income Taxes (410.2)	35, 44		
50	(Less) Provision for Deferred Income Taxes - Cr. (411.2)	35, 44		
51	Investment Tax Credit Adj. - Net (411.5)	-		
52	(Less) Investment Tax Credits (420)	-	(115,764)	(115,764)
53	TOTAL Taxes on Other Inc. and Ded. (Enter Total of 46 through 52)		(129,902)	(141,380)
54	Net Other Income and Deductions (Enter Total of lines 39,44,53)		93,251	74,974
55	Interest Charges			
56	Interest on Long-Term Debt (427)	-	4,181,701	4,244,051
57	Amortization of Debt Disc. and Expense (428)	38	80,831	82,231
58	Amortization of Loss on Reacquired Debt (428.1)	-	14,220	42,659
59	(Less) Amort. of Premium on Debt - Credit (429)	38		
60	(Less) Amortization of Gain on Reacquired Debt - Credit (429.1)	-		
61	Interest on Debt to Assoc. Companies (430)	60		
62	Other Interest Expense (431)	60	1,370,541	981,985
63	(Less) Allow. for Borrowed Funds Used During Const. - Cr. (432)	-		
64	Net Interest Charges (Total of lines 56 through 63)		5,647,293	5,350,926
65	Income Before Extraordinary Items (Enter Total of lines 25, 54 and 64)		1,027,091	1,871,907
66	Extraordinary Items			
67	Extraordinary Income (434)	-		
68	(Less) Extraordinary Deductions (435)	-		
69	Net Extraordinary Items (Enter Total of line 67 less line 68)			
70	Income Taxes - Federal and Other (409.3)	41		
71	Extraordinary Items After Taxes (Enter Total of line 69 less line 70)			
72	Net Income (Enter Total of lines 65 and 71)		\$1,027,091	\$1,871,907

Name of Respondent
 CITY GAS COMPANY OF FLORIDA, A DIVISION OF NUI UTILITIES, INC.

For the Year Ended

Dec. 31, 2002

STATEMENT OF RETAINED EARNINGS

1. Report all changes in appropriate retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.

2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).

3. State the purpose and amount for each reservation or appropriation of retained earnings.

4. List first Account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items, in that order.

5. Show dividends for each class and series of capital stock.

6. Show separately the state and federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.

7. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservations or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.

8. If any notes appearing in the report to stockholders are applicable to this statement attach them at page 19.

Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance - Beginning of Year		\$6,132,148
2	Changes (Identify by prescribed retained earnings accounts)		
3	Adjustments to Retained Earnings (Account 439):		
4	Credit:		
5	Credit:		
6	Credit:		
7	Credit:		
8	Credit:		
9	TOTAL Credits to Retained Earnings (Account 439) (Enter Total of lines 4 through 8)		
10	Debit: Removal of Appliance business from CGFCO books		
11	Debit:		
12	Debit:		
13	Debit:		
14	Debit:		
15	TOTAL Debits to Retained Earnings (Account 439) (Enter Total of lines 10 through 14)		0
16	Balance Transferred from Income (Account 433 less Account 418.1)		1,027,091
17	Appropriations of Retained Earnings (Account 436)		
18			
19			
20			
21	TOTAL Appropriations of Retained Earnings (Account 436)		
22	(Enter Total of lines 18 through 20)		
23	Dividends Declared - Preferred Stock (Account 437)		
24			
25			
26			
27			
28	TOTAL Dividends Declared - Preferred Stock (Account 437)		
29	(Enter Total of lines 24 through 27)		
30	Dividends Declared - Common Stock (Account 438)		
31	ALLOCATION OF NUI CORPORATION'S DIVIDEND		(3,346,468)
32			
33			
34			
35	TOTAL Dividends Declared - Common Stock (Account 438)		
36	(Enter Total of lines 31 through 34)		(3,346,468)
37	Transfers from Acct. 216.1, Unappropriated Undistributed Subsidiary Earnings		
38	Balance - End of Year (Enter Total of lines 01, 09, 15, 16, 22, 29, 36 and 37)		\$3,812,771

STATEMENT OF RETAINED EARNINGS (Continued)

Line No.	Item (a)	Amount (b)
	APPROPRIATED RETAINED EARNINGS (Account 215)	
	State balance and purpose of each appropriated retained earnings amount at end of year and give accounting entries for any applications of appropriated retained earnings during the year.	
39		
40		
41		
42		
43		
44		
45	TOTAL Appropriated Retained Earnings (Account 215)	\$0
	APPROPRIATED RETAINED EARNINGS - Amortization , Reserve, Federal (Account 215.1)	
	State below the total amount set aside through appropriations of retained earnings, as of the end of the year, in compliance with the provisions of Federally granted hydroelectric project licenses held by the respondent. If any reductions or changes other than the normal annual credits hereto have been made during the year, explain such items in a footnote.	
46	TOTAL Appropriated Retained Earnings - Amortization Reserve, Federal (Account 215.1)	
47	TOTAL Appropriated Retained Earnings (Accounts 215, 215.1)(Enter Total of lines 45 & 46)	
48	TOTAL Retained Earnings (Account 215, 215.1, 216)(Enter Total of lines 38 and 47)	\$3,812,771
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)	
49	Balance - Beginning of Year (Debit or Credit)	
50	Equity in Earnings for Year (Credit) (Account 418.1)	
51	(Less) Dividends Received (Debit)	
52	Other Changes (Explain)	
53	Balance - End of year	

Name of Respondent
 CITY GAS COMPANY OF FLORIDA
 A DIVISION OF NUI UTILITIES, INC.

For the Year Ended
 Dec. 31, 2002

STATEMENT OF CASH FLOWS

1. If the notes to the cash flow statement in the respondent's annual stockholders report are applicable to this statement, such notes should be attached to page 19. Information about noncash investing and financing activities should be provided on page 19. Provide also on page 19 a reconciliation between "Cash and Cash Equivalents at end of Year" with related amounts on the balance sheet.

3. Operating Activities - Other: include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on page 19 the amounts of interest paid (net of amounts capitalized) and income taxes paid.

2. Under "Other" specify significant amounts and group others.

Line No.	DESCRIPTION (See Instructions for Explanation of Codes) (a)	Amounts (b)
1	Net Cash Flow From Operating Activities:	
2	Net Income (Line 72(c) on page 14)	\$1,027,091
3	Non-Cash Charges (Credits) to Income:	
4	Depreciation and Depletion	7,196,002
5	Amortization of (Specify): Plant Acquisition Adjustment	1,032,967
6	Regulatory Assets, Deferred Charges	1,276,598
7	Unamortized Debt Expense	95,051
8	Vehicle Amortization	364,383
9	Deferred Income Taxes (Net)	(2,087,281)
10	Investment Tax Credit Adjustments (Net)	(115,764)
11	Net (Increase) Decreases in Receivables	303,592
12	Net (Increase) Decreases in Inventory	(63,951)
13	Net (Increase) Decreases in Allowances Inventory	
14	Net (Decrease) Increase in Payables and Accrued Expenses	3,506,351
15	Net (Increase) Decreases in Other Regulatory Assets	(5,357,301)
16	Net (Decrease) Increase in Other Regulatory Liabilities	5,229,411
17	(Less) Allowance for Other Funds Used During Construction	
18	(Less) Undistributed Earnings from Subsidiary Companies	
19	Other:	(1,399,692)
20		
21	Net Cash Provided by (Used in) Operating Activities (Total of lines 2 through 20)	11,007,457
22		
23	Cash Flows from Investment Activities:	
24	Construction and Acquisition of Plant(including land):	
25	Gross Additions to Utility Plant	(8,965,305)
26	Gross Additions to Common Utility Plant	
27	Gross Additions to Nonutility Plant	
28	(Less) Allowance for Other Funds Used During Construction	
29	Other: Cost of Removal	
30		
31		
32		
33	Cash Outflows for Plant (Total of lines 24 through 32)	(8,965,305)
34		
35	Acquisition of Other Noncurrent Assets (d)	
36	Proceeds from Disposal of Noncurrent Assets (d)	
37	Investment in and Advances to Assoc. and Subsidiary Companies	
38	Contributions and Advances from Assoc. and Subsidiary Companies	
39	Disposition of Investments in (and Advances to)	
40	Associated and Subsidiary Companies	
41	Purchases of Investment Securities (a)	
42	Proceeds from Sales of Investment Securities (a)	

Name of Respondent
 CITY GAS COMPANY OF FLORIDA
 A DIVISION OF NUI UTILITIES, INC.

For the Year Ended
 Dec. 31, 2002

STATEMENT OF CASH FLOWS (Continued)

4. Investing Activities
 Include at other (line 31) net cash outflows to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed on page 19.
 Do not include on this statement the dollar amount of leases capitalized per USofA General instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost on page 19.

5. Codes used:
 (a) Net proceeds or payments
 (b) Bonds, debentures and other long-term debt.
 (c) Include commercial paper
 (d) Identify separately such items as investments, fixed assets, intangibles, etc.

6. Enter on page 19 clarifications and explanations.

Line No.	DESCRIPTION (See Instruction No. 5 for Explanation of Codes) (a)	Amounts (b)
46	Loans Made or Purchased	
47	Collections on Loans	
48		
49	Net (Increase) Decrease in Receivables	
50	Net (Increase) Decrease in Inventory	
51	Net (Increase) Decrease in	
52	Allowances Held for Speculation	
53	Net Increase (Decrease) in Payables and Accrued Expenses	0
54	Other:	
55		
56	Net Cash Provided by (Used in) Investing Activities	
57	(Total of lines 35 through 55)	0
58		
59	Cash Flows From Financing Activities:	
60	Proceeds from Issuance of:	
61	Long-Term Debt (b): Construction funds held by trustee	271,699
62	Preferred Stock	
63	Common Stock	
64	Other: Capital Lease Obligations	8,141,364
65		
66	Net Increase in Short-term Debt (c)	1,891,512
67	Other:	
68		
69		
70	Cash provided by Outside Sources (Total of lines 61 through 69)	10,304,575
71		
72	Payments or Retirement of:	
73	Long-Term Debt (b)	(9,000,000)
74	Preferred Stock	
75	Common Stock	
76	Other:	
77		
78	Net Decrease in Short-Term Debt (c)	
79		
80	Dividends on Preferred Stock	
81	Dividends on Common Stock:	
	Allocation of NUI Corporation's Dividend	(3,346,468)
82	Net Cash Provided by (Used in) Financing Activities	
83	(Total of lines 70 through 81)	(12,346,469)
84		
85	Net Increase (Decrease) in Cash and Cash Equivalents	
86	(Total of lines 21, 33,57,70 and 83)	258
87		
88	Cash and Cash Equivalents at Beginning of Year	2,492
89		
90	Cash and Cash Equivalents at End of Year	2,750

Name of Respondent CITY GAS COMPANY OF FLORIDA A DIVISION OF NUI UTILITIES, INC.	For the Year Ended Dec. 31, 2002
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NOTES TO THE FINANCIAL STATEMENTS ON A CONSOLIDATED BASIS

- | | |
|--|--|
| <p>1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Changes in Financial Position, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.</p> <p>2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.</p> <p>3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and</p> | <p>plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.</p> <p>4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.</p> <p>5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.</p> <p>6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 12-18, such notes may be attached hereto.</p> |
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SEE ATTACHED

**CITY GAS COMPANY OF FLORIDA -
A DIVISION OF NUI UTILITIES, INC.
NOTES TO FINANCIAL STATEMENTS**

1. Summary of Significant Accounting Policies

City Gas Company of Florida ("City Gas" or the "Company") is an operating division of NUI Utilities, Inc., a wholly-owned subsidiary of NUI Corporation ("NUI"), and follows the Uniform System of Accounts and published releases of the Federal Energy Regulatory Commission ("FERC"), as adopted by the Florida Public Service Commission ("FPSC"), which is a comprehensive basis of accounting other than Generally Accepted Accounting Principles. NUI also has utility operating divisions in three other states: Elizabethtown Gas Company (New Jersey), Elkton Gas (Maryland), and Virginia Gas. During 2002, NUI sold its North Carolina Gas utility operation in September, and its Valley Cities Gas (Pennsylvania) and Waverly Gas (New York) utility operations in November. NUI's non-regulated subsidiaries include NUI Energy, Inc. (NUI Energy), an energy retailer; NUI Energy Brokers, Inc. (NUI Energy Brokers), an energy wholesaler; NUI Environmental Group, Inc., an environmental project development subsidiary; Utility Business Services, Inc. (UBS), a digital mapping and customer information systems and services subsidiary; NUI Telecom, a telecommunications services subsidiary; and TIC Enterprises, LLC (TIC), a sales outsourcing subsidiary.

Certain reclassifications of prior year amounts were made in order to properly reflect amounts in the correct FERC account. Such reclassifications are not material.

The significant accounting policies are summarized below.

A. *Utility Plant and Related Depreciation and Amortization*

Utility plant is stated at its original cost. Depreciation is provided on a straight-line basis over the remaining estimated lives of depreciable property by applying composite average annual rates as approved by the FPSC. The composite average depreciation rate was approximately 3.5 percent in both 2002 and 2001. At the time utility plant is retired, the original cost plus the cost of retirement, less salvage, is charged to accumulated depreciation. Repairs, replacements and renewals of minor items of property are charged to maintenance expense as incurred.

Included in utility plant as of December 31, 2002 and 2001, is \$16,750,238 and \$17,783,205, respectively, of unamortized plant acquisition adjustment that represents the remaining portion of the excess of the purchase price over the book value of net assets acquired by NUI. The excess is being amortized on a straight-line basis over thirty years from the date of acquisition.

B. *Supplemental Statement of Cash Flow Information*

“Cash at the End of Year” on the Statement of Cash Flows at December 31, 2002 and 2001 consists of working funds (A/C 135) held in cash.

The amount of income tax and interest paid during the year were as follows:

	<u>Year ended September 30,</u>	
	<u>2002</u>	<u>2001</u>
Income tax paid (refunded)	\$2,953,997	\$(118,209)
Interest paid	\$5,595,601	\$6,642,357

Income taxes are paid to NUI (see Note 1.E. below).

During fiscal year 2001, assets of \$12.5 million and liabilities of \$4.0 million were transferred from the company to NUI's appliance business in Florida.

C. *Operating Revenues and Purchased Gas and Fuel Costs*

Operating revenues include accrued unbilled revenues through the end of each accounting period.

Costs of purchased gas and fuel are recognized as expenses in accordance with the gas cost adjustment clause. Such clause provides for the periodic reconciliation of actual recoverable gas costs and the estimated amounts that have been billed to customers. Under or over recoveries are deferred when they arise and are recovered from or refunded to customers in subsequent periods.

D. *Regulatory Assets and Liabilities*

The company follows the accounting for regulated enterprises prescribed by Statement of Financial Accounting Standards No. 71, "Accounting for the Effects of Certain Types of Regulation" (SFAS 71). In general, SFAS 71 requires deferral of certain costs and obligations, based upon orders received from regulators, to be recovered from or refunded to customers in future periods. The following represents the company's regulatory assets and liabilities deferred as of December 30, 2002 and 2001:

	<u>2002</u>	<u>2001</u>
Regulatory Assets		
Asset Retirement Obligation	\$3,669,673	
Deferred piping allowances	682,702	\$921,025
Deferred Conservation Costs	519,819	559,979
Deferred Rate Case Expenses	185,960	271,364
ECP Program	<u>(279,001)</u>	<u>(1,053,917)</u>
	<u>\$4,779,153</u>	<u>\$698,451</u>
Regulatory Liabilities		
Net over-collection of income taxes	\$4,550,860	\$784,550

Substantially all of these regulatory assets and liabilities have been authorized by state regulators to be recovered in rates. In the event that the provisions of SFAS 71 were no longer applicable, the company would recognize a write-off of net regulatory assets (regulatory assets less regulatory liabilities) that would result in a charge to net income, which would be classified as an extraordinary item. The company continues to recover their

costs through cost-based rates established by the public utility commission. As a result, the company believes that the accounting prescribed under SFAS 71 remains appropriate.

E. *Income Taxes*

The company accounts for income taxes in accordance with Statement of Financial Accounting Standards ("SFAS") No. 109, "Accounting for Income Taxes", which requires the liability method to be used to account for deferred income taxes. Under this method, deferred income taxes related to tax and accounting basis differences are recognized at the statutory income tax rates in effect when the tax is expected to be paid.

Investment tax credits are being amortized over the estimated service lives of the properties that gave rise to the credits.

The company has deferred Federal tax liabilities, which arise principally from the timing of depreciation and other utility plant differences, plant acquisition adjustments, over- and under-recovered gas costs, and pension and other employee benefits.

The company participates with NUI in filing a consolidated Federal income tax return. The provisions for income taxes shown in the accompanying financial statements have been computed on a separate company/division basis. Amounts reflected as Federal income taxes payable are payable to NUI.

2. Capitalization

The company has \$20 million of 6.4% Brevard County Industrial Development Revenue Bonds that mature October 1, 2024. The company deposited in trust the unexpended portion of the net proceeds from these bonds until drawn upon for eligible expenditures. As of December 31, 2002 and 2001, the total unexpended portion was \$3.9 million and \$4.2 million, respectively, and is classified on the company's balance sheet as a reduction of long-term debt.

The company has recorded and is obligated to pay \$30 million of NUI's 8.35% Medium-term notes that mature on February 1, 2005. This amount of the debt proceeds was allocated to the company and is payable to NUI.

3. Notes Payable to Associated Companies

At December 31, 2002 and 2001, the company's outstanding notes payable to associated company is \$28,293,255 and \$26,401,744, respectively. These intercompany liabilities primarily result from cash loaned from NUI to City Gas for its annual capital expenditures for new business expansions and maintaining existing plant. In addition, as quarterly dividends are paid by NUI to its shareholders, these dividends are allocated to its subsidiaries. Interest is not accrued on these intercompany balances and there are no fixed repayments terms. On a consolidated basis, this account is eliminated against all other intercompany account balances of NUI and its subsidiaries.

4. **Leases**

During August 2002, the company completed a sale/leaseback transaction related to gas meters for approximately \$8.6 million. The transaction was recorded as a capital lease, which bears interest at 4.98 percent and will be repaid over 10 years.

Property, plant and equipment held under capital leases amounted to approximately \$11.5 million at December 31, 2002, and \$2.8 million at December 31, 2001, with related accumulated amortization of approximately \$2.1 million and \$1.4 million, respectively. These properties consist principally of gas meters, leasehold improvements and office furniture and fixtures. A summary of future minimum payments for properties held under capital leases follows (in thousands):

2003	\$904
2004	827
2005	726
2006	705
2007	714
Thereafter	<u>5,290</u>
Total future minimum payments	9,166
Current portion of capital lease obligations	<u>(904)</u>
Capital lease obligations	<u>\$8,262</u>

Rents charged to operations expense were \$0.5 million in fiscal 2002 and \$0.9 million in fiscal 2001.

5. **Pension Benefits**

On January 1, 2001, NUI merged the pension plans of all of its subsidiaries into a consolidated non-contributory defined benefit retirement plan, which covers substantially all of its employees. The Company funds its plan in accordance with the requirements of the Employee Retirement Security Act of 1974. Benefits paid under the Company's plan are based on years of service and levels of compensation. NUI's actuarial calculation of pension expense is based on the projected unit cost method. Pension income of approximately \$57,000 and \$30,000 were allocated to City Gas for the years ended September 30, 2002 and 2001, respectively. City Gas' prepaid pension cost at September 30, 2002 and 2001, was approximately \$376,000 and \$319,000, respectively.

The changes in the pension benefit obligation for the NUI's consolidated plan for the years ended September 30, 2002 and 2001 were as follows (in thousands):

	<u>2002</u>	<u>2001</u>
Benefit obligation at beginning of year	\$94,610	\$81,303
Service cost	2,797	2,213
Interest cost	6,813	6,614
Plan amendments	64	---
Actuarial (gain) loss	5,296	10,325
Benefits paid	<u>(9,076)</u>	<u>(5,845)</u>
Benefit obligation at end of year	<u>\$100,504</u>	<u>\$94,610</u>

The change in the NUI's consolidated plan assets were as follows (in thousands):

	<u>2002</u>	<u>2001</u>
Fair value of plan assets at beginning of year	\$111,578	\$131,256
Actual return on plan assets	(10,136)	(13,817)
Estimated expenses	---	(16)
Benefits paid	<u>(9,076)</u>	<u>(5,845)</u>
Fair value of plan assets at end of year	<u>\$92,366</u>	<u>\$111,578</u>

The reconciliation of the funded status of the NUI's consolidated funded plan as of September 30, 2002 and 2001 were as follows (in thousands):

	<u>2002</u>	<u>2001</u>
Funded status	\$(8,138)	\$16,968
Unrecognized net (gain) loss	34,643	8,619
Unrecognized prior service cost	2,126	2,540
Unrecognized net transition asset	---	(10)
Pension prepayment	<u>\$28,631</u>	<u>\$28,117</u>

The projected benefit obligation was calculated using a discount rate of 6.75 percent in fiscal 2002 and 7.25 percent in fiscal 2001, and an assumed annual increase in compensation levels of 4 percent in both fiscal 2002 and fiscal 2001. The expected long-term rate of return on assets was calculated at 9.75 percent in both fiscal 2002 and 2001, and has been reduced to 9 percent for fiscal 2003. The assets of the company's funded plan are invested approximately 70 percent in publicly traded equity securities and approximately 30 percent in publicly traded debt securities.

The components of pension expense for the NUI's consolidated plan were as follows (in thousands):

	<u>2002</u>	<u>2001</u>
Service cost	\$2,797	\$2,229
Interest cost	6,813	6,614
Return on plan assets	(10,592)	(12,504)
Net amortization and deferral	<u>468</u>	<u>(684)</u>
Pension credit	<u>\$ (514)</u>	<u>\$ (4,345)</u>

6. Commitments and Contingencies

Gas Procurement Contracts. Certain of the company's long-term contracts for the supply, storage and delivery of natural gas include fixed charges that amount to approximately \$7.8 million annually. The company currently recovers, and expects to continue to recover, such fixed charges through its purchased gas adjustment clauses.

Other. The company is involved in various claims and litigation incidental to its business. In the opinion of management, none of these claims and litigation will have a material adverse effect on the company's results of operations or its financial condition.

7. New Accounting Standards

In August 2001, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 143, "Accounting for Asset Retirement Obligations" (SFAS 143). This statement establishes accounting standards for recognition and measurement of liabilities for asset retirement obligations and the associated asset retirement costs. The company adopted this statement on October 1, 2002, which adjustment was immaterial to the results of operations and financial condition.

**SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS
FOR DEPRECIATION, AMORTIZATION AND DEPLETION**

Line No.	Item (a)	Total (b)	Electric (c)
1	UTILITY PLANT		
2	In Service		
3	101 Plant in Service (Classified)	\$ 185,371,937	
4	101.1 Property Under Capital Leases	\$ 1,880,841	
5	102 Plant Purchased or Sold		
6	106 Completed Construction not Classified		
7	103 Experimental Plant Unclassified		
8	104 Leased to Others		
9	105 Held for Future Use		
10	114 Acquisition Adjustments	\$ 31,184,548	
11	TOTAL Utility Plant (Enter Total of lines 3 through 10)	\$ 218,437,326	
12	107 Construction Work in Progress	\$ 6,064,360	
13	Accum. Prov. for Depr., Amort., & Depl.	\$ 91,859,547	
14	Net Utility Plant (Enter total of lines 11 plus 12 less line 13)	\$ -	
15	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION		
16	In Service:		
17	108 Depreciation	\$ 77,323,128	
18	111 Amort. and Depl. of Producing Nat. Gas Land & Land Rights	\$ 102,109	
19	111 Amort. of Underground Storage Land and Land Rights		
20	119 Amort. of Other Utility Plant		
21	TOTAL in Service (Enter Total of lines 17 through 20)	\$ 77,425,237	
22	Leased to Others		
23	108 Depreciation		
24	111 Amortization and Depletion		
25	TOTAL Leased to Others (Enter Total of lines 23 and 24)		
26	Held for Future Use		
27	108 Depreciation		
28	111 Amortization		
29	TOTAL Held for Future Use (Enter. Tot. of lines 27 and 28)		
30	111 Abandonment of Leases (Natural Gas)		
31	115 Amort. of Plant Acquisition Adjustment	\$ 14,434,310	
32	TOTAL Acc. Provisions (Should agree with line 14 above) (Enter Total of lines 21, 25, 29, 30, and 31)	\$ 91,859,547	

Name of Respondent
 CITY GAS COMPANY OF FLORIDA
 A DIVISION OF NUI UTILITIES, INC.

For the Year Ended
 Dec. 31, 2002

SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS
 FOR DEPRECIATION, AMORTIZATION AND DEPLETION (Continued)

Gas (d)	Water (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
185,371,937					3
1,880,841					4
					5
					6
					7
					8
					9
31,184,548					10
218,437,326					11
6,064,360					12
91,859,547					13
					14
					15
					16
77,323,128					17
102,109					18
					19
					20
77,425,237					21
					22
1,462,848					23
					24
					25
					26
					27
					28
					29
					30
14,434,310					31
91,859,547					32

**Annual Status Report
Analysis of Plant in Service Accounts**

Company: CITY GAS COMPANY OF FLORIDA, A DIVISION OF NUI UTILITIES, INC.
For the Year Ended December 31, 2002

Acct. No.	Account Description	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass.	Adjustments	Transfers	Ending Balance*
374	Land-Distribution		69,616						69,616
389	Land-General		391,921						391,921
	Land-Other								
Amortizable General Plant Assets:									
301	Organization		142,296						142,296
302	Franchises and Consents		25,393						25,393
303	Miscellaneous Intangible Plant		35,828						35,828
399	Miscellaneous Intangible Property								
Depreciable Assets:									
This schedule should identify each account/subaccount for which a separate depreciation rate has been approved by the FPSC.									
367	Transmission-Main	2.9	13,791,016	28,314					13,819,330
369	Measuring & Regulating Equip	2.9	-	68,631					68,631
371	Other Equipment	2.9	-	2,784					2,784
375	Structures & Improvements	2.1	596,590	391					596,981
376	Mains - Plastic	2.9	38,121,591	2,660,544	6,266				40,775,869
376	Mains - Other	2.9	57,332,958	4,109,330	8,681				61,433,607
376	Mains-ARO	2.9	-	414,542					414,542
379	M & R Station Equipment - City Gate	3.6	4,827,670	118,583					4,946,253
380	Services - Plastic	3.8	23,729,312	1,484,285					25,182,504
380	Services - Other	4.5	12,681,186	59,871					12,654,253
381	Meters	4.4	8,079,188	634,624					8,623,703
382	Meter Installations	3.0	2,863,648	113,344					2,845,784
383	House Regulators	3.7	2,009,402	110,959					2,054,628
384	House Regulators Installations	3.4	1,064,548	60,077					1,072,504
385	Industrial M & R Station Equipment	3.9	2,725,630	17,296					2,742,926
386.5	Leased Water Heaters	8.0	-	-					-
386.6	Leased Dryers	8.2	-	-					-
386.7	Leased Ranges	8.8	-	-					-
387	Other Equipment	4.1	151,988	(1,650)					150,338
390	Structures & Improvements	1.9	2,344,320	8,638					2,350,464
391.1	Office Furniture	5.5	936,328	1,495					937,823
391.2	Office Equipment	8.3	541,721	0					541,721
391.3	Computers	15.5	1,018,006	559					1,018,565
392	Transportation Equipment	4.5	2,102,207	72,662					2,174,869
393	Stores Equipment	4.7	14,377						14,377
394	Tools, Shop and Garage Equipment	6.3	714,921	5,989					720,910
395	Laboratory Equipment	4.6	23,017						23,017
397	Communication Equipment	6.8	1,278,372	16,486	189				1,294,670
398	Miscellaneous Equipment	6.4	126,570	104					126,674

**Annual Status Report
Analysis of Plant in Service Accounts**

Company: CITY GAS COMPANY OF FLORIDA, A DIVISION OF NUI UTILITIES, INC.
For the Year Ended December 31, 2002

Page 2 of 3

Acct. No.	Account Description	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass.	Adjustments	Transfers	Ending Balance*
(Continued)									

**Annual Status Report
Analysis of Plant in Service Accounts**

Company: CITY GAS COMPANY OF FLORIDA, A DIVISION OF NUJ UTILITIES, INC.
For the Year Ended December 31, 2002

Acct. No.	Account Description	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass.	Adjustments	Transfers	Ending Balance*
(Continued)									
Capital Recovery Schedules:									
			177,739,621	9,987,855	474,698	0	-	-	187,252,779
Total Account 101*									
Amortizable Assets:									
101.1	Property Under Capital Leases		129,010		129,010				-
105	Held for Future Use								
114	Acquisition Adjustment		31,184,548						31,184,548
Total Utility Plant			209,053,179	9,987,855	603,708	0	-	0	218,437,327

Note: * The total beginning and ending balances must agree to acct. 101, Plant in Service, Line 3, Page 20.

Annual Status Report
Analysis of Entries in Accumulated Depreciation & Amortization
Company: CITY GAS COMPANY OF FLORIDA, A DIVISION OF NUI UTILITIES, INC.
For the Year Ended December 31, 2002

Acct. No.	Account Description	Beginning Balance*	Accruals	Reclass.	Retirements	Gross Salvage	Cost of Removal	Adjustments	Transfers	Ending Balance*
Amortizable General Plant Assets:										
302	Franchise (Amort)	85,764	2,669							88,433
303	Misc. Intangible Plant	15,239	1,038							16,277
	Total Amortization	101,003	3,707							104,710
This schedule should identify each account/subaccount for which a separate depreciation rate has been approved by the FPSC.										
367	Transmission-Main	80,260	326,505							406,765
368	Measuring & Regulating Equip	0	1,791							1,791
371	Other Equipment	0	50							50
375	Structures & Improvements	165,737	15,521							181,258
376	Mains - Plastic	9,132,097	1,231,881		6,266		9,778			10,347,934
376	Mains - Other	32,373,463	1,743,936		8,681		348			34,108,370
376	Mains-ARO	-	102,201							102,201
379	M & R Station Equipment - City Gate	1,274,799	169,411							1,444,210
380	Services - Plastic	6,326,013	936,227		31,093		32,887			7,198,260
380	Services - Other	11,073,533	1,003,237		86,803		6,100			11,983,867
381	Meters	2,930,342	346,979		90,109					3,200,170
382	Meter Installations	1,071,653	85,944		131,208	12,958	668			1,025,721
383	House Regulators	975,530	81,230		65,734					991,026
384	House Regulators Installations	425,303	36,192		52,122		946			408,427
385	Industrial M & R Station Equipment	767,117	90,040							857,157
386.5	Leased Water Heaters	-	-							-
386.6	Leased Dryers	-	-							-
386.7	Leased Ranges	-	-							-
387	Other Equipment	155,956	4,991							160,947
390	Structures & Improvements	557,916	60,106		2,493					615,529
391.1	Office Furniture	491,676	53,404							545,080
391.2	Office Equipment	464,507	44,421							508,929
391.3	Computers	734,602	170,096							904,698
392	Transportation Equipment	1,247,093	24,114					364,384		1,635,591
393	Stores Equipment	10,090	575							10,665
394	Tools, Shop and Garage Equipment	174,647	48,768							223,415
395	Laboratory Equipment	7,737	2,187							9,923
397	Communication Equipment	535,516	106,604		189					641,931
398	Miscellaneous Equipment	(40,634)	8,261							(32,373)

Annual Status Report Analysis of Entries in Accumulated Depreciation & Amortization

Company: CITY GAS COMPANY OF FLORIDA, A DIVISION OF NUJ UTILITIES, INC.
For the Year Ended December 31, 2002

Page 2 of 3

Acct. Account No. Description (Continued)	Beginning Balance*	Accruals	Reclass.	Retirements	Gross Salvage	Cost of Removal	Adjustments	Transfers	Ending Balance*

Annual Status Report
Analysis of Entries in Accumulated Depreciation & Amortization

Company: CITY GAS COMPANY OF FLORIDA, A DIVISION OF NUI UTILITIES, INC.
 For the Year Ended December 31, 2002

Acct. No. Description (Continued)	Beginning Balance*	Accruals	Reclass.	Retirements	Gross Salvage	Cost of Removal	Adjustments	Transfers	Ending Balance*
Capital Recovery Schedules:	This schedule should identify each approved capital recovery schedule.								
Subtotal	70,934,952	6,698,380	-	474,697	12,958	50,727	364,384	-	77,481,542
List any other items necessary to reconcile the total depreciation and amortization accrual amount to Acct. 403, Depreciation Expense, shown on page 12.									
Retirement of Land & Landrights (Propane Sales) Property Under Capital Leases Undistribution Retirement Work in Process	(12,195) 100,805			129,010			(107,851)	(10,163)	(12,195) (129,010) (17,209)
Corporate Depreciation Allocation*	426,196	599,794					(426,196)		599,794
Subtotal									
Grand Total	71,023,562	7,298,174	-	603,707	12,958	50,727	256,533	-	77,323,128

Note: * The grand total of beginning and ending balances must agree to Line 17, Page 20.
 * Corporate Depreciation Allocation is not included in Accumulated Depreciation since the assets reside on the corporate books.

Name of Respondent CITY GAS COMPANY OF FLORIDA A DIVISION OF NUI UTILITIES, INC.	For the Year Ended Dec. 31, 2002
--	-------------------------------------

CONSTRUCTION WORK IN PROGRESS-GAS (Account 107)

- | | |
|--|--|
| <p>1. Report below descriptions and balances at end of year of projects in process of construction (107).</p> <p>2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts).</p> | <p>3. Minor projects (less than \$500,000) may be grouped.</p> |
|--|--|

Line No.	Description of Project (a)	Construction Work in Progress-Gas (Account 107) (b)	Estimated Additional Cost of Project (c)		
1	Incomplete Distribution Systems in Dade, St. Lucie and Brevard Counties	6,064,360			
2					
3					
4					
5					
6					
7					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
34					
35					
36					
37					
38					
39					
40					
41			TOTAL	6,064,360	

Name of Respondent
 CITY GAS COMPANY OF FLORIDA
 A DIVISION OF NUI UTILITIES, INC.

For the Year Ended

Dec. 31, 2002

CONSTRUCTION OVERHEADS-GAS

1. List in column (a) the kinds of overheads according to the titles used by the respondent. Charges for outside professional services for engineering fees and management or supervision fees capitalized should be shown as separate items.
 2. On page 30 furnish information concerning construction overheads.
 3. A respondent should not report "none" to this page if no overhead apportionments are made, but rather should explain on page 30 the accounting procedures employed

and the amounts of engineering, supervision, and administrative costs, etc. which are directly charged to construction.
 4. Enter on this page engineering, supervision, administrative,, and allowance for funds used during construction, etc. which are first assigned to a blanket work order and then prorated to construction jobs.

Line No.	Description of Overhead (a)	Total Amount Charged for the Year (b)	Total Cost of Construction to Which Overheads Were Charged (Exclusive of Overhead Charges) (c)
1	None		
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
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19			
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21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38	TOTAL		

Name of Respondent
CITY GAS COMPANY OF FLORIDA
A DIVISION OF NUI UTILITIES, INC.

For the Year Ended

Dec. 31, 2002

GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE

1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.

Administrative costs are not charged to construction.

ACCUMULATED PROVISION FOR DEPRECIATION OF GAS UTILITY PLANT (Account 108)

- | | |
|--|--|
| <p>1. Explain in a footnote any important adjustments during year.</p> <p>2. Explain in a footnote any difference between the amount for book cost of plant retired, line 11, column (c) and that reported for gas plant in service, pages 22 - 27, column (d), excluding retirements of non-depreciable property.</p> <p>3. The provisions of Account 108 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If</p> | <p>the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.</p> <p>4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.</p> |
|--|--|

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Gas Plant in Service (c)	Gas Plant Held for Future Use (d)	Gas Plant Leased to Others (e)
1	Balance Beginning of Year	71,012,984	71,012,984		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	7,195,973	7,195,973		
4	(413) Exp. of Gas Plant. Leas. to Others				
5	Transportation Expenses-Clearing	364,384	364,384		
6	Other Clearing Accounts				
7	Other Accounts (Specify): ARO	102,201	102,201		
8	Less Amortization Included in Dep.Exp	(3,292)	(3,292)		
9	TOTAL Deprec. Prov. for Year (Total of lines 3 through 8)	7,659,266	7,659,266		
10	Net Charges for Plant Retired:				
11	Book Cost of Plant Retired	603,707	603,707		
12	Cost of Removal	50,727	50,727		
13	Salvage (Credit)	(12,958)	(12,958)		
14	TOTAL Net Charges. for Plant Ret. (Enter Total of lines 11 through 13)	641,477	641,477		
15	Other Debit or Credit Items (Describe)	(107,851)	(107,851)		
	Prior year adjustments				
16	Retirement of Land & Landrights (Propane Sales)				
17	Balance End of Year (Enter Total of lines 1, 9, 14, 15, and 16)	77,922,922	77,922,922		

* Corporate Depreciation Allocation is not included in the Accumulated Depreciation account since the assets reside on the corporate books.

Name of Respondent
 CITY GAS COMPANY OF FLORIDA
 A DIVISION OF NUI UTILITIES, INC.

For the Year Ended

Dec. 31, 2002

PREPAYMENTS (Account 165)

1. Report below the particulars (details) on each prepayment.

Line No.	Nature of Prepayment (a)	Balance at End of Year (In Dollars) (b)
1	Prepaid Insurance	\$ -
2	Prepaid Rents	
3	Prepaid Taxes (page 41)	1,348,580
4	Prepaid Interest	
5	Gas Prepayments	
6	Miscellaneous Prepayments: Pensions, Other Miscellaneous	286,496
7	TOTAL	\$ 1,635,076

EXTRAORDINARY PROPERTY LOSSES (Account 182.1)

Line No.	Description of Extraordinary Loss [Include in the description the date of loss, the date of Commission authorization to use Account 182.1 and period of amortization (mo, yr, to mo, yr).] (a)	Total Amount of Loss (b)	Losses Recognized During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1						
2						
3						
4						
5						
6						
7						
8						
9	TOTAL					

UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)

Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission authorization to use Account 182.2 and period of amortization (mo, yr, to mo, yr).] (a)	Total Amount of Charges (b)	Costs Recognized During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21	TOTAL					

OTHER REGULATORY ASSETS (Account 182.3)

<p>1. Reporting below the particulars (details) called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includible in other amounts).</p>	<p>2. For regulatory assets being amortized, show period of amortization in column (a).</p> <p>3. Minor items (amounts less than \$25,000) may be grouped by classes.</p>
--	---

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance Beginning of Year (b)	Debits (c)	Credits		Balance End of Year (f)
				Account Charged (d)	Amounts (e)	
1						
2						
3	00 RATE CASE (1)	271,364		928	85,404	185,961
4	ASSET RETIREMENT OBLIGATION (AR)		3,669,673			3,669,673
5	CONVERSION COSTS (2)	559,979	51,696	407.2	91,856	519,819
6	DEFERRED PIPING (2)	921,025	138,482	912	376,805	682,702
7	ENERGY CONSERVATION PROGRAM	(1,053,918)	1,497,450	909	722,533	(279,001)
8						
9						
10	(1) AMORTIZED					
11						
12						
13						
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42						
43	TOTAL	\$698,450	\$5,357,301		\$1,276,598	\$4,779,153

MISCELLANEOUS DEFERRED DEBITS (Account 186)

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.
 2. For any deferred debit being amortized, show period of amortization in column (a).
 3. Minor items (amounts less than \$25,000) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debit (a)	Balance at Beginning of Year (b)	Debits (c)	Account Charged (d)	Amount (e)	Balance End of Year (f)
1						\$0
2						
3						
4						
5						
6						
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8						
9						
10						
11						
12						
13						
14						
15						
16						
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40						
41						
42						
43						
44						
45						
46						
47	Misc. Work in Progress	\$27				\$257
48	Deferred Regulatory Comm. Expenses					
49	(See Pages 61 - 62)					
50	TOTAL	\$27				\$257

Name of Respondent
 CITY GAS COMPANY OF FLORIDA
 A DIVISION OF NUJI UTILITIES

For the Year Ended
 Dec. 31, 2002

ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
 2. At Other (Specify), include deferrals relating to other income and deductions.

3. If more space is needed, use separate pages as required.
 4. In the space provided below, identify by amount and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts listed under Other.

Line No.	Account Subdivisions	Balance at Beginning of Year (b)	CHANGES DURING YEAR				ADJUSTMENTS				Balance at End of Year (k)
			Amounts Debited to Acct. 410.1 (c)	Amounts Credited to Acct. 411.1 (d)	Amounts Debited to Acct. 410.2 (e)	Amounts Credited to Acct. 411.2 (f)	DEBITS	CREDITS			
1	ELECTRIC (a)										
2											
3											
4											
5	TOTAL Electric (Lines 2 - 4)										
6	GAS										
7	FAS 109 - Federal										
8	- State	644,627					254	11,616	254	148,836	495,791
9		(58,138)									(46,522)
10											
11											
12											
13											
14											
15											
16											
17											
18											
19	Other										
20	TOTAL Gas (Lines 7 - 19)	\$586,489						\$11,616		\$148,836	\$449,269
21	Other (Specify)										
22	TOTAL (Account 190) (Enter Total of lines 5, 20 & 21)	\$586,489						\$11,616		\$148,836	\$449,269

NOTES

Name of Respondent
CITY GAS COMPANY OF FLORIDA
A DIVISION OF NUI UTILITIES, INC.

For the Year Ended

Dec. 31, 2002

SECURITIES ISSUED OR ASSUMED AND
SECURITIES REFUNDED OR RETIRED DURING THE YEAR

1. Furnish a supplemental statement giving a brief description of security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses, and related gains or losses. Identify as to Commission authorization numbers and dates.

2. Furnish particulars (details) showing fully the accounting for the total principal amount, par value, or stated value of each class and series of security issued, assumed, retired, or refunded and the accounting for premiums, discounts, expenses, and gains or losses relating to the securities. Set forth the facts of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses, and gains or losses relating to securities retired or refunded, including the accounting for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.

3. Included in the identification of each class and series of security, as appropriate, the interest or dividend rate,

nominal date of issuance, maturity date, aggregate principal amount, par value or stated value, and number of shares. Give also the issuance of redemption price and name of the principal underwriting firm through which the security transactions were consummated.

4. Where the accounting for amounts relating to securities refunded or retired is other than that specified in General Instruction 17 of the Uniform System of Accounts, give references to the Commission authorization for the different accounting and state the accounting method.

5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as particulars (details) of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discount, premiums, expenses, and gains or losses were taken over onto the respondent's books, furnish details of these amounts with amounts relating to refunded securities clearly earmarked.

No securities were issued or assumed. In August 2002 the Company repaid 9 million of Medium-Term Notes bearing interest at 7.215 percent.

NOTE: This information relates to NUI Corporation, of which respondent is a division.

Name of Respondent
 CITY GAS COMPANY OF FLORIDA
 A DIVISION OF NUI UTILITIES, INC.

For the Year Ended

Dec. 31, 2002

LONG-TERM DEBT (Accounts 221, 222, 223, and 224)

1. Report by balance sheet Account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other Long-Term Debt. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form Filing, a specific reference to the report form (i.e. year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.
2. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
3. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
4. For receiver's certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.
5. In a supplemental statement, give explanatory particulars (details) for Accounts 223 and 224 of net changes

- during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.
6. If the respondent has pledged any of its long-term debt securities, give particulars (details) in a footnote, including name of the pledgee and purpose of the pledge.
 7. If the respondent has any long-term securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
 8. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest in column (f). Explain in a footnote any difference between the total of column (f) and the total of Account 427, Interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
 9. Give particulars (details) concerning any long-term debt authorized by a regulatory Commission but not yet issued.

Line No.	Class and Series of Obligation and Name of Stock Exchange (a)	Nominal Date of Issue (b)	Date of Maturity (c)	INTEREST FOR YEAR			Total Amount Outstanding (g)
				Original Amount Issued (d)	Rate (in %) (e)	Amount (f)	
1	Bonds (221):						
2	Brevard Industrial	7/15/1994	10/1/2024	\$ 20,000,000	6.400	\$ 1,280,000	\$ 18,773,182 *
3	Revenue Bonds						
4	Interest on Brevard					(83,616)	
5	Industrial Revenue Bond						
6	Proceeds Held by Trustee						
7							
8	Other Long Term Debt (224):						
9	Medium Term Notes-	2/16/1995	2/1/2005	30,000,000	8.350	2,505,000	30,000,000
10	Series A						
11	Medium Term Notes-	5/25/1995	8/1/2002	9,000,000	7.125	480,316	-
12	Series A						
13							
14							
15							
16							
17	* Principal balance of Revenue Bonds is net of \$5,007,450.88 of construction funds held by trustee.						
18							
19							
20							
21							
22							
23							
24							
25							
26							
27	TOTAL			\$ 59,000,000		\$ 4,181,700	\$ 48,773,182

UNAMORTIZED DEBT EXPENSE, PREMIUM AND DISCOUNT ON LONG-TERM DEBT (Accounts 181, 225, 226)

1. Report under separate subheadings for Unamortized Debt Expense, Unamortized Premium on Long-Term Debt and Unamortized Discount on Long-Term Debt, particulars (details) of expense, premium or discount applicable to each class and series of long-term debt.
 2. Show premium amounts by enclosing the figures in parentheses.
 3. In column (b) show the principal amount of bonds or other long-term debt originally issued.
 4. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.

5. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.
 6. Identify separately indisposed amounts applicable to issues which were redeemed in prior years.
 7. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and Expense, or credited to Account 429, Amortization of Premium on Debt - Credit.

Line No.	Designation of Long-Term Debt (a)	Principal Amount of Debt Issued (b)	Total Expense Premium or Discount (c)	Amortization Period		Balance at Beginning of Year (f)	Debits (Credits) During Year (g)	Balance at End of Year (h)
				Date From (d)	Date To (e)			
1	Brevard Industrial Revenue Bonds:	20,000,000						
2	Unamortized Debt			1994	2024	\$ 286,377	(12,588)	\$ 273,789
3	Discount (226)							
4								
5	Unamortized Debt			1994	2024	526,252	(23,132)	503,120
6	Expenses (181)							
7								
8	Medium Term Notes (181)	30,000,000		1995	2005	138,323	(45,111)	93,212
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UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Accounts 189, 257)

<p>1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, particulars (details) of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.</p> <p>2. In column (c) show the principal amount of bonds or other long-term debt reacquired.</p> <p>3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with</p>	<p>General Instruction 17 of the Uniform Systems of Accounts.</p> <p>4. Show loss amounts by enclosing the figures in parentheses.</p> <p>5. Explain in a footnote any debits and credits other than amortization debited to Account 428.1, Amortization of Loss on Reacquired Debt, or credited to Account 429.1, Amortization of Gain on Reacquired Debit-Credit.</p>
--	---

Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Principal of Debt Reacquired (c)	Net Gain or Net Loss (d)	Balance at Beginning of Year (e)	Balance at End of Year (f)
1	<u>Unamortized Loss (A/C 189)</u>					
2	First Mortgage Bonds	7/17/95	\$ 8,739,000		\$ 14,220	\$ -
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**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME
FOR FEDERAL INCOME TAXES**

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.

2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 14)	See Page 40-A
2	Reconciling Items for the Year	
3		
4	Taxable Income Not Reported on Books	
5		
6		
7	Deductions Recorded on Books Not Deducted for Return	
8		
9		
10		
11		
12		
13	Income Recorded on Books Not Included in Return	
14		
15		
16		
17		
18		
19		
20		
21	Deductions on Return Not Charged Against Book Income	
22		
23		
24		
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26		
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29		
30	Federal Tax Net Income	
31	Show Computation of Tax:	
32		
33		
34		
35		
36		
37		

Name of Respondent City Gas Company of Florida A Division of NUI Utilities	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2002
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**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME
FOR FEDERAL INCOME TAXES**

Net Income for the Year Ended 12/31/2002 (Page 14)		\$1,027,091
Plus Net Loss for Three Months Ended 12-31-2002		96,991
Plus Net Incime for Three Months Ended 12-31-2001		<u>848,158</u>
Net Income for Fiscal Year Ended September 30, 2002		1,972,240
Adjustments For Federal Income Tax Purposes		
Income on Return Not on Books:		500,000
Expenses Booked Not Recorded on Return:		
Current Federal Income Taxes	2,870,200	
Deferred Federal Income Taxes	(2,156,501)	
Amortization of Deferred Investment Tax Credits	(115,764)	
Unrecovered Gas Costs	2,030,748	
Plant Acquisition Adjustment Amortization	1,032,967	
Bad Debt Analysis	378,080	
Rate Case	85,404	
First Mortgage Retirement Costs	24,884	
Injuries And Damages	17,000	
Meals and Entertainment - 50% Disallowance	<u>554</u>	<u>4,167,572</u>
Deductions on Return Not Charged Against Book Income:		
Excess of allowable depreciation over that charged to depreciation and other book expenses	(804,742)	
Cost of Removal	(163,641)	
Pension	<u>(56,692)</u>	<u>(1,025,075)</u>
Total Net Adjustments for Federal Income Tax Purposes		<u>3,142,497</u>
Federal Taxable Income		<u>\$5,114,737</u>

Show Computation to Tax (Note 1)		
Federal Taxable Income		\$5,114,737
35% of Federal Taxable Income		1,790,158
Accrual to return and other adjustments		<u>1,080,042</u>
Current Federal Income Taxes at September 30, 2002		<u>\$2,870,200</u>

Note 1: City Gas Company of Florida is included in the consolidated tax return of NUI Corporation which also includes its operating divisions which do business as Elizabethtown Gas Company, Elkton Gas Service, North Carolina Gas Service, Valley Cities Gas Services, Waverly Gas Service Company, and NUI Ventures and its subsidiaries, NUI Capital, NUI Energy, Inc., NUI Energy Brokers, NUI Environmental Group, Utility Billing Services, NUI Energy Solutions, NUI Telecom, NUI Sales Management & NUI Virginia Gas Co.

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

	Name of Taxing Authority	Federal Income	State Income	Real Property	Tangible Personal Property	Intangible Personal Property	FICA, SUTA, FUTA	Gross Receipts	Regulatory Assessment Fees	Environmental, Excise	Other	Total
1	TAXES (ACCRUED)/PREPAID BEG. OF YEAR	(301,720)	574,013	0			410,458	(20)	(114,190)		(279)	568,262
2	Taxes Charged During Year	(2,573,417)	(57,755)	(1,339,432)			(427,721)	(1,179,487)	(380,969)		(57,764)	(6,016,545)
3												
4												
5												
6												
7												
8												
9												
10												
11												
12	TOTAL TAXES CHARGED DURING YEAR (Lines 3-11)	(2,573,417)	(57,755)	(1,339,432)			(427,721)	(1,179,487)	(380,969)		(57,764)	(6,016,545)
13	Taxes Paid During Year	2,870,200	83,797	1,339,545			564,528	1,178,098	303,842		(5,523)	6,334,487
14												
15												
16												
17												
18												
19												
20												
21												
22												
23	TOTAL TAXES PAID DURING YEAR (Lines 14-22)	2,870,200	83,797	1,339,545	0	0	564,528	1,178,098	303,842	0	(5,523)	6,334,487
24	Adjustments (list)	(89,920)	0				0					(89,920)
25	PwC Audit Adjustment											
26												
27	TOTAL ADJUSTMENTS (Lines 24-26)	(89,920)	0	0	0	0	0	0	0	0	0	(89,920)
28	TAXES (ACCRUED)/PREPAID END OF YEAR (Lines 1+12-23+/-27)	(94,857)	600,055	113	0	0	547,265	(1,409)	(191,317)	0	(63,566)	796,284
29												0

DISTRIBUTION OF TAXES CHARGED

	Federal Income	State Income	Real Property	Tangible Personal Property	Intangible Personal Property	FICA, SUTA, FUTA	Gross Receipts	Regulatory Assessment Fees	Environmental, Excise	Other	Total
29											
30	Electric (Account 408.1, 409.1)										
31	Gas (Account 408.1, 409.1)	59,771	1,339,432			427,721	1,179,487	380,969		57,764	6,030,683
32	Other Utility Departments (408.1, 409.1)										
33	Other Income and Deductions (408.2, 409.2)	(12,122)	(2,016)								(14,138)
34	Extraordinary Items (Account 409.3)										
35	Other Utility Operating Income (408.1, 409.1)										
36	Adjust. to Retained Earnings (Account 439)										
37	CWIP (Account 207)										
38	Other (list)										
39											
40											
41											
42	TOTAL (Should equal Lines 12+/-Line 27, if applicable)	2,573,417	57,755	1,339,432			427,721	1,179,487	380,969	57,764	6,016,545

Name of Respondent
City Gas Company of Florida

For the Year Ended

A Division of NUJ Utilities

Dec. 31, 2002

ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

Report below the information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustment to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)	Balance at End Year (h)	Average Period of Allocation to Income (i)
			Acct. No. (c)	Amount (d)	Acct. No. (e)	Amount (f)			
1	Gas Utility								
2	3%								
3	4%	44,717			420	11,223		33,494	
4	7%								
5	10%	734,066			420	103,281		630,785	
6	8%	18,047			420	1,260		16,787	
7									
8	TOTAL	796,830			420	115,764		681,066	
9	Other List separately and show 3%, 4%, 7%, 10% and TOTAL								
Notes									
1.									
2. Use this space to list by year generated and by amount any ITCs that have not been utilized and have not expired by the end of the period.									
10									
11									
12									
13									
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16									
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21									
22									

MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (Account 242)

1. Describe and report the amount of other current and accrued liabilities at the end of year. 2. Minor items (less than \$50,000) may be grouped under appropriate title.

Line No.	Item (a)	Balance at End of Year (b)
1	Miscellaneous Current Liabilities	\$ 444,662
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18	TOTAL	\$ 444,662

OTHER DEFERRED CREDITS (Account 253)

1. Report below the particulars (details) called for concerning other deferred credits. 2. For any deferred credit being amortized, show the period of amortization. 3. Minor items (less than \$25,000) may be grouped by classes.

Line No.	Description of Other Deferred Credit (a)	Balance Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Other Deferred Credits	0	416.2	0	15,638	15,638
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21	TOTAL	\$0		\$0	\$15,638	\$15,638

ACCUMULATED DEFERRED INCOME TAXES (Accounts 281, 282, 283)

Line No.	Description	Balance at Beginning of Year	Changes During Year		Adjustments		Balance at End of Year
			Amounts Debited to Account 410.1	Amounts Credited to Account 411.1	Debits Account No.	Credits Account No.	
1	2 ACCOUNT 281 - ACCELERATED AMORTIZATION PROPERTY						
3	Electric						
4	Gas						
5	Other						
6							
7	TOTAL ACCOUNT 281 (Lines 3 thru 6)						
8	9 ACCOUNT 282 - OTHER PROPERTY						
10	Electric						
11	Gas	15,791,619		725,398			15,066,221
12	Other						
13							
14	TOTAL ACCOUNT 282 (Lines 10 thru 13)	15,791,619		725,398			15,066,221
15	16 ACCOUNT 283 - OTHER						
17	Electric						
18	Gas	(49,459)		1,409,182	236 (a)	89,920	(1,548,561)
19	Other						
20							
21	TOTAL ACCOUNT 283 - OTHER (Lines 17 thru 20)	(49,459)		1,409,182		89,920	(1,548,561)
22	23 ELECTRIC						
24	Federal Income Tax						
25	State Income Tax						
26							
27	TOTAL ELECTRIC (Lines 24 thru 26)						
28	29 GAS						
29	Federal Income Tax	13,913,212		701,698			13,121,594
30	State Income Tax	1,954,825		1,432,882	236 (a)	89,920	521,943
31							
32	TOTAL GAS (Lines 30 thru 32)	15,868,037		2,134,560		89,920	13,643,537
33	35 OTHER						
34	Federal Income Tax						
35	State Income Tax						
36							
37	TOTAL OTHER (Lines 36 thru 38)						
38							
39							
40							
41	TOTAL (Total of lines 7, 14, 21 and Lines 27, 33, 39)	15,742,160		2,134,560		89,920	13,517,660
42							

NOTES
 (a) PwC audit adjustment

OTHER REGULATORY LIABILITIES (Account 254)

<p>1. Reporting below the particulars (details) called for concerning other regulatory liabilities which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts).</p> <p>2. For regulatory liabilities being amortized, show period of amortization in column (a).</p>	<p>3. Minor items (5% of the Balance at End of Year for Account 254 or amounts less than \$50,000, whichever is less) may be grouped by classes.</p>
--	--

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance Beginning of Year (b)	Debits		Credits (d)	Balance End of Year (e)
			Contra Account (b)	Amount (c)		
1	SFAS #109 Liability	\$806,650	190.0	\$137,220		\$568,846
2			410.1	100,584		
3						
4	Utility Hedging	(22,100)			22,100	0
5						
6	ARO Liability	0			3,982,014	3,982,014
7						
8	Derivative Asset Adjustment	(399,227)			399,227	0
9						
10						
11						
12						
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39						
40						
41	TOTAL	\$385,323		\$237,804	\$4,403,341	\$4,550,860

GAS OPERATING REVENUES (Account 400)

1. Report below natural gas operating revenues for each prescribed account in total.
2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.
3. Report number of customers, columns (f) and (g), on the basis of meters, except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.
4. Report quantities of natural gas sold in therms (14.73 psia at 60 F).
5. Report gas service revenues and therms sold by rate schedule.

Line No.	Title of Account (a)	OPERATING REVENUES	
		Amount for Year (b)	Amount for Previous Year (c)
1	GAS SERVICE REVENUES		
2	FIRM SALES SERVICE		
3	480 - Residential Sales	\$31,002,938	\$37,641,873
4	481 - Commercial Sales	17,976,561	26,740,870
5	481		
6	481		
7	481		
8	481		
9	INTERRUPTIBLE SALES SERVICE		
10	481 - Industrial Sales Preferred	259,657	699,573
11	481 - Industrial Sales Large Volume		
12	FIRM TRANSPORTATION SERVICE		
13	489 - Commercial	8,198,433	7,000,715
14	489		
15	489		
16	INTERRUPTIBLE TRANSPORTATION SERVICE		
17	489 - Industrial	4,574,730	4,039,155
18	489		
19	482 Other Sales to Public Authorities		
20	484 Flex Rate - Refund		
21	TOTAL Sales to Ultimate Consumers	62,012,319	76,122,186
22	483 Sales for Resale		
23	Off-System Sales	34,645,681	33,374,744
24	TOTAL Nat. Gas Service Revenues	96,658,000	109,496,930
25	TOTAL Gas Service Revenues	96,658,000	109,496,930
26	OTHER OPERATING REVENUES		
27	485 Intracompany Transfers		
28	487 Forfeited Discounts		
29	488 Misc. Service Revenues	936,698	1,181,495
30	489 Rev. from Trans. of Gas of Others (not included in above rate schedules)		
31			
32	493 Rent from Gas Property		
33	494 Interdepartmental Rents		
34	495 Other Gas Revenues		
35	Initial Connection		
36	Reconnect for Cause		
37	Collection in lieu of disconnect		
38	Returned Check		
39	Other	(670,056)	(3,660,981)
40	495.1 Overrecoveries Purchased Gas	(253,762)	(824,171)
41	TOTAL Other Operating Revenues	12,880	(3,303,657)
42	TOTAL Gas Operating Revenues	96,670,880	106,193,273
43	(Less) 496 Provision for Rate Refunds		
44	TOTAL Gas Operating Revenues Net of Provision for Refunds	96,670,880	106,193,273
45	Sales for Resale		
46	Other Sales to Public Authority		
47	Interdepartmental Sales		
48	TOTAL	\$96,670,880	\$106,193,273

GAS OPERATING REVENUES (ACCOUNT 400) (Continued)

6. If increases or decreases from previous year (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.
 7. See page 9, Important Changes During Year, for important new territory added and important rate increases or decreases.

THERMS OF NATURAL GAS SOLD		AVG. NO. OF NAT. GAS CUSTOMERS PER MO.		Line No.
Quantity for Year (d)	Quantity for Previous Year (e)	Number for Year	Number for Previous Year (g)	
				1
				2
18,643,662	20,376,778	96,261	95,964	3
19,471,619	23,841,130	3,792	3,948	4
				5
				6
				7
				8
				9
278,872	684,560	2	5	10
				11
				12
30,852,147	26,719,117	1,629	1,357	13
				14
				15
				16
38,415,545	30,949,181	40	43	17
				18
				19
				20
107,661,845	102,570,766	101,724	101,317	21
				22
95,958,640	82,355,720	0	0	23
				24
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				27
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203,620,485	184,926,486			48

NOTES

Name of Respondent
 CITY GAS COMPANY OF FLORIDA
 A DIVISION OF NUI UTILITIES, INC.

For the Year Ended

Dec. 31, 2002

GAS OPERATION AND MAINTENANCE EXPENSES

If the amount for previous year is not derived from previously reported figures, explain in footnotes.

Line No.	Account	Amount for Current Year	Amount for Previous Year
1	1. PRODUCTION EXPENSES		
2	A. Manufactured Gas Production	-	-
3	B. TOTAL Natural Gas Prod. and Gathering (Enter Total of Accts. 750 - 769)		
4	C. TOTAL Products Extraction (Enter Total of Accounts 770 through 791)		
5	D. TOTAL Exploration and Development (Enter Total of Accts. 795 through 798)		
6	E. Other Gas Supply Expenses		
7	Operation		
8	800 Natural Gas Well Head Purchases		
9	800.1 Natural Gas Well Head Purchases, Intracompany Transfers		
10	801 Natural Gas Field Line Purchases		
11	802 Natural Gas Gasoline Plant Outlet Purchases		
12	803 Natural Gas Transmission Line Purchases		
13	804 Natural Gas City Gate Purchases	21,516,408	30,193,509
14	804.1 Liquefied Natural Gas Purchases		
15	805 Other Gas Purchases	33,633,683	32,411,693
16	(Less) 805.1 Purchased Gas Cost Adjustments		
17	TOTAL Purchased Gas (Enter Total of Lines 8 to 16)	55,150,091	62,605,202
18	806 Exchange Gas		
19	Purchased Gas Expenses		
20	807.1 Well Expenses--Purchased Gas		
21	807.2 Operation of Purchased Gas Measuring Stations		
22	807.3 Maintenance of Purchased Gas Measuring Stations		
23	807.4 Purchased Gas Calculations Expenses		
24	807.5 Other Purchased Gas Expenses		
25	TOTAL Purchased Gas Expenses (Enter Total of lines 20 through 24)		
26	808.1 Gas Withdrawn from Storage--Debit		
27	(Less) 808.2 Gas Delivered to Storage--Credit		
28	809.1 Withdrawals of Liquefied Natural Gas for Processing--Debit		
29	(Less) 809.2 Deliveries of Natural Gas for Processing--Credit		
30	Gas Used in Utility Operations--Credit		
31	810 Gas Used for Compressor Station Fuel--Credit		
32	811 Gas Used for Products Extraction--Credit		
33	812 Gas Used for Other Utility Operations--Credit	(58,608)	(9,291)
34	TOTAL Gas Used in Utility Operations--Credit (Lines 31 through 33)	(58,608)	(9,291)
35	813 Other Gas Supply Expenses		
36	TOTAL Other Gas Supp. Exp. (Total of Lines 17,18,25,26 through 29,34,35)	55,091,483	62,595,911
37	TOTAL Production Expenses (Enter Total of Lines 2,3,4,5 and 36)	55,091,483	62,595,911
38	2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES		
39	A. TOTAL Underground Storage Expenses (Total of Accounts 814 through 837)		
40	B. TOTAL Other Storage Expenses (Enter Total of Accounts 840 through 843.9)		
41	C. TOTAL Liquefied Nat Gas Terminaling & Processing Expenses (Enter Total of Accounts 844.1 through 847.8)		
42	TOTAL Natural Gas Storage (Enter Total of lines 39, 40, and 41)		0
43	3. TRANSMISSION EXPENSES		
44	TOTAL Transmission Expenses (Enter Total of Accounts 850 through 867)		
45			
46			

Name of Respondent
 CITY GAS COMPANY OF FLORIDA
 A DIVISION OF NUI UTILITIES, INC.

For the Year Ended

Dec. 31, 2002

GAS OPERATION AND MAINTENANCE EXPENSES (Continued)

Line No.	Account	Amount for Current Year	Amount for Previous Year
47	4. DISTRIBUTION EXPENSES		
48	Operation		
49	870 Operation Supervision and Engineering	954,635	950,071
50	871 Distribution Load Dispatching		
51	872 Compressor Station Labor and Expenses		
52	873 Compressor Station Fuel and Power		
53	874 Mains and Services Expenses	1,797,539	1,554,527
54	875 Measuring and Regulating Station Expenses--General	15,692	20,657
55	876 Measuring and Regulating Station Expenses--Industrial		
56	877 Measuring and Regulating Station Expenses--City Gate Check Sta.	290	0
57	878 Meter and House Regulator Expenses	712,328	942,612
58	879 Customer Installations Expenses	96,154	123,278
59	880 Other Expenses	1,039,733	1,095,680
60	881 Rents		
61	TOTAL Operation (Enter Total of lines 49 through 60)	4,616,371	4,686,825
62	Maintenance		
63	885 Maintenance Supervision and Engineering	78,351	71,648
64	886 Maintenance of Structures and Improvements	18,144	11,132
65	887 Maintenance of Mains	522,438	579,489
66	888 Maintenance of Compressor Station Equipment		
67	889 Maintenance of Meas. and Reg. Sta. Equip.--General	2,920	2,363
68	890 Maintenance of Meas. and Reg. Sta. Equip.--Industrial	86,629	76,509
69	891 Maintenance of Meas. and Reg. Sta. Equip.--City Gate Check Sta.	40,684	41,660
70	892 Maintenance of Services	131,285	167,995
71	893 Maintenance of Meters and House Regulators	198,769	182,153
72	894 Maintenance of Other Equipment	10,266	13,051
73	TOTAL Maintenance (Enter Total of Lines 63 through 72)	1,089,486	1,146,000
74	TOTAL Distribution Expenses (Enter Total of Lines 61 and 73)	5,705,857	5,832,825
75	5. CUSTOMER ACCOUNTS EXPENSES		
76	Operation		
77	901 Supervision	179,007	61,996
78	902 Meter Reading Expenses	504,725	531,691
79	903 Customer Records and Collection Expenses	1,783,567	1,958,921
80	904 Uncollectible Accounts	917,809	1,084,691
81	906 Customer Service Informational Expense	0	0
82	TOTAL Customer Accounts Expenses (Enter Total of Lines 77 through 81)	3,385,108	3,637,299
83	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
84	Operation		
85	907 Supervision		
86	908 Customer Assistance Expenses		
87	909 Informational and Instructional Expenses	1,417,308	2,060,363
88	910 Miscellaneous Customer Service and Informational Expenses		
89	TOTAL Customer Service and Informational Expenses (Enter Total of Lines 85 through 88)	1,417,308	2,060,363
90	7. SALES EXPENSES		
91	Operation		
92	911 Supervision	239,159	6,404
93	912 Demonstrating and Selling Expenses	786,034	851,615
94	913 Advertising Expenses	4,133	2,905
95	916 Miscellaneous Sales Expenses	41,462	34,119
96	TOTAL Sales Expenses (Enter Total of lines 92 through 95)	1,070,788	895,043
97			

GAS OPERATION AND MAINTENANCE EXPENSES (Continued)

Line No.	Account	Amount for Current Year	Amount for Previous Year
98	8. ADMINISTRATIVE AND GENERAL EXPENSES		
99	Operation		
100	920 Administrative and General Salaries	271,177	53,954
101	921 Office Supplies and Expenses	1,999,615	2,017,121
102	(Less) (922) Administrative Expenses Transferred--Cr.		
103	923 Outside Services Employed	5,821,312	7,411,050
104	924 Property Insurance	5,224	0
105	925 Injuries and Damages	185,579	0
106	926 Employee Pensions and Benefits	1,432,178	274,716
107	927 Franchise Requirements		
108	928 Regulatory Commission Expenses	85,404	71,173
109	(Less) (929) Duplicate Charges--Cr.		
110	930.1 General Advertising Expenses	0	375
111	930.2 Miscellaneous General Expenses	2,236	1,771
112	931 Rents	115,126	93,317
113	TOTAL Operation (Enter Total of lines 100 through 112)	9,917,851	9,923,477
114	Maintenance		
115	935 Maintenance of General Plant	0	0
116	TOTAL Administrative and General Exp. (Total of lines 113 and 115)	9,917,851	9,923,477
117	TOTAL Gas O. and M. Exp. (Lines 37, 42, 44, 74, 82, 89, 96, and 116)	76,588,395	84,944,918
118			
119			
120			
121			
122			
123			
124			
125			
126			
127			
128			
129			
130	NUMBER OF GAS DEPARTMENT EMPLOYEES		
131			
132	1. The data on number of employees should be reported for payroll period ending nearest to October 31,		
133	or any payroll period ending 60 days before or after October 31.		
134	2. If the respondent's payroll for the reporting period includes any special construction personnel,		
135	include such employees on line 3, and show the number of such special construction employees in a footnote.		
136	3. The number of employees assignable to the gas department from joint functions of combination utilities		
137	may be determined by estimate, on the basis of employee equivalents. Show the estimated number of		
138	equivalent employees attributed to the gas department from joint functions.		
139			
140	1. Payroll Period Ended (Date)	10/31/2002	
141	2. Total Regular Full-Time Employees	223	
142	3. Total Part-Time and Temporary Employees	11	
143	4. Total Employees	234	
144			
145			
146			
147			

Name of Respondent
 City Gas Company of Florida -
 A Division of NUI Utilities, Inc.

For the Year Ended
 Dec. 31, 2002

GAS PURCHASES (Accounts 800, 800.1, 801, 802, 803, 804, 804.1, 805, 805.1)

1. Provide totals for the following accounts:

- 800 Natural Gas Well Head Purchases
- 800.1 Natural Gas Well Head Purchases,
Intracompany Transfers
- 801 Natural Gas Field Line Purchases
- 802 Natural Gas Gasoline Plant Outlet Purchases
- 803 Natural Gas Transmission Line Purchases
- 804 Natural Gas City Gate Purchases
- 804.1 Liquefied Natural Gas Purchases
- 805 Other Gas Purchases
- 805.1 Purchase Gas Cost Adjustments

The totals shown in columns (b) and (c) should agree with the books of account. Reconcile any differences in a footnote.
 2. State in column (b) the volume of purchased gas as finally measured for the purpose of determining the amount payable for the gas. Include current year receipts of makeup gas that was paid for in prior years.
 3. State in column (c) the dollar amount (omit cents) paid and previously paid for the volumes of gas shown in column (b).
 4. State in column (d) the average cost per Therm to the nearest hundredth of a cent. (Average means column (c) divided by column (b) multiplied by 100.)

Line No.	Account Title (a)	Gas Purchased-Therms (14.73 psia 60 F) (b)	Cost of Gas (In dollars) (c)	Average Cost Per Therm (To nearest .01 of a cent) (d)
1	800 - Natural Gas Well Head Purchases			
2	800.1 - Natural Gas Well Head Purchases, Intracompany Transfers			
3	801 - Natural Gas Field Line Purchases			
4	802 - Natural Gas Gasoline Plant Outlet Purchases			
5	803 - Natural Gas Transmission Line Purchases			
6	804 - Natural Gas City Gate Purchases	37,382,151	21,516,408	\$0.5756
7	804.1 - Liquefied Natural Gas Purchases			
8	805 - Other Gas Purchases	95,958,560	33,633,683	\$0.3505
9	805.1 - Purchased Gas Cost Adjustments			
10	TOTAL (Enter Total of lines 1 through 9)	133,340,711	55,150,091	\$0.4136

NOTES TO GAS PURCHASES

Name of Respondent
 City Gas Company of Florida -
 A Division of NUI Utilities, Inc.

For the Year Ended
 Dec. 31, 2002

GAS USED IN UTILITY OPERATIONS - CREDIT (Accounts 810, 811, 812)

1. Report below particulars (details) of credits during the year to Accounts 810, 811 and 812 which offset charges to operating expenses or other accounts for the cost of gas from the respondent's own supply.
2. Natural gas means either natural gas unmixed, or any mixture of natural and manufactured gas.
3. If the reported Therms for any use is an estimated quantity, state such fact in a footnote.

4. If any natural gas was used by the respondent for which a change was not made to the appropriate operating expense or other account, list separately in column (c) the Therms of gas used, omitting entries in columns (d) and (e).
5. Report pressure base of measurement of gas volumes at 14.73 psia at 60 degrees F.

Line No.	Purpose for Which Gas Was Used (a)	Account Charged (b)	Therms of Gas Used (c)	Natural Gas		Manufactured Gas	
				Amount of Credit (d)	Amount per Therm (In cents) (e)	Therms of Gas Used (f)	Amount of Credit (g)
1	810 Gas used for Compressor Station Fuel -- Cr.						
2	811 Gas used for Products Extraction -- Cr.						
3	Gas Shrinkage and Other Usage in Respondent's Own Proc.						
4	Gas Shrinkage, Etc. for Respondent's Gas Processed by Others						
5	812 Gas used for Other Util. Oprs-- Cr. (Report separately for each principal uses. Group minor uses)						
6	CNG (Vehicle Fuel)	401					
7	Other General Use	401	127,114	58,608	\$0.4611		
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20	TOTAL		127,114	\$58,608	\$0.4611		

Name of Respondent City Gas Company of Florida - A Division of NUI Utilities, Inc.	For the Year Ended Dec. 31, 2002
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OTHER GAS SUPPLY EXPENSES (Account 813)

Report other gas supply expenses by descriptive titles which clearly indicate the nature of such expenses. Show maintenance expenses separately. Indicate the functional classification and purpose of property to which any expenses relate.

Line No.	Description (a)	Amount (in dollars) (b)
1	None	\$0
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14	TOTAL	\$0

MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (Gas)

Line No.	Description (a)	Amount (b)
1	Industry Association Dues	
2	Experimental and General Research Expenses: (a) Gas Research Institute (GRI) (b) Other	
3	Publishing and distributing information and reports to stockholders; trustee, registrar, and transfer agent fees and expenses, and other expenses of servicing outstanding securities of the Respondent	
4	Other expenses (items of \$5,000 or more must be listed separately in this column showing the (1) purpose, (2) recipient and (3) amount of such items. Amounts of less than \$5,000 may be grouped by classes if the number of items so grouped is shown)	\$ 2,236
5		
6		
7		
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18		
19	TOTAL	\$2,236

DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (Accounts 403,404.1,404.2,404.3,405)
(Except Amortization of Acquisition Adjustments)

1. Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown.

A. Summary of Depreciation, Depletion, and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization & Depletion of Prod. Nat. Gas Land & Land Rights (Account 404.1) (c)	Amortization of Under- ground Storage Land & Land Rights (Account (404.2)) (d)	Amortization of Other Limited- term Gas Plant (Account 404.3) (e)	Amortization of Other Gas Plant (Account 405) (f)	Total (b to f) (g)
1	Intangible Plant	3,707					3,707
2	Production plant, manufactured gas						
3	Production and gathering plant, nat. gas						
4	Products extraction plant						
5	Underground gas storage plant						
6	Other storage plant						
7	Base load LNG term. & proces. plant						
8	Transmission Plant	328,346					328,346
9	Distribution Plant	5,745,589					5,745,589
10	General Plant	518,537					518,537
11	Corporate Depreciation Allocation	599,794					599,794
12	Common Plant-Gas						
13							
14							
15							
16							
17							
18							
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34							
35							
36							
37	TOTAL	7,195,973	0	0	-	0	7,195,973

**PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND
 INTEREST CHARGES ACCOUNTS**

Report the information specified below, in the order given for the respective income deduction and interest charges accounts. Provide a subheading for each account and total for the account. Additional columns may be added if deemed appropriate with respect to any account.

(a) Miscellaneous Amortization (Account 425) - Describe the nature of items included in this account, the contra account charged, the total of amortization charged for the year, and the period of amortization.

(b) Miscellaneous Income Deductions - Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2 Life Insurance; 426.3 Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than \$25,000 may be grouped by classes within the above accounts.

(c) Interest on Debt to Associated Companies (Account 430) - For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest.

Explain the nature of other debt on which interest was incurred during the year.

(d) Other Interest Expense (Account 431) - Report particulars (Details) including the amount and interest rate for each other interest charges incurred during the year.

Line No.	Item (a)	Amount (b)
1	MISCELLANEOUS AMORTIZATION (425):	
2	Plant acquisition adjustment (30 yr. amortization period)	-
3	Other	-
4	TOTAL MISCELLANEOUS AMORTIZATION	-
5		
6	MISCELLANEOUS INCOME DEDUCTIONS:	
7	Donations (426.1)	2,280
8	Other Deductions (426.5)	-
9	TOTAL MISCELLANEOUS INCOME DEDUCTIONS	2,280
10		
11	OTHER INTEREST EXPENSES (431):	
12	Interest on Notes Payable (variable rate)	950,115
13	PGA Interest (Interest rate 6.32%)	(347,778)
14	ECP Interest (Interest rate 6.32%)	35,726
15	Customer deposit interest (Interest rate 6.00%)	343,922
	TOTAL OTHER INTEREST EXPENSES	981,985
16		
17		
18		
19		
20		
21		
22		
23		
24		

DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	TOTAL Operation and Maintenance - Electric			
3	Gas			
4	Operation			
5	Production - Manufd. Gas & Nat.Gas (inc. Expl. and Dev.); Other Gas Supply; Storage, LNG, Termn. & Proces.			
6	Transmission			
7	Distribution	2,948,602		
8	Customer Accounts	914,697		
9	Customer Service and Informational	423,267		
10	Sales	482,727		
11	Administrative and General	259,585		
12	TOTAL Operation (Enter Total of lines 5 through 11)	5,028,878		
13	Maintenance			
14	Production - Manufd. Gas & Nat.Gas (inc. Expl. and Dev.); Other Gas Supply; Storage, LNG, Termn. & Proces.			
15	Transmission			
16	Distribution	265,307		
17	Administrative and General			
18	TOTAL Maintenance (Enter Total of lines 14 through 17)	265,307		
19	Total Operation and Maintenance	5,294,185		
20	Production - Manufd. Gas & Nat.Gas (inc. Expl. and Dev.); Other Gas Supply; Storage, LNG, Termn. & Proces.			
21	Transmission (Enter Total of lines 6 and 15)			
22	Distribution (Enter Total of lines 7 and 16)	3,213,909		
23	Customer Accounts (Transcribe from line 8)	914,697		
24	Customer Service and Informational (Transcribe from line 9)	423,267		
25	Sales (Transcribe from line 10)	482,727		
26	Administrative and General (Enter Total of lines 11 and 17)	259,585		
27	TOTAL Operation and Maint. (Total of lines 20 through 26)	5,294,185	430,514	5,724,699
28	Other Utility Departments			
29	Operation and Maintenance			
30	TOTAL All Utility Dept. (Total of lines 2, 27, and 29)	5,294,185	430,514	5,724,699
31	Utility Plant			
32	Construction (By Utility Departments)			
33	Electric Plant			
34	Gas Plant	874,899		874,899
35	Other			0
36	TOTAL Construction (Enter Total of lines 33 through 35)	874,899	0	874,899
37	Plant Removal (By Utility Department)			
38	Electric Plant			
39	Gas Plant	38,057		38,057
40	Other			
41	TOTAL Plant Removal (Enter Total of lines 38 through 40)	38,057	0	38,057
42				
43	Other Accounts (Specify):			
44	Appliance Leasing	25,796		25,796
45	Merchandising and Jobbing	8,150		8,150
46	Reimbursable Projects	223		223
47				
48				
49				
50				
51				
52				
53	TOTAL Other Accounts	34,169	0	34,169
54	TOTAL SALARIES AND WAGES	6,241,310	430,514	6,671,824

Name of Respondent
 CITY GAS COMPANY OF FLORIDA
 A DIVISION OF NUI UTILITIES, INC.

For the Year Ended
 Dec. 31, 2002

REGULATORY COMMISSION EXPENSES (Account 928)

1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years if being amortized) relating to formal cases before a regulatory body, or cases in which such a body was a party.

2. In columns (b) and (c), indicate whether the expenses were assessed by a regulatory body or were otherwise incurred by the utility.

Line No.	Description name of regulatory commission or body, the docket or case number, and a description of the case.) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses to Date (d)	Deferred in Account 186 at Beginning of Year (e) Acct. 182.3
1					
2	Docket 960502-GU - 2000 Rate Case				271,364
3					
4					
5					
6					
7					-
8					
9					
10					
11					
12					
13					
14					
15					
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27					
28					
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30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40	TOTAL				271,364

Name of Respondent
 CITY GAS COMPANY OF FLORIDA
 A DIVISION OF NUI CORPORATION

For the Year Ended

Dec. 31, 2002

REGULATORY COMMISSION EXPENSES (Account 928) (Continued)

3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.

for Account 186.

5. List in column (f), (g) and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.

4. The totals of columns (e), (i), (k), and (l) must agree with the totals shown at the bottom of page 34

6. Minor items (less than \$25,000) may be grouped.

EXPENSES INCURRED DURING YEAR			AMORTIZED DURING YEAR		Deferred in Account 186 End of Year (l)	Line No.	
CHARGED CURRENTLY TO			Deferred to Account 186 (i)	Contra Account (j)			Amount (k)
Department (f)	Account No. (g)	Amount (h)					
						1	
				928	85,404	185,960	2
							3
							4
							5
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							36
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							39
			0		85,404	185,960	40

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. (These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation, partnership, organization of any kind, or individual [other than for services as an employee or for payments made for medical and related services] amounting to more than \$25,000, including payments for legislative services, except those which should be reported in Account 426.4 Expenditures for Certain

- Civic, Political and Related Activities.
 (a) Name and address of person or organization rendering services,
 (b) description of services received during year and project or case to which services relate,
 (c) basis of charges,
 (d) total charges for the year, detailing utility department and account charged.
2. For any services which are of a continuing nature, give the date and term of contract and date of Commission authorization, if contract received Commission approval.
3. Designate with an asterisk associated companies.

	Description (a)	Amount (b)
1		
2		
3	Asset Services	\$ 62,747
4	Big Warrior Corporatoin	650,862
5	Henkels & Mccoy Inc.	343,082
6	Marketing Talent Network, Inc.	274,592
7	Mueller Distribution Contractors	4,468,451
8	Nortel Networks Inc.	150,903
9	Ortiz Consulting Corp.	32,498
10	Pragmatic Systems International Corp.	193,414
11	Southeast Corrosion Engineering	243,202
12		
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34		

**Reconciliation of Gross Operating Revenues
Annual Report versus Regulatory Assessment Fee Return**

Company: **City Gas Company of Florida - A Division of NUI Utilities, Inc.** For the Year Ended December 31, 2002

For the current year, reconcile the gross operating revenues as reported on Page 46 of this report with the gross operating revenues as reported on the utility's regulatory assessment fee return. Explain and justify any differences between the reported gross operating revenues in column (f).

(a) Line No.	(b) Description	(c) Gross Operating Revenues per Page 46	(d) Interstate and Sales for Resale Adjustments	(e) Adjusted Interstate Gross Operating Revenues	(f) Intrastate Gross Operating Revenues per RAF Return	(g) Difference (d) - (e)
1	Total Sales to Ultimate Customers (480-482, 484)	\$62,012,319		\$62,012,319	\$62,012,319	\$0
2	Sales for Resale (483)					
3	Total Natural Gas Service Revenues	62,012,319		62,012,319	62,012,319	0
4	Total Other Operating Revenues (485-495)	936,698		936,698	936,698	0
5	Total Gas Operating Revenues	62,949,017		62,949,017	62,949,017	0
6	Provision for Rate Refunds (496)					
7	Other (Specify) - Off System Sales	34,645,681	34,645,681	0	0	0
8	- PGA Over/Under Recoveries	(253,762)		(253,762)	(253,762)	0
9	- CRA Over/Under Recoveries	(\$670,056)		(670,056)	(670,056)	0
10	Total Gross Operating Revenues	\$96,670,880	\$34,645,681	\$62,025,199	\$62,025,199	\$0

CORPORATE STRUCTURE

Company: CITY GAS COMPANY OF FLORIDA- A DIVISION OF NUI UTILITIES, INC.

For the Year Ended December 31, 2002

Provide an updated organizational chart showing all affiliated companies, partnerships, etc.

See information regarding affiliated companies in the enclosed Form 10-K filed with the Securities and Exchange Commission

INDIVIDUAL AFFILIATED TRANSACTIONS IN EXCESS OF \$25,000

Company: CITY GAS COMPANY OF FLORIDA, A DIVISION OF NUI UTILITIES, INC.

For the Year Ended December 31, 2002

Provide information regarding individual affiliated transactions in excess of \$25,000. Recurring monthly affiliated transactions which exceed \$25,000 per month should be reported annually in the aggregate. However, each land or property sales transaction even though similar sales recur, should be reported as a "non-recurring" item for the period in which it occurs.

Name of Affiliate (a)	Description of Transaction (b)	Dollar Amount (c)
NONE		

NEW OR AMENDED CONTRACTS WITH AFFILIATED COMPANIES

COMPANY: CITY GAS COMPANY OF FLORIDA- A DIVISION OF NUI UTILITIES, INC.

For the Year Ended December 31, 2002

Provide a synopsis of each new or amended contract, agreement, or arrangement with affiliated companies for the purchase, lease, or sale of land, goods, or services (excluding tariffed items). The synopsis shall include, at a minimum, the terms, price, quantity, amount, and duration of the contracts.

Name of Affiliated Company (a)	Synopsis of Contract (b)
NONE	

SUMMARY OF AFFILIATED TRANSFERS AND COST ALLOCATIONS

Company: City Gas Company of Florida, A Division of NUI Utilities, Inc.
For the Year Ended December 31, 2002

Grouped by affiliate, list each contract, agreement, or other business transaction exceeding a cumulative amount of \$300 in any one year, entered into between the Respondent and an affiliated business or financial organization, firm, or partnership identifying parties, amounts, dates, and product, asset, or service involved.

- (a) Enter name of affiliate.
- (b) Give description of type of service, or name the product involved.
- (c) Enter contract or agreement effective dates.
- (d) Enter the letter "p" if the service or product is a purchased by the Respondent: "s" if the service or product is sold by the Respondent.
- (e) Enter utility account number in which charges are recorded.
- (f) Enter total amount paid, received, or accrued during the year for each type of service or product listed in column (c). Do not net amounts when services are both received and provided.

Name of Affiliate (a)	Type of Service and/or Name of Product (b)	Relevant Contract or Agreement and Effective Date (c)	Total Charge for Year		
			"p" or "s" (d)	Account Number (e)	Dollar Amount (f)
See Footnote*	Accounting services	NUI Cost Allocation Policy	P	Various	742,629
	Mis Purchasing	NUI Cost Allocation Policy	P	Various	1,708,440
	Marketing & Customer Care	NUI Cost Allocation Policy	P	Various	453,787
	Legal Affairs/Risk Mgmt	NUI Cost Allocation Policy	P	Various	289,167
	Human Resources & Benefits	NUI Cost Allocation Policy	P	Various	503,094
	Executive & Administration	NUI Cost Allocation Policy	P	Various	1,576,575
	Environmental	NUI Cost Allocation Policy	P	Various	34,266
	Rent & Building Services	NUI Cost Allocation Policy	P	Various	567,723
	Insurance	NUI Cost Allocation Policy	P	Various	476,422
	Treasury	NUI Cost Allocation Policy	P	Various	347,492
	Appliance Services	Direct Cost	P	Various	220,673
	UBS	Direct Cost	P	Various	859,533
	Energy Brokers	Direct Cost	P	Various	751,583
Footnote: All Charges allocated from divisions or subsidiaries of NUI Corporation as identified in the notes to the financial statements (pg 19)					
Total					8,531,385

EMPLOYEE TRANSFERS

Company: CITY GAS COMPANY OF FLORIDA- A DIVISION OF NUI UTILITIES, INC.

For the Year Ended December 31, 2002

List employees earning more than \$30,000 annually transferred to/from the utility to/from an affiliate company.

Company Transferred From	Company Transferred To	Old Job Assignment	New Job Assignment	Transfer Permanent or Temporary and Duration
NONE				

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