

ANNUAL REPORT OF
NATURAL GAS UTILITIES

GU603-99-AR

FLORIDA PUBLIC UTILITIES COMPANY

(EXACT NAME OF RESPONDENT)

P O BOX 3395

WEST PALM BEACH, FL 33402-3395

(ADDRESS OF RESPONDENT)

TO THE

FLORIDA PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1999

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

Name George M. Bachman

Title Assistant Treasurer

Address PO Box 3395

City West Palm Beach State FL 33402-3395

Telephone No (561) 838-1731

PSC/AFA 20 (4/98)



INDEPENDENT AUDITORS' REPORT

Florida Public Utilities Company
West Palm Beach, Florida:

We have audited the balance sheet—regulatory basis of Florida Public Utilities Company (the "Company") as of December 31, 1999, and the related statements of income—regulatory basis, retained earnings—regulatory basis and the consolidated statement of cash flows for the year ended December 31, 1999, included on pages 10 through 19h, excluding additional information on page 13 – Electric, Gas and Other Utility Divisions, of the accompanying Annual Report of Natural Gas Utilities to the Florida Public Service Commission. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

These financial statements were prepared in accordance with the accounting requirements of the Florida Public Service Commission, which are substantially equivalent to the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than generally accepted accounting principles. The principal differences from generally accepted accounting principles include accounting for the Company's investment in a wholly owned subsidiary on the equity method rather than consolidating the assets, liabilities, revenues, and expenses of the subsidiary, the inclusion of certain accumulated provisions in other non-current liabilities rather than current liabilities, and the classification of all deferred tax accounts on a gross basis as non-current.

The consolidated statement of cash flows and the accompanying notes to consolidated financial statements are prepared on a consolidated basis as presented with the Company's consolidated financial statements included in its Annual Report to Shareholders. Such consolidated statement of cash flows and notes are not comparable in certain respects with the accompanying balance sheets – regulatory basis and income statements – regulatory basis in which an investment in a wholly owned subsidiary is accounted for on the equity method.

In our opinion, such financial statements present fairly, in all material respects, the assets, liabilities, and proprietary capital of the Company as of December 31, 1999, and the results of its operations and its cash flows for the year ended December 31, 1999, in accordance with the accounting requirements of the Florida Public Service Commission, which are substantially equivalent to the accounting requirements of the Federal Energy Regulatory Commission as set forth in its Uniform System of Accounts and published accounting releases.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The additional information on page 13 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. This additional information is the responsibility of the Company's management. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the board of directors and management of the Company and for filing with the Florida Public Service Commission and is not intended to be and should not be used by anyone other than these specified parties.

Deloitte & Touche LLP

February 18, 2000

**INSTRUCTIONS FOR FILING THE
ANNUAL REPORT OF NATURAL GAS UTILITIES**

GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR 201) (U.S. of A). Interpret all accounting words and phrases in accordance with the U.S. of A.
- II. Enter in whole numbers (dollars or Mcf) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important.) The truncating of cents is allowed except on the four basic financial statements where rounding to dollars is required. The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting year, and use for statement of income accounts the current year's amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
- IV. For any page that is not applicable to the respondent, enter the words "Not Applicable" on the particular page.
- V. Provide a supplemental statement further explaining accounts or pages as necessary. Attach the supplemental statement to the page being supplemented on 8 1/2 by 11 inch paper. Provide the appropriate identification information on the supplemental page, including the title of the page and the page number. Do not change the page numbers.
- VI. Do not make references to reports of previous years or to other reports in lieu of required entries, except as specifically authorized.
- VII. Wherever schedule pages refer to figures from a previous year, the figures reported must be based upon those shown by the annual report of the previous year, or an appropriate explanation given as to why different figures were used.
- VIII. Report all gas volumes on a pressure base of 14.73 psia and a temperature base of 60° F.

DEFINITIONS

- I. Btu per cubic foot — The total heating value expressed in Btu, produced by the combustion, at constant pressure, of the amount of the gas which would occupy a volume of 1 cubic foot at a temperature of 60° F if saturated with water vapor and under a pressure equivalent to that of 30 inches of mercury at 32° F, and under standard gravitational force (980.665 cm per sec. ²) with air of the same temperature and pressure as the gas, when the products of combustion are cooled to the initial temperature of gas and air when the water formed by combustion is condensed to the liquid state. (Sometimes called gross heating value or total heating value.)
- II. Respondent — The person, corporation, licensee, agency, authority, or other legal entity or instrumentality in whose behalf the report is made.

ANNUAL REPORT OF NATURAL GAS UTILITIES

IDENTIFICATION

01 Exact Legal Name of Respondent FLORIDA PUBLIC UTILITIES COMPANY		02 Year of Report December 31, 1999
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) 401 South Dixie Highway, West Palm Beach, FL 33401-5886		
05 Name of Contact Person George Bachman	06 Title of Contact Person Controller & Asst. Treasurer	
07 Address of Contact Person (Street, City, State, Zip Code) Same as above		
08 Telephone of Contact Person, Including Area Code (561) 838-1731	09 Date of Report (Mo, Da, Yr) March 31, 2000	

ATTESTATION

I certify that I am the responsible accounting officer of
FLORIDA PUBLIC UTILITIES COMPANY
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, 1999 to December 31, 1999, 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:

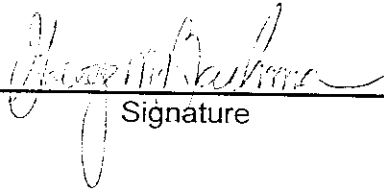
Whoever knowingly makes a false statement in writing
with the intent to mislead a public servant in the
performance of his official duty shall be guilty of a
misdemeanor of the second degree, punishable as provided in
S. 775.082 and S. 775.083.

4-24-00

Date

George Bachman

Name



Signature

Controller & Asst. Treasurer

Title

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December 31, 1999

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.

George Bachman, Controller & Asst. Treasurer
401 South Dixie Highway, P.O. Box 3395
West Palm Beach, Florida 33402-3395

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.

State of Florida
March 6, 1924; Reincorporated April 25, 1929

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.

Distribution of electricity, gas and water in the State of Florida.

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) X NO

CORPORATIONS CONTROLLED BY RESPONDENT

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.
 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.

3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.
 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.

DEFINITIONS

1. See the Uniform System of Accounts for a definition of control.
 2. Direct control is that which is exercised without interposition of an intermediary.
 3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
 4. Joint control is that in which neither interest can effectively

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.

Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	
Flo - Gas Corporation	Propane Gas	100%	

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.

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.

2. If a change was made during the year in the incumbent of

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	Chairman of the Executive Committee	Robert L. Terry	
2	Deceased 1999		\$54,332
3			
4			
5	President & Chief Executive Officer	John T. English	\$151,740
6			
7	Vice President	Darryl L. Troy	\$91,040
8			
9	Senior Vice President	Charles L. Stein	\$116,330
10			
11	Treasurer	Jack R. Brown	\$116,330
12			
13	Assistant Secretary & Assistant Treasurer	William D. Little, Jr.	\$72,913
14			
15	Assistant Treasurer	George M. Bachman	\$70,381
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December 31, 1999

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 ©	Fees During Year (d)
J.T. English** Chairman & Chief Executive Officer	401 South Dixie Highway West Palm Beach, Florida	4	\$ -
F.C. Cressman*	7990 West Lake Drive West Palm Beach, Florida	4	\$ 2,400
D. Downey*	400 Royal Palm Way Palm Beach, Florida	4	\$ 3,200
G.O. Jerauld	700 Osprey Way No. Palm Beach, Florida	4	\$ 2,800
E. James Carr, Jr.	255 Holly Forest Court Cashiers, NC	4	\$ 3,200
R. L. Terry (Deceased December 1999)	401 South Dixie Highway West Palm Beach, Florida	3	\$ -
R.C. Hitchins	325 South Olive Avenue West Palm Beach, Florida	4	\$ 2,800
P.L. Maddock, Jr	275 S County Road Palm Beach, Florida	4	\$ 2,400
R. E. Schupp	4400 Congress Avenue West Palm Beach, Florida	4	\$ 2,400

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 10, 1999
Dividend 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: **2,514,025**
By Proxy: **2,514,025**

3. Give the date and place of such meeting:

11/30/1999
FPUC Corporate Off
West Palm Beach, FL

VOTING SECURITIES
Number of votes as of (date): **11/30/99**

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	2,802,385	2,802,385		
5	TOTAL number of security holders	987	987		
6	TOTAL votes of security holders listed below	2,642,929	2,642,929		
7	*Cede & Company	1,810,862	1,810,862		
8	P. O. Box 20, New York, NY 10274				
9					
10	Gabelli Funds	271,300	271,300		
11	Rye, NY				
12					
13	Atlee M. Kohl	165,900	165,900		
14	3007 Skyway Circle North, Irving, TX 75038				
15					
16	Estate of Robert L. Terry	171,000	171,000		
17	137 King Rd., Palm Beach, FL 33402				
18					
19	Dino Casali	90,574	90,574		
20	Box 886, Keene, NH 03431-0886				
21					
22	George F. Parris, Jr.	43,720	43,720		
23	P. O. Box 21909, Long Beach, CA 90801				
24					
25	Ursula Peidcop Grau Trust	31,400	31,400		
26	P. O. Box 381, Punta Gorda, FL 33951				
30					
31	*Includes 313,554 shares held in trust. Robert L. Terry, a Director of the				
32	Corporation, is co-trustee for trust accounts established under the wills				
33	of his parents and shares voting and dispositive powers for his stock.				

SECURITY HOLDERS AND VOTING POWERS (Continued)

Line No.	Name (Title) and Address of Security Holder (a)	Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
21	Franklin C. Cressman	24,437	24,437		NONE
22	7990 W Lake Dr., West Palm Beach, FL				
23					
24	Gordon O. Jerauld Trust	19,864	19,864		
25	700 Ospray Way, North Palm Beach, FL				
26					
27	Eduardo B. Arcentales Trust	13,872	13,872		
28	209 Avila Rd., West Palm Beach, FL				
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December 31, 1999

IMPORTANT CHANGES DURING THE YEAR

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 as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.

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. Describe briefly 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 revenue 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. NONE

2. NONE

3. NONE

4. NONE

5. Distribution system in Deltona Florida was converted from Flo-Gas (propane) to Florida Public Utilities Company (natural gas). Phase II of the conversion commenced May 1999 and the approximate number of customers added is 625 per month.

6. NONE

7. NONE

8. NONE

9. NONE

10. NONE

11. Application made to the Florida Public Service Commission for a rate increase for water service in Nassau County, Fernandina Beach Division in August 1999. The new rates came into effect February 2000 and is estimated to increase water revenue by \$380,652 or approximately 15.79%.

12. NONE

December 31, 1999

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) & 118	20-21	112,881,847	120,492,565
3	Construction Work in Progress (107)	20-21	1,474,274	602,009
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		114,356,121	121,094,574
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 111, 115)	20-21	(40,343,241)	(43,607,453)
6	Net Utility Plant (Enter Total of line 4 less 5)		74,012,880	77,487,121
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)	-	20,171	200
11	(Less) Accum. Prov. for Depr. and Amort. (122)	-	0	0
12	Investments in Associated Companies (123)	-	10,000	10,000
13	Investment in Subsidiary Companies (123.1)	-	1,900,646	1,685,950
14	Other Investments (124)	-	15,001	15,001
15	Special Funds (125-128)	-		
16	TOTAL Other Property and Investments (Total of lines 10 through 15)		1,945,818	1,711,151
17	CURRENT AND ACCRUED ASSETS			
18	Cash (131)	-	(105,276)	(215,200)
19	Special Deposits (132-134)	-	3,133,468	2,877,110
20	Working Funds (135)	-	10,660	10,360
21	Temporary Cash Investments (136)	-		
22	Notes Receivable (141)	-		
23	Customer Accounts Receivable (142)	-	6,377,060	6,416,514
24	Other Accounts Receivable (143)	-	62,441	180,129
25	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)	-	(108,432)	(118,804)
26	Notes Receivable from Associated Companies (145)	-		
27	Accounts Receivable from Assoc. Companies (146)	-	1,024,748	1,275,490
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)	-	1,303,650	1,459,670
32	Merchandise (155)	-	216,765	232,232
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	1,637,345	1,904,888
37	Advances for Gas (166-167)	-		
38	Interest and Dividends Receivable (171)	-		
39	Rents Receivable (172)	-		
40	Accrued Utility Revenues (173)	-	1,009,261	1,101,442
41	Miscellaneous Current and Accrued Assets (174)	-		
42	TOTAL Current and Accrued Assets (Enter Total of lines 18 through 41)		14,561,690	15,123,831
43	DEFERRED DEBITS			
44	Unamortized Debt Expense (181)	-	254,583	239,422
45	Extraordinary Property Losses (182.1)	32		
46	Unrecovered Plant and Regulatory Study Costs (182.2)	32		
47	Other Regulatory Assets (182.3)	33		
48	Prelim. Survey and Investigation Charges (Gas) (183.1, 183.2)	-		
49	Clearing Accounts (184)	-		
50	Temporary Facilities (185)	-	2,447	5,334
51	Miscellaneous Deferred Debits (186)	34	713,421	1,917,319
52	Def. Losses from Disposition of Utility Plant. (187)	-		
53	Research, Devel. and Demonstration Expend. (188)	-		
54	Unamortized Loss on Reacquired Debt (189)	-	369,282	346,920
55	Accumulated Deferred Income Taxes (190)	35	2,545,639	2,447,343
56	Unrecovered Purchased Gas Costs (1860.21)	-	0	341,815
57	TOTAL Deferred Debits (Enter Total of lines 44 through 56)		3,885,372	5,298,153
58	TOTAL Assets and other Debits (Enter Total of lines 6, 7, 8, 16, 42, 57)		94,405,760	99,620,256

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)	-	\$13,208,172	\$13,400,989
3	Preferred Stock Issued (204)	-	600,000	600,000
4	Other Paid-In Capital (208-211) & Accounts 212, 213, 214	-	658,449	761,545
5	Retained Earnings (215, 215.1, 216)	15-16	13,707,036	15,473,855
6	Unappropriated Undistributed Subsidiary Earnings (216.1)	15-16	1,979,165	1,730,277
7	(Less) Reacquired Capital Stock (217)	-	(1,930,341)	(5,500,805)
8	TOTAL Proprietary Capital (Enter Total of lines 2 through 7)		28,222,481	26,465,861
9	LONG-TERM DEBT			
10	Bonds (221)	37	23,500,000	23,500,000
11	(Less) Reacquired Bonds (222)	37		
12	Advances from Associated Companies (223)	37		
13	Other Long-Term Debt (224)	37		
14	Unamortized Premium on Long-Term Debt (225)	38		
15	(Less) Unamortized Discount on Long-Term Debt-Dr. (226)	38		
16	TOTAL Long-Term Debt (Enter Total of lines 10 through 15)		23,500,000	23,500,000
17	OTHER NONCURRENT LIABILITIES			
18	Obligations Under Capital Leases - Noncurrent (227)	-		
19	Accumulated Provision for Property Insurance (228.1)	-	2,205,484	2,068,496
20	Accumulated Provision for Injuries and Damages (228.2)	-		
21	Accumulated Provision for Pensions and Benefits (228.3)	-	978,934	1,241,626
22	Accumulated Miscellaneous Operating Provisions (228.4)	-		
23	Accumulated Provision for Rate Refunds (229)	-	75,000	136,000
24	TOTAL Other Noncurrent Liabilities (Enter Total of lines 18 through 23)		3,259,418	3,446,122
25	CURRENT AND ACCRUED LIABILITIES			
26	Notes Payable (231)	-	8,200,000	13,000,000
27	Accounts Payable (232)	-	4,729,635	5,110,989
28	Notes Payable to Associated Companies (233)	-	0	0
29	Accounts Payable to Associated Companies (234)	-	0	0
30	Customer Deposits (235)	-	3,380,514	3,519,769
31	Taxes Accrued (236)	41	317,928	445,604
32	Interest Accrued (237)	-	580,324	517,858
33	Dividends Declared (238)	-	486,630	483,530
34	Matured Long-Term Debt (239)	-	0	0
35	Matured Interest (240)	-	0	0
36	Tax Collections Payable (241)	-	563,370	564,636
37	Miscellaneous Current and Accrued Liabilities (242)	43	766,569	694,997
38	Obligations Under Capital Leases-Current (243)	-	0	0
39				
40	TOTAL Current and Accrued Liabilities (Enter Total of lines 26 through 39)		\$19,024,970	\$24,337,383
41	DEFERRED CREDITS			
42	Customer Advances for Construction (252)	-	1,317,224	1,629,888
43	Other Deferred Credits (253) & CIAC (271&272)	43	9,028,186	9,577,354
44	Other Regulatory Liabilities (254)	45		
45	Accumulated Deferred Investment Tax Credits (255)	42	1,191,026	1,068,209
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	8,862,455	9,595,439
49	TOTAL Deferred Credits (Enter Total of lines 42 through 48)		20,398,891	21,870,890
50				
51	TOTAL Liabilities and Other Credits (Enter Total of lines 8, 16, 24, 40 and 49)		\$94,405,760	\$99,620,256
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.

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

5. Give concise explanations on page 19 concerning

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.

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

Line No.	Account (a)	Ref. Page No. (b)	Total Current Year ©	Total Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	46-47	\$70,231,953	\$72,148,902
3	Operating Expenses			
4	Operation Expenses (401)	49-51	50,095,195	52,396,108
5	Maintenance Expenses (402)	49-51	2,550,663	2,548,038
6	Depreciation Expense (403)	55	3,929,247	3,674,722
7	Amort. & Depl. of Utility Plant (404-405)	55	325,831	255,044
8	Amort. of Utility Plant Acq. Adj. (406)		(956)	(956)
9	Amort. of Property Losses, Unrecovered Plant and Regulatory Study Costs (407.1)	-	-	-
10	Amort. of Conversion Expenses (407.2)	-	-	-
11	Regulatory Debits (407.3)	-	-	-
12	(Less) Regulatory Credits (407.4)	-	-	-
13	Taxes Other Than Income Taxes (408.1)	* 41	5,927,257	6,019,385
14	Income Taxes - Federal (409.1)	41	845,024	1,474,864
15	- Other (409.1)	41	143,803	275,266
16	Provision for Deferred Inc. Taxes (410.1)	35, 44	674,827	(78,275)
17	(Less) Provision for Deferred Income Taxes - Cr.(411.1)	35, 44	-	-
18	Investment Tax Credit Adj. - Net (411.4)	42	(122,817)	(111,911)
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)		64,368,074	66,452,285
24	Net Utility Operating Income (Total of line 2 less 23) (Carry forward to page 14, line 25)		5,863,879	5,696,617
	* Page 41 excludes Franchise Tax of \$2,093,340			

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)	
						1
\$37,544,667	\$40,253,776	\$30,286,576	\$29,734,219	\$2,400,710	\$2,160,907	2
						3
28,067,068	30,663,560	21,434,456	21,136,495	593,671	596,053	4
1,368,924	1,415,413	790,545	763,554	391,194	369,071	5
1,908,369	1,779,989	1,751,485	1,661,850	269,393	232,883	6
-		325,831	255,044			7
-		(956)	(956)			8
-						9
-						10
-						11
-						12
3,027,052	3,181,640	2,492,217	2,474,074	407,988	363,671	13
492,539	849,327	175,191	591,674	177,294	33,863	14
83,940	154,380	29,600	113,717	30,263	7,169	15
105,977	(238,646)	578,599	37,355	(9,749)	123,016	16
-						17
(61,024)	(49,812)	(54,856)	(55,162)	(6,937)	(6,937)	18
						19
						20
						21
						22
34,992,845	37,755,851	27,522,112	26,977,645	1,853,117	1,718,789	23
2,551,822	2,497,925	2,764,464	2,756,574	547,593	442,118	24

FLORIDA PUBLIC UTILITIES COMPANY		An Original	For the Year Ended	
			December 31, 1999	
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)		\$5,863,879	\$5,696,617
26	Other Income and Deductions			
27	Other Income			
28	Nonutility Operating Income			
29	Revenues From Merchandising, Jobbing and Contract Work (415)	-	1,599,261	1,520,383
	(Less) Costs and Exp. of Merchandising, Job & Contract Work (416)	-	(1,559,409)	(1,532,769)
31	Revenues From Nonutility Operations (417)	-	(12,843)	
32	(Less) Expenses of Nonutility Operations (417.1)	-		
33	Nonoperating Rental Income (418)	-	200	200
34	Equity in Earnings of Subsidiary Companies (418.1)	15-16	251,112	106,645
35	Interest and Dividend Income (419)	-	366,878	39,365
36	Allowance for Other Funds Used During Construction (419.1)	-	35,489	24,672
37	Miscellaneous Nonoperating Income (421)	-		
38	Gain on Disposition of Property (421.1)	-	133,627	0
39	TOTAL Other Income (Enter Total of lines 29 through 38)		814,315	158,496
40	Other Income Deductions			
41	Loss on Disposition of Property (421.2)	-		
42	Miscellaneous Amortization (425)	56		
43	Miscellaneous Income Deductions (426.1-426.5)	56	26,342	23,268
44	TOTAL Other Income Deductions (Total of lines 41 through 43)		26,342	23,268
45	Taxes Applic. to Other Income and Deductions			
46	Taxes Other Than Income Taxes (408.2)	41		
47	Income Taxes - Federal (409.1)	41	179,972	14,438
48	Income Taxes - Other (409.2)	41	30,759	2,463
49	Provision for Deferred Income Taxes (410.1 & 2)	35, 44	(1,780)	
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)	-		
53	TOTAL Taxes on Other Inc. and Ded. (Enter Total of 46 through 52)		208,951	16,901
54	Net Other Income and Deductions (Enter Total of lines 39,44,53)		579,022	118,327
55	Interest Charges			
56	Interest on Long-Term Debt (427)	-	2,235,049	2,235,050
57	Amortization of Debt Disc. and Expense (428)	38	42,522	42,522
58	Amortization of Loss on Reacquired Debt (428.1)	-		
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)	56	(37,437)	(77,110)
62	Other Interest Expense (431)	56	696,737	562,808
63	(Less) Allow. for Borrowed Funds Used During Const. - Cr. (432)	-	(23,227)	(16,146)
64	Net Interest Charges (Total of lines 56 through 63)		2,913,644	2,747,124
65	Income Before Extraordinary Items (Enter Total of lines 25, 54 and 64)		3,529,257	3,067,820
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)		\$3,529,257	\$3,067,820
73	Earnings Per Share		1.17	1.02

December 31, 1999

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)	Primary Account Affected (b)	Amount (c)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)		
1	Balance - Beginning of Year		\$13,707,036
2	Changes (Identify by prescribed retained earnings accounts)		
3	Adjustments to Retained Earnings (Account 439):		
4	Credit: DIVIDENDS FROM SUBSIDIARY		0
5	Credit:		
6	Credit:		
7	Credit:		
8	Credit:		
9	TOTAL Credits to Retained Earnings (Account 439) (Enter Total of lines 4 through 8)		0
10	Debit:		
11	Debit:		
12	Debit:		
13	Debit:		
14	Debit:		
15	TOTAL Debits to Retained Earnings (Account 439) (Enter Total of lines 10 through 14)		
16	Balance Transferred from Income (Account 433 less Account 418.1)		3,278,145
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	Preferred	2380	28,500
25			
26			
27			
28	TOTAL Dividends Declared - Preferred Stock (Account 437)		
29	(Enter Total of lines 24 through 27)		28,500
30	Dividends Declared - Common Stock (Account 438)		
31	Common - Cash	2380	1,482,826
32			
33			
34			
35	TOTAL Dividends Declared - Common Stock (Account 438)		
36	(Enter Total of lines 31 through 34)		1,482,826
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)		\$15,473,855

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)	
	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)	\$15,473,855
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)	
49	Balance - Beginning of Year (Debit or Credit)	1,979,165
50	Equity in Earnings for Year (Credit) (Account 418.1)	251,112
51	(Less) Dividends (Debit)	(500,000)
52	Other Changes (Explain)	
53	Balance - End of year	1,730,277

December 31, 1999

CONSOLIDATED 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 amount 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.	(a)	Amounts (b)
1	Net Cash Flow From Operating Activities:	
2	Net Income (Line 72(c) on page 14)	3,529,260
3	Non-Cash Charges (Credits) to Income:	
4	Depreciation and Depletion	4,232,569
5	Amortization of (Specify)	324,875
6	Gain on Sale of Non-Utility Property	(133,627)
7	Deferred Income Taxes (Net)	639,157
8	Investment Tax Credit Adjustments (Net)	(129,991)
9	Net (Increase) Decreases in Receivables	(261,140)
10	Net (Increase) Decreases in Inventory	(525,960)
11	Net (Increase) Decreases in Allowances Inventory	-
12	Net (Decrease) Increase in Payables and Accrued Expenses	255,562
13	Net (Increase) Decreases in Other Regulatory Assets	-
14	Net (Decrease) Increase in Other Regulatory Liabilities	-
15	(Less) Allowance for Other Funds Used During Construction	(58,716)
16	(Less) Undistributed Earnings from Subsidiary Companies	-
17	Other: Depreciation charged to transportation	465,564
18	Amortization of Debt expenses	42,522
19	Over/(Under) recovery of energy costs	445,742
20	Storm Damage Reserve	262,976
21	Gain on sale of nonutility property	14,400
22	Other: Deferred Credits, Other Assets and Other Amortization	(1,559,179)
23	Net Cash Provided by (Used in) Operating Activities (Total of lines 2 through 20)	7,544,014
24		
25		
26	Cash Flows from Investment Activities:	
27	Construction and Acquisition of Plant(including land):	
28	Gross Additions to Utility Plant	(8,567,208)
29	Gross Additions to Common Utility Plant	-
30	Gross Additions to Nonutility Plant	-
31	(Less) Allowance for Other Funds Used During Construction	-
32	Other: Customer Advances for Construction	312,664
33	Other: Purchase of Long-Term Investments	666,544
34	Other: Net Proceeds from Sale of Non-Utility Property	133,627
35		
36	Cash Outflows for Plant (Total of lines 24 through 32)	(7,454,373)
37		
38	Acquisition of Other Noncurrent Assets (d)	-
39	Proceeds from Disposal of Noncurrent Assets (d)	-
40	Investment in and Advances to Assoc. and Subsidiary Companies	-
41	Contributions and Advances from Assoc. and Subsidiary Companies	-
42	Disposition of Investments in (and Advances to)	
43	Associated and Subsidiary Companies	-
44	Purchases of Investment Securities (a)	-
45	Proceeds from Sales of Investment Securities (a)	-

CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

4. Investing Activities

5. Codes used:

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.

- (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.	(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	-
54	Other:	-
55		
56	Net Cash Provided by (Used in) Investing Activities	
57	(Total of lines 35 through 55)	(7,454,373)
58		
59	Cash Flows From Financing Activities:	
60	Proceeds from Issuance of:	
61	Long-Term Debt (b)	-
62	Preferred Stock	-
63	Common Stock	(3,274,551)
64	Other	-
65		-
66	Net Increase in Short-term Debt (c)	25,300,000
67	Other:	
68		
69		
70	Cash provided by Outside Sources (Total of lines 61 through 69)	22,025,449
71		
72	Payments of Retirement of:	
73	Long-Term Debt (b)	-
74	Preferred Stock	-
75	Common Stock	-
76	Other:	-
77		
78	Net Decrease in Short-Term Debt (c)	(20,500,000)
79		
80	Dividends on Preferred Stock	-
81	Dividends on Common Stock	(2,013,946)
82	Net Cash Provided by (Used in) Financing Activities	
83	(Total of lines 70 through 81)	(488,497)
84		
85	Net Increase (Decrease) in Cash and Cash Equivalents	
86	(Total of lines 21, 57, and 83)	(398,856)
87		
88	Cash and Cash Equivalents at Beginning of Year	563,906
89		
90	Cash and Cash Equivalents at End of Year	165,050

NOTES TO THE FINANCIAL STATEMENTS ON A CONSOLIDATED BASIS

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.

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.

3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and

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.

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.

5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.

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.

SEE ATTACHED ANNUAL REPORT SUPPLEMENTS.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Summary of Significant Accounting and Reporting Policies

Business and Regulation Florida Public Utilities Company (the Company) is an operating public utility engaged principally in the purchase, transmission, distribution and sale of electricity and in the purchase, transmission, distribution, sale and transportation of natural gas. The Company is subject to the jurisdiction of the Florida Public Service Commission (FPSC) with respect to its electric, natural gas and water operations. The suppliers of electrical power to the Marianna division and of natural gas to the natural gas divisions are subject to the jurisdiction of the Federal Energy Regulatory Commission (FERC). The Fernandina Beach division is supplied most of its electrical power by a municipality which is exempt from FERC and FPSC regulation. The Company also distributes propane gas through a non-regulated subsidiary. The Company's accounting policies and practices conform to generally accepted accounting principles as applied to regulated public utilities and are in accordance with the accounting requirements and rate making practices of the FPSC.

The Company prepares its financial statements in accordance with the provisions of Statement of Financial Accounting Standards No. 71 - "Accounting for the Effects of Certain Types of Regulation" (SFAS 71). In general, SFAS 71 recognizes that accounting for rate regulated enterprises should reflect the relationship of costs and revenues introduced by rate regulation. As a result, a regulated utility may defer recognition of a cost (a regulatory asset) or recognize an obligation (a regulatory liability) if it is probable that, through the rate making process, there will be a corresponding increase or decrease in revenues.

Accordingly, the Company has recognized certain regulatory assets (included in deferred charges) related to area expansion program costs and unamortized debt reacquisition costs and regulatory liabilities (included in current and other liabilities) related to deferred income taxes, over recovery of fuel costs, and storm and environmental self-insurance reserves. The Company believes that the FPSC will continue to allow the Company to recover such items through its rates.

The Company has agreed with the FPSC staff to limit its earned return on equity for its regulated electric and natural gas operations. The disposition of any excess earnings is left to the discretion of the FPSC, with alternatives including a refund to customers, additional contributions to storm damage reserves, or the reduction of any depreciation reserve deficiency. Excess earnings for 1997 and 1998 at one of the Company's electric divisions were ordered by the FPSC to be added to that division's storm damage reserve. The Company believes it has adequately reserved for 1999 excess earnings.

Following FPSC rules for water utilities, the Company filed for and was granted a price index revenue increase in the Fernandina Beach water division. This increase, approximating \$11,000 on an annual basis, was placed into effect in June 1999. The Company filed for a rate increase in its water rates with the FPSC in 1999. The process was recently completed and final rates are expected to increase revenues \$380,000 annually beginning in March 2000.

Various states, other than Florida, have enacted or are considering enacting legislation or other initiatives that would provide utility customers with the ability to choose their supplier. This year, the FPSC is expected to issue an order that will allow any commercial natural gas customer to choose their supplier. Some of our commercial natural gas customers may elect to choose a different supplier, however, the Company's operating results would not be affected as the Company realizes the same operating margin regardless of whether the customer purchases the gas from us or uses our system to transport the gas.

Revenues The Company records utility revenues as service is provided and bills its customers monthly on a cycle billing basis. Accordingly, at the end of each month, the Company accrues for estimated unbilled revenues.

The rates of the Company include base revenues, fuel adjustment charges and the pass-through of certain governmental imposed taxes based on revenues. The base revenues are determined by the FPSC and remain constant until a request for an increase in such rates is filed and approved by the FPSC. From the FPSC perspective, the Company operates four distinct "entities", i.e., Marianna electric, Fernandina Beach electric, Fernandina Beach water, and natural gas, consisting of Palm Beach County, Sanford and DeLand. Thus, for the Company to recover through rate relief the effects of inflation for all such "entities", a request for an increase in base revenues would require the filing of four separate rate cases. The FPSC allows for an annual automatic rate increase for water operations through the use of a price index. Fuel adjustment charges are estimated for customer billing purposes and any under/over-recovery difference between the incurred cost of fuel and estimated amounts billed to customers is deferred for future recovery or refund and either charged or credited to customers. Interest accrues on such under/over-recoveries and is included in the subsequent adjustment.

Consolidation The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Flo-Gas Corporation. All significant intercompany balances and transactions have been eliminated.

Certain reclassifications have been made to the prior years' financial statements and other financial information contained herein to conform with the 1999 presentation.

Utility Plant and Depreciation Utility plant is stated at original cost. The costs of additions to utility plant include contracted services, direct labor and materials. The costs of units of property retired are removed from utility plant, and such costs plus removal costs, less salvage, are charged to accumulated depreciation. Maintenance and repairs of property and replacement and renewal of items determined to be less than units of property are charged to operating expenses. Substantially all of the utility plant and the shares of Flo-Gas Corporation collateralize the Company's First Mortgage Bonds.

Depreciation is computed using the composite straight-line method at rates prescribed by the FPSC for financial accounting purposes. Such rates are based on estimated service lives of the various classes of property. Depreciation provisions on average depreciable property approximate 3.6% per year.

Income Taxes Deferred income taxes are provided on all significant temporary differences between the financial statement and tax basis of assets and liabilities at currently enacted tax rates. Investment tax credits have been deferred and are amortized based upon the average useful life of the related property in accordance with the rate treatment.

Use of Estimates Inherent in the accounting process is the use of estimates when preparing financial statements in accordance with generally accepted accounting principles. Actual results could differ from these estimates. The Company has used estimates in the preparation of its financial statements including the accrual for uninsured liability claims. The Company is self-insured for the first \$250,000 of each liability claim and therefore accrues for estimated losses occurring from both asserted and unasserted claims. The estimate for unasserted claims arising from unreported incidents is based on an analysis of historical claims data. The Company's portion of liability claims incurred for the ten year period ended in 1999 averaged approximately \$45,000 per year and the accrual for such claims was approximately \$800,000 at December 31, 1999. The Company believes that its accrual for potential liability claims is adequate.

Notes Payable

The Company has a line of credit agreement with its primary bank providing for a \$15,000,000 loan with interest at LIBOR plus fifty basis points. \$14,000,000 of such loan is available for general corporate purposes with the remaining \$1,000,000 reserved as a contingency for major storm repairs in the Marianna electric division. The interest rates at December 31, 1999 and 1998 were approximately 6.3% and 5.6%, respectively.

Capitalization

Common Stock Split In July 1998, the Company effected a two-for-one stock split in the form of a stock dividend and, accordingly, transferred from paid-in capital to common stock, an amount equal to the aggregate par value of the additional shares. All per share data included herein have been retroactively restated to reflect the stock split.

Common Shares Reserved The Company has reserved 13,499 common shares for issuance under the Dividend Reinvestment Plan and 33,984 common shares for issuance under the Employee Stock Purchase Plan.

Dividend Restriction The Indenture of Mortgage and Deed of Trust and supplements thereto provide for restriction of the payment of cash dividends. At December 31, 1999 approximately \$3,900,000 of retained earnings were free of such restriction.

Maturities of Long-Term Debt. Sinking fund payments are scheduled to begin in 2008.

Segment Information

The Company operates distribution systems providing natural and propane gas service in three locations in central and southern Florida, electric service in two locations in northern Florida and water service in one location in northern Florida. There are no material intersegment sales or transfers.

Operating profit consists of revenues less operating expenses and does not include other income, interest income, interest expense and income taxes.

Identifiable assets are those assets used in the Company's operations in each business segment. Common assets are principally cash and overnight investments, deferred tax assets and common plant.

Business segment information for 1999, 1998, and 1997 is summarized as follows (in thousands):

	<u>Regulated</u>				<u>Non-Regulated</u>	
	<u>Gas</u>	<u>Electric</u>	<u>Water</u>	<u>Common</u>	<u>Propane Gas</u>	<u>Consolidated</u>
<u>1999</u>						
Revenues	\$30,287	\$37,544	\$2,401	\$	\$3,866	\$74,098
Operating profit	3,493	3,173	739		393	7,798
Identifiable assets	38,355	35,384	7,199	10,870	4,999	96,807
Depreciation	1,998	1,863	260	133	303	4,557
Construction expenditures	3,337	2,774	1,462	220	384	8,177
Income tax expense	729	621	191	209	87	1,837
<u>1998</u>						
Revenues	29,734	40,254	2,161		4,043	76,192
Operating profit	3,444	3,213	599		207	7,463
Identifiable assets	36,870	34,605	5,941	9,856	5,134	92,406
Depreciation	1,838	1,733	223	135	340	4,269
Construction expenditures	3,136	2,585	767	158	306	6,952
Income tax expense	688	715	157	17	8	1,585
<u>1997</u>						
Revenues	33,475	38,683	1,911		4,065	78,134
Operating profit	3,288	3,065	468		(17)	6,804
Identifiable assets	35,227	34,021	5,270	8,655	5,877	89,050
Depreciation	1,733	1,629	208	116	343	4,029
Construction expenditures	2,925	2,641	866	323	279	7,034
Income tax expense	695	580	98	351	(87)	1,637

Income Taxes

The provision (credit) for income taxes consists of the following (in thousands):

	<u>1999</u>	<u>1998</u>	<u>1997</u>
Current payable			
Federal	\$ 954	\$1,484	\$1,547
State	<u>163</u>	<u>277</u>	<u>208</u>
	<u>1,117</u>	<u>1,761</u>	<u>1,755</u>
Deferred			
Federal	526	(54)	(378)
State	<u>115</u>	<u>(19)</u>	<u>29</u>
	<u>641</u>	<u>(73)</u>	<u>(349)</u>
Investment tax credit	<u>(130)</u>	<u>(120)</u>	<u>(120)</u>
Total - operating	1,628	1,568	1,286
Included in interest charges and other-net	<u>209*</u>	<u>17</u>	<u>351*</u>
Total	<u>\$1,837</u>	<u>\$1,585</u>	<u>\$1,637</u>

*Includes income tax of \$51,000 and \$315,000 on gain from the sale of non-utility property, 1999 and 1997, respectively.

The difference between the effective income tax rate and the statutory federal income tax rate applied to pretax income is accounted for as follows (in thousands):

	<u>1999</u>	<u>1998</u>	<u>1997</u>
Federal income tax at statutory rate	\$1,824	\$1,582	\$1,642
State income taxes, net of federal benefit	183	170	156
Investment tax credit	(130)	(120)	(120)
Other	<u>(40)</u>	<u>(47)</u>	<u>(41)</u>
Total provision for income taxes	<u>\$1,837</u>	<u>\$1,585</u>	<u>\$1,637</u>

The tax effects of temporary differences producing accumulated deferred income taxes in the accompanying consolidated balance sheets are as follows (in thousands):

	<u>1999</u>	<u>1998</u>
Deferred tax assets		
Environmental	\$2,111	\$2,083
Other	<u>343</u>	<u>468</u>
Total deferred tax assets	<u>2,454</u>	<u>2,551</u>
Deferred tax liabilities		
Utility plant related	8,525	8,395
Under recovery of fuel costs	129	
Area expansion program	428	73
Other	<u>272</u>	<u>193</u>
Total deferred tax liabilities	<u>9,354</u>	<u>8,661</u>
Net deferred income taxes	<u>\$6,900</u>	<u>\$6,110</u>

Employee Benefit Plans

Florida Public Utilities Company sponsors a qualified pension plan and post-retirement medical and life benefit plans for its employees. The life plan obligations are insignificant and are not reflected in the following disclosures. In 1998, the Company changed the benefit formula to provide for improved pension benefits. The following tables provide a reconciliation of the changes in the plans' benefit obligations and fair value of assets for the years ending December 31, 1999 and 1998, and a statement of the funded status at December 31, 1999 and 1998 (in thousands):

	<u>Pension Benefits</u>		<u>Medical Benefits</u>	
	<u>1999</u>	<u>1998</u>	<u>1999</u>	<u>1998</u>
Reconciliation of Benefit Obligation				
Prior year obligation at December 31	\$ 19,279	\$ 14,803	\$ 1,475	\$ 1,318
Service cost	771	764	72	73
Interest cost	1,369	1,245	109	96
Participant contributions	0	0	11	14
Plan amendments	259	3,440	0	0
Actuarial (gain) loss	423	(137)	121	87
Benefit payments	(974)	(836)	(80)	(113)
Current year obligation at December 31	<u>\$ 21,127</u>	<u>\$ 19,279</u>	<u>\$ 1,708</u>	<u>\$ 1,475</u>
Reconciliation of Fair Value of Plan Assets				
Prior year fair value of plan assets at December 31	\$ 32,531	\$ 29,080	\$ 0	\$ 0
Actual return on plan assets	4,828	4,287	0	0
Employer contributions	0	0	69	99
Participant contributions	0	0	11	14
Benefit payments	(974)	(836)	(80)	(113)
Current year fair value of plan assets at December 31	<u>\$ 36,385</u>	<u>\$ 32,531</u>	<u>\$ 0</u>	<u>\$ 0</u>
Funded Status				
Funded status at December 31	\$ 15,258	\$ 13,252	\$ (1,708)	\$ (1,475)
Unrecognized transition (asset) obligation	(183)	(367)	558	600
Unrecognized prior service cost	4,238	4,401	0	0
Unrecognized (gain) loss	(17,750)	(15,990)	170	50
Net amount recognized	<u>\$ 1,563</u>	<u>\$ 1,296</u>	<u>\$ (980)</u>	<u>\$ (825)</u>

The following table provides the components of net periodic benefit cost for the Plans for 1999, 1998 and 1997 (in thousands):

	<u>Pension Benefits</u>			<u>Medical Benefits</u>		
	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
Service cost	\$ 771	\$ 764	\$ 549	\$ 72	\$ 73	\$ 65
Interest cost	1,369	1,245	963	109	96	83
Expected return on plan assets	(2,171)	(1,943)	(1,546)	0	0	0
Amortization of transition (asset) obligation	(183)	(183)	(183)	43	43	43
Amortization of prior service cost	422	401	151	0	0	0
Amortization of net (gain) loss	(474)	(424)	(255)	0	0	0
Net periodic benefit cost	<u>\$ (266)</u>	<u>\$ (140)</u>	<u>\$ (321)</u>	<u>\$ 224</u>	<u>\$ 212</u>	<u>\$ 191</u>

The prior service costs are amortized on a straight-line basis over the average remaining service period of active participants. Gains and losses in excess of 10% of the greater

of the benefit obligation and the market-related value of assets are amortized over the average remaining service period of active participants.

The pension plan is non-contributory; the postretirement medical plan is contributory with participants' contributions subject to adjustment annually. The accounting for the health care plan anticipates future cost-sharing changes to the written plan such that retiree contributions will increase at the same rate as the total plan cost.

The assumptions used in the measurement of the Company's benefit obligation are shown in the following table:

Weighted-average assumptions as of December 31	<u>Pension Benefits</u>			<u>Medical Benefits</u>	
	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1999</u>	<u>1998</u>
Discount rate-benefit obligation	7.0%	7.0%	7.0%	7.0%	7.0%
Expected return on plan assets	8.5%	8.5%	8.0%	N/A	N/A
Rate of compensation increase	5.5%	5.5%	5.5%	N/A	N/A

For measurement purposes, the annual rate of increase in the per capita cost of covered health care benefits during 1999 was 8.0% for retirees under 65 and 7.1% for retirees over 65. These rates were assumed to decrease gradually each year to a rate of 5.5% for 2007 and remain at that level thereafter.

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A 1% change in assumed health care cost trend rates would have the following effects:

	<u>1% Increase</u>	<u>1% Decrease</u>
Effect on total of service and interest cost components of net periodic post-retirement health care benefit cost	\$ 27,475	\$ (23,847)
Effect on the health care component of the accumulated postretirement benefit obligation	\$ 222,537	\$ (198,858)

Health Plan The Company is principally self-insured for its employee and retiree medical insurance plan. The Company's health care liability under the plan is limited to \$60,000 per individual per year, with a maximum total liability of \$865,000.

A reserve for future benefit payments for active employees is maintained at a level sufficient to provide for estimated outstanding claims under the plan net of amounts contributed by employees. Net health care benefits paid by the Company for active employees were approximately \$516,000, \$455,000 and \$457,000 for 1999, 1998 and 1997, respectively.

Employee Stock Purchase Plan The Company's Employee Stock Purchase Plan offers common stock at a discount to qualified employees. During 1999, 1998 and 1997, 8,193, 7,230 and 5,665 shares, respectively, were issued under the Plan for aggregate consideration of \$116,000, \$100,000 and \$103,000, respectively.

Dividend Reinvestment Plan During 1999, 1998 and 1997, 11,341, 9,006 and 8,874 shares, respectively, were issued under the Company's Dividend Reinvestment Plan for aggregate consideration of \$193,000, \$169,000 and \$185,000, respectively.

Financial Instruments

The carrying amounts reported in the balance sheet for investments held in escrow for environmental costs, notes payable, taxes accrued and other accrued liabilities approximate fair value. The Company does not enjoy a debt rating and therefore the Company has no reasonable way of estimating the current rate at which similar first mortgage bonds would be made to borrowers with similar debt ratings and maturities. However, the current bonds outstanding were issued in 1988 and 1992 and since that time interest rates have declined, and thus it is reasonable to assume that the fair value of existing first mortgage bonds would be more than their carrying value.

Contingencies

The Company is subject to federal and state legislation with respect to soil, groundwater and employee health and safety matters and to environmental regulations issued by the Florida Department of Environmental Protection (FDEP), the United States Environmental Protection Agency (EPA) and other federal and state agencies. Except as discussed below, the Company does not expect to incur material future expenditures for compliance with existing environmental laws and regulations.

West Palm Beach Site The Company is currently conducting a contamination assessment investigation of a parcel of property owned by it in West Palm Beach, Florida. After a preliminary contamination assessment investigation indicated soil and groundwater impacts, the Company entered into a consent order with the FDEP. The consent order requires the Company to delineate the extent of soil and groundwater impacts associated with the prior operation of a gasification plant on the property and requires the Company to remediate any soil and groundwater impacts, if necessary. In June 1992 the Company commenced the contamination assessment investigation. The original contamination assessment report ("CAR") was submitted to FDEP in December 1995. A CAR addendum is scheduled to be submitted to FDEP in early 2000, in response to FDEP comments to the CAR. Prior to the completion of this work, and review of same by FDEP, it is not possible to determine to an acceptable degree of certainty the complete extent or cost of remedial action, if any, which may be required. However, a preliminary estimate from the Company's environmental consultant suggested that additional contamination assessment and remediation costs for this site may reach approximately \$1,400,000. Until the FDEP concludes that the contamination assessment investigation is complete, it is not possible to determine whether remediation is necessary and, if so, when and how much of such costs the Company will have to pay. A portion of the on-site impacts had been determined to be eligible for reimbursement from a state fund and the FDEP has determined that a portion of the work conducted off-site is eligible for reimbursement under state law.

Sanford Site The Company owns a parcel of property located in Sanford, Florida. Prior to the Company's acquisition of this property, it had been the site of a gasification plant. The FDEP issued a Warning Notice to the Company which required the Company to conduct a contamination assessment investigation of the property. A preliminary investigation revealed that soil was impacted throughout the center of the property.

Thereafter, in cooperation with four former owners and operators of the gasification plant, the Company participated in the funding of an initial contamination assessment investigation, the results of which are set forth in a Contamination Assessment Report delivered to FDEP on February 4, 1994. On July 11, 1997, the EPA notified the Company of its potential liability under applicable federal laws for assessment and remediation of the site. Similar notices were sent by the EPA to the four former owners and operators of the site. On or about March 25, 1998, the Company and the four former owners and operators (collectively, the Group) and the EPA executed an Administrative Order on Consent (AOC) that obligates the Group to implement a Remedial Investigation/Feasibility Study (RI/FS) task. The Group also entered into a Participation Agreement and an Escrow Agreement on or about April 13, 1998. These agreements govern the manner and means by which all parties will satisfy their respective obligations under the AOC. On or about April 13, 1998, the Group also entered into services agreements (collectively, the RI/FS Agreement) with two environmental consulting entities, to undertake the RI/FS and associated risk assessment activities called for under the terms of the AOC. The total combined budget for the consultants' services is presently approximately \$637,850. The Company has agreed to pay approximately 13.7% of the cost for the RI/FS. Field work for the RI/FS was initiated in 1998. A final RI report was submitted to the EPA in July 1999. Also submitted to EPA in July 1999, were a draft FS report and a draft Baseline Risk Assessment (BRA). In response to EPA comments to the BRA, a second draft BRA was submitted in October 1999 and a third draft BRA was submitted in January 2000. FDEP also issued comments to the draft FS report, responses to which were due to FDEP by the end of January 2000. Prior to the completion of the RI/FS field activities and approval by the EPA of the complete RI/FS Report and BRA, the Company is unable to determine the appropriate remedy for the site or, what the Company's share of the cost of that remedy would be. However, a preliminary estimate from the Group's environmental consultant suggested that remedial costs for removal of the visible extent of impacted soils at the site and adjacent thereto may cost up to \$5,800,000. Recent allocation negotiations between members of the Group have resulted in a tentative allocation to the Company of approximately 10.5% of the soil removal costs.

It is not known at this time whether groundwater remediation will be required at the property. The Group's environmental consultant has proposed to complete a FS for groundwater for approximately \$35,000. The Company's share of this cost is 13.7%.

Insurance Claims and Rate Relief The Company notified its insurance carriers of environmental impacts detected at the former manufactured gas plant (MGP) sites discussed above. As a result of negotiations with the Company's major insurance carriers that concluded in 1997, such carriers agreed to pay settlement proceeds totaling approximately \$4,300,000 for certain environmental costs. Most recently, in September 1999, certain British based insurers agreed to settle claims in the approximate total amount of \$7,600. Since 1991, the FPSC has also allowed the Company to recover through rate relief environmental expenses of \$2,116,000 at the rate of approximately \$240,000 per year; such recovery will end in February 2001.

The Company believes that all future contamination assessment and remedial costs, legal fees and other related costs will not be in excess of the rate relief granted the Company and insurance settlement proceeds received.

Commitments

To ensure a reliable supply of power and natural gas at competitive prices, the Company has entered into long-term purchase and transportation contracts with various suppliers and producers which expire at various dates through 2015. Purchase prices under these contracts are determined by formulas either based on market prices or at fixed prices. At December 31, 1999, the Company has firm purchase and transportation commitments adequate to supply its expected future sales requirements. The Company is committed to pay demand or similar fixed charges of approximately \$5,700,000 during 2000 related to these agreements. Substantially all costs incurred under these agreements are recoverable from customers through fuel adjustment clause mechanisms.

Recent Accounting Pronouncements

The Financial Accounting Standards Board (FASB) has issued Statement of Financial Accounting Standards (FAS) 133, "Accounting for Derivative Instruments and Hedging Activities". FAS 133 requires derivatives, as defined in the statement, to be measured at their fair value. The FASB deferred the effective date of FAS 133 until the first quarter of 2001 at which time certain issues will be clarified and the scope narrowed. Subject to that final determination, the Company does not believe that it will be subject to the revised FAS in a material fashion, if at all.

Quarterly Financial Data (Unaudited)

The quarterly financial data presented below reflects the influence of, among other things, seasonal weather conditions, the timing of rate increases and the migration of winter residents and tourists to central and southern Florida during the winter season (in thousands, except per share amounts):

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
<u>1999</u>				
Revenues	\$19,507	\$17,389	\$18,467	\$18,735
Operating margin	8,039	6,939	6,965	7,399
Operating profit	2,888	1,665	1,506	1,739
Net income	1,451	736 ¹	550	792
Earnings per share	.48	.24 ¹	.18	.27
<u>1998</u>				
Revenues	\$20,712	\$18,115	\$18,644	\$18,721
Operating margin	7,919	6,740	6,652	7,180
Operating profit	2,870	1,577	1,382	1,634
Net income	1,403	571	448	646
Earnings per share	.47	.19	.15	.21

¹Includes a gain after income taxes from the sale of non-utility real property of \$83,000, \$0.03 per share.

December 31, 1999

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)	120,185,475	50,773,054
4	101.1 Property Under Capital Leases	-	-
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	307,090	3,690
11	TOTAL Utility Plant (Enter Total of lines 3 through 10)	120,492,565	50,776,744
12	107 Construction Work in Progress	602,009	298,191
13	Accum. Prov. for Depr., Amort., & Depl.	43,607,453	20,041,657
14	Net Utility Plant (Enter total of lines 11 plus 12 less line 13)	77,487,121	31,033,278
15	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION		
16	In Service:		
17	108 Depreciation	43,290,236	20,037,966
18	111 Amort. and Depl. of Producing Nat. Gas Land & Land Rights	-	-
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)	43,290,236	20,037,966
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	317,217	3,691
32	TOTAL Acc. Provisions (Should agree with line 13 above) (Enter Total of lines 21, 25, 29, 30, and 31)	43,607,453	20,041,657

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
52,760,564	13,097,713	Not Applicable	Not Applicable	3,554,144	3
-	-			-	4
-	-			-	5
-	-			-	6
-	-			-	7
-	-			-	8
-	-			-	9
303,400	-			-	10
53,063,964	13,097,713			3,554,144	11
267,172	31,890			4,756	12
19,619,437	2,997,782			948,577	13
33,711,699	10,131,821			2,610,323	14
					15
19,305,911	2,997,782			948,577	16
-					17
-					18
-					19
19,305,911	2,997,782			948,577	20
					21
					22
-					23
-					24
-					25
					26
-					27
-					28
-					29
313,526					30
19,619,437	2,997,782			948,577	31
					32

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

Company: FLORIDA PUBLIC UTILITIES COMPANY
For the Year Ended December 31, 1999

Acct. No.	Account Description	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass	Adjustments	Transfers	Ending Balance*
303	Miscellaneous Intangible Plant		213,641	-	-	-	-	-	213,641
374	Land - Distribution		101,107	-	-	-	-	-	101,107
389	Land - General		53,013	-	-	-	-	-	53,013
	Land - Other - Common		341,926	-	-	-	-	-	341,926
Amortizable General Plant Assets:									
This schedule should identify each account/subaccount for which a separate depreciation rate has been approved by the FPSC.									
DISTRIBUTION PLANT									
3741	Land Rights	3.20%	12,910	-	-	-	-	-	12,910
375	Structures and Improvements	2.70%	503,755	2,731	-	-	-	-	506,486
3761	Mains - Plastic	3.00%	8,550,203	816,140	-	-	-	50,475	9,416,818
3762	Mains - Other	3.20%	18,560,603	274,043	(25,302)	-	-	285,617	19,094,961
378	Meas. and Reg. Sta. Equipment - General	3.70%	168,130	8,515	-	-	-	-	176,645
379	Meas. and Reg. Sta. Equipment - City Gate	3.40%	696,754	-	-	-	-	-	696,754
3801	Services - Plastic	3.20%	9,824,414	822,397	(74,103)	-	-	86,667	10,659,375
3802	Services - Other	6.70%	1,713,326	26,330	(36,819)	-	-	137,038	1,839,875
380299	Accum. Depreciation - Service - Contra accts.	0.00%	-	-	-	-	-	-	-
381	Meters	3.60%	3,313,928	219,530	(40,262)	-	-	27,004	3,520,200
382	Meter Installations	3.30%	929,353	207,209	(8,268)	-	-	18,652	1,146,946
383	House Regulators	3.40%	924,487	82,033	(13,783)	-	-	1,690	994,427
384	House Reg. Installations	3.00%	400,507	43,501	(3,166)	-	-	14,620	455,462
385	Industrial Meas. and Reg. Sta. Equipment	4.10%	90,659	16	-	-	-	-	90,675
387	Other Equipment	3.60%	214,734	37,581	-	-	-	1,266	253,581
	TOTAL DISTRIBUTION PLANT		46,004,871	2,540,026	(201,703)	-	-	623,029	48,966,223
GENERAL PLANT									
390	Structures and Improvements	2.60%	396,427	8,090	-	-	-	(107)	404,410
3911	Office Furniture	6.40%	29,745	13,505	(745)	-	-	(151)	42,354
3912	Office Equipment	12.60%	27,169	11,256	-	-	-	2,314	40,739
3913	EDP Equipment	11.70%	333,638	118,239	(6,267)	-	-	28,346	473,956
3921	Accum. Dep. - Transportation - Cars	27.50%	309,889	17,736	(24,707)	-	-	(1)	302,917
3922	Accum. Dep. - Transportation - Light Trucks, van	13.30%	1,546,104	104,812	(39,481)	-	-	(7,269)	1,604,166
3924	Accum. Dep. - Transportation - Trailers	18.20%	20,595	3,950	-	-	-	-	24,545
393	Stores Equipment	7.30%	13,359	-	-	-	-	-	13,359

Annual Status Report Analysis of Plant in Service Accounts										
Page 2 of 2										
Company: FLORIDA PUBLIC UTILITIES COMPANY For the Year Ended December 31, 1999										
Acct. No.	Account Description	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass.	Adjustments	Transfers	Ending Balance*	
(Continued)										
394	Tools, Shop, and Garage Equipment	5.00%	230,246	14,673	(1,336)	-	-	-	243,583	
395	Laboratory Equipment	0.00%	0	-	-	-	-	-	-	
396	Power Operated Equipment	6.70%	148,741	64,220	-	-	-	-	212,961	
397	Communication Equipment	5.90%	157,819	4,420	(20,085)	-	-	2,337	144,491	
398	Miscellaneous Equipment	10.40%	18,455	1,128	-	-	-	621	20,204	
	SUBTOTAL		3,285,200	362,029	(92,621)	-	-	26,090	3,580,698	
399	Other Tangible Property									
	TOTAL General Plant		3,285,200	362,029	(92,621)	-	-	26,090	3,580,698	
	TOTAL (Accounts 101 and 106)		49,503,713	2,902,055	(294,324)	0	0	649,119	52,760,564	
	TOTAL GAS PLANT IN SERVICE		49,503,713	2,902,055	(294,324)	-	-	649,119	52,760,564	
Capital Recovery Schedules:										
NONE										
Total Account 101*										
Amortizable Assets:										
114	Acquisition Adjustment		303,400	-	-	-	-	-	303,400	
118	Other Utility Plant		3,277,009	303,725	(11,684)	-	-	(14,905)	3,554,145	
	Other - Common									
	Total Utility Plant		53,084,121	3,205,780	(306,008)	-	-	634,214	56,618,109	

Note: * The total beginning and ending balances must agree to acct. 101, Plant in Service, Line 3, Page 21.

Annual Status Report
Analysis of Entries in Accumulated Depreciation & Amortization

Company: FLORIDA PUBLIC UTILITIES COMPANY
 For the Year Ended December 31, 1999

Acc'l. Account No. Description	Beginning Balance*	Accruals	Reclass.	Retirements	Gross Salvage	Cost of Removal	Adjustmnts	Transfers	Ending Balance*
Amortizable General Plant Assets:									
301 Organization Intangible Plant	(114)	-	-	-	-	-	-	-	-
303 Misc. Intangible Plant	37,264	7,725	-	-	-	114	-	-	-
311 Liquefied Petroleum Gas Equipment	(129)	-	-	-	-	129	-	-	44,989
<i>This schedule should identify each account/subaccount for which a separate depreciation rate has been approved by the FPSC.</i>									
DISTRIBUTION PLANT									
374 Land - Distribution	(11,326)	408	-	-	-	-	-	-	-
3741 Land Rights	236,630	13,558	-	-	-	-	-	-	(10,918)
375 Structures and Improvements	1,774,927	268,173	-	-	-	(2,200)	-	-	247,988
3761 Mains - Plastic	9,357,165	599,861	-	(25,302)	4,200	(59)	-	1,505	2,048,746
3762 Mains - Other	21,734	6,431	-	-	-	(28,611)	-	106,434	10,009,547
378 Meas. and Reg. Sta. Equipment - General	165,000	23,690	-	-	-	-	-	-	28,165
379 Meas. and Reg. Sta. Equipment - City Gate	1,774,640	325,534	-	(74,103)	800	(25,485)	-	-	163,205
3801 Services - Plastic	603,258	118,178	-	-	-	(68,521)	-	48,452	1,958,350
3802 Services - Other	-	-	-	-	-	-	-	-	540,930
380299 Accum. Dep. - Service - Contra accts.	-	-	-	-	-	-	-	-	-
381 Meters	1,192,814	123,268	-	-	-	-	-	14,366	1,277,878
382 Meter Installations	292,798	32,835	-	-	-	-	-	4,120	320,956
383 House Regulators	327,023	32,963	-	-	-	-	-	2,588	343,787
384 House Reg. Installations	111,200	12,517	-	-	-	-	-	3,484	124,035
385 Industrial Meas. and Reg. Sta. Equipment	31,578	3,708	-	-	-	-	-	-	29,434
387 Other Equipment	45,750	8,883	-	-	-	-	-	-	47,425
389 Land - General	-	-	-	-	-	-	-	-	-
TOTAL DISTRIBUTION PLANT	15,923,193	1,570,007						180,949	17,129,528
GENERAL PLANT									
390 Structures and Improvements	172,652	10,356	-	-	-	-	-	-	180,010
3911 Office Furniture	(1,015)	2,542	-	-	-	-	-	-	631
3912 Office Equipment	8,614	3,938	-	-	-	-	-	499	13,051
3913 EDP Equipment	261,860	45,431	-	-	-	-	-	7,676	308,920
3921 Accum. Dep. - Transportation - Cars	243,235	40,928	-	-	-	-	-	-	260,017
3922 Accum. Dep. - Trans. - Light Trucks, vans	986,691	202,973	-	-	-	-	-	-	1,134,713
3924 Accum. Dep. - Transportation - Trailers	19,941	626	-	-	-	-	-	-	20,567
393 Stores Equipment	8,909	972	-	-	-	-	-	-	9,881

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Annual Status Report

Analysis of Entries in Accumulated Depreciation & Amortization

Company: FLORIDA PUBLIC UTILITIES COMPANY
For the Year Ended December 31, 1999

Acct. No.	Account Description	Beginning Balance*	Accruals	Reclass.	Retirements	Gross Salvage	Cost of Removal	Adjustmnts	Transfers	Ending Balance*
394	Tools, Shop, and Garage Equipment	41,913	11,945	-	(1,336)	-	-	-	-	52,522
395	Laboratory Equipment	(2,692)	-	-	-	-	-	-	-	(2,692)
396	Power Operated Equipment	90,862	10,376	-	-	-	-	-	-	101,238
397	Communication Equipment	85,124	9,003	-	(47,293)	-	-	-	-	46,834
398	Miscellaneous Equipment	3,653	2,050	-	-	-	-	-	-	5,703
	SUBTOTAL	1,919,746	341,140	-	(144,601)	7,334	(400)	-	8,175	2,131,395
399	Other Tangible Property	-	-	-	-	-	-	-	-	-
	TOTAL General Plant	1,919,746	341,140	-	(144,601)	7,334	(400)	-	8,175	2,131,395
	Subtotal	17,879,960	1,918,872	-	(361,402)	12,334	(332,975)	-	189,124	19,305,912
COMMON PLANT										
389	Land - General	-	-	-	-	-	-	-	-	-
390	Structures and Improvements	241,195	50,280	-	-	-	-	-	-	291,475
3911	Office Furniture	184	1,960	-	(10,316)	-	-	-	-	(8,172)
3912	Office Equipment	25,207	8,057	-	-	50	-	-	(499)	32,815
3913	EDP Equipment	426,725	90,656	-	(1,368)	-	-	-	(8,314)	507,699
3921	Accum. Dep. - Transportation - Cars	120,043	-	-	-	-	-	-	-	120,043
397	Communication Equipment	1,150	3,564	-	-	-	-	-	-	4,714
	Subtotal	814,505	154,517	-	(11,684)	50	-	-	(8,613)	948,574
	Grand Total	18,694,465	2,073,389	-	(373,086)	12,384	(332,975)	-	180,311	20,254,486

Note: * The grand total of beginning and ending balances must agree to Line 17, Page 21.

FLORIDA PUBLIC UTILITIES COMPANY
 CONSOLIDATED GAS DIVISIONS
 REPORT OF DEPRECIATION DATA UNDER RULE 25-6.043(8)
 1999

Plant	PLANT IN SERVICE (\$)					Plant Acct.	Beginning Balance	RESERVE (\$)					Ending Balance	
	Beginning Balance	Additions	Purchases & Adjustments	Transfers	Retirements			Ending Balance	Retirements	Accruals	Salvage	Cost of Removal		Purchases & Adjustments
301														
303	213,641						213,641				114			
304														44,989
305														
311														
320											129			
360														
361														
362														
374	101,107						101,107							
3741	12,910						12,910							
375	503,755	2,731					506,486							
3761	8,550,203	816,140					9,416,818				(2,200)			
3762	18,560,603	274,043		50,475			19,094,981				(59)			
378	168,130	8,515		285,617	(25,302)		9,357,165	(25,302)	4,200		(28,611)	1,505		2,048,746
379	696,754						176,645					106,434		10,009,547
3801	9,824,414	822,397		86,667	(74,103)		165,000				(25,485)			28,165
3802	1,713,326	26,330		137,038	(36,819)		1,774,640	(36,819)	800		(68,521)			163,205
380299							603,258		118,178		(192,139)	48,452		1,958,350
381	3,313,928	219,530					1,192,814	(50,482)						540,930
382	929,353	207,209		27,004	(40,262)		292,768	(8,268)	123,268		(2,058)	14,366		1,277,878
383	924,487	82,033		18,652	(8,268)		327,023	(18,661)	32,855		(529)	4,120		320,956
384	400,507	43,501		14,820	(3,166)		111,200	(3,166)	12,517		(126)	2,588		343,787
385	90,659	16					31,578		3,708		(5,852)	3,484		124,035
387	214,734	37,581		1,266			45,750		8,883		(7,208)			29,434
389	394,939													47,425
390	2,330,102	87,215		(107)			413,947	(2,598)	60,636		(400)			471,495
3911	59,452	17,405		(151)	(11,061)		630	(11,212)	4,502					(7,540)
3912	91,575	11,256		1,217			33,822		11,995					45,867
3913	1,047,178	282,497		14,538	(7,635)		688,585	(9,728)	136,087	50				816,619
3921	443,270	17,736		(1)	(24,707)		363,278	(24,707)	40,928			(638)		380,060
3922	1,546,104	104,812		(7,269)	(39,481)		986,891	(59,411)	202,973					1,134,713
3924	20,595	3,950					19,941		626					20,567
393	13,359						8,909		972					9,881
394	230,246	14,673			(1,336)		41,913	(1,336)	11,945					52,522
395									0					(2,692)
396	148,741	64,220					(2,692)							101,238
397	218,192	60,862		2,337	(20,085)		80,862		10,376					51,548
398	18,455	1,128		621			86,274	(47,293)	12,567					5,703
	52,780,719	3,205,780		634,214	(306,008)		18,694,465	(373,086)	2,073,389	12,384	(332,975)	180,311		20,254,488

FLORIDA PUBLIC UTILITIES COMPANY
WEST PALM BEACH - GAS DIVISION
REPORT OF DEPRECIATION DATA UNDER RULE 25-5.0.436(8)
1993

PLANT IN SERVICE (\$)										RESERVE (\$)				(CREDIT BALANCES)		
Plant Acct.	Beginning Balance	Additions	Purchases & Adjustments	Transfers	Retirements	Ending Balance	Plant Acct.	Beginning Balance	Retirements	Accruals	Salvage	Cost of Removal	Purchases & Adjustments	Transfers	Reclassifications	Ending Balance
301	-	-	-	-	-	-	301	(114)	-	-	-	114	-	-	-	-
304	-	-	-	-	-	-	304	-	-	-	-	-	-	-	-	-
305	-	-	-	-	-	-	305	-	-	-	-	-	-	-	-	-
311	-	-	-	-	-	-	311	-	-	-	-	-	-	-	-	-
320	-	-	-	-	-	-	320	-	-	-	-	-	-	-	-	-
360	-	-	-	-	-	-	360	-	-	-	-	-	-	-	-	-
361	-	-	-	-	-	-	361	-	-	-	-	-	-	-	-	-
362	-	-	-	-	-	-	362	-	-	-	-	-	-	-	-	-
374	56,666	-	-	-	-	56,666	374	-	-	-	-	-	-	-	-	-
3741	12,910	-	-	-	-	12,910	3741	1,258	-	408	-	-	-	-	-	1,666
375	487,880	2,731	-	-	-	490,611	375	230,378	-	13,196	-	(2,200)	-	-	-	241,373
3761	6,543,667	554,119	-	-	-	7,097,786	3761	1,336,312	-	205,340	-	(10)	-	-	-	1,544,643
3762	14,926,503	107,613	-	-	(23,650)	15,010,466	3762	7,822,913	(23,650)	478,906	-	(26,436)	-	-	-	8,251,733
378	155,576	8,515	-	-	-	164,091	378	25,473	-	5,963	-	-	-	-	-	31,436
379	430,429	-	-	-	-	430,429	379	104,013	-	14,640	-	(19,457)	-	-	-	98,196
3801	7,824,243	687,259	-	-	(67,246)	8,544,256	3801	1,357,187	(67,246)	262,120	-	(61,664)	-	-	-	1,490,387
3802	1,258,276	3,213	-	-	(35,591)	1,225,898	3802	371,453	(35,591)	83,122	-	(177,597)	-	-	-	241,387
380288	-	-	-	-	-	-	380288	-	-	-	-	-	-	-	-	-
381	2,510,700	196,524	-	(57,563)	-	2,613,810	381	819,917	(35,851)	93,037	-	(11)	(17,733)	-	-	859,360
382	670,395	87,000	-	-	(7,739)	759,656	382	221,012	(7,739)	23,519	-	(30)	-	-	-	236,762
383	768,443	81,718	-	(20,214)	-	820,101	383	284,081	(9,846)	27,405	-	(126)	(6,785)	-	-	274,729
384	287,139	20,069	-	-	(2,841)	304,367	384	77,791	(2,841)	8,855	-	-	-	-	-	83,805
385	75,307	16	-	-	-	75,323	385	31,288	-	3,084	-	(5,852)	-	-	-	28,520
387	174,013	34,941	-	-	-	208,954	387	34,521	-	7,393	-	(7,208)	-	-	-	34,706
389	40,806	-	-	-	-	40,806	389	-	-	-	-	-	-	-	-	-
390	116,909	8,090	-	-	-	124,999	390	59,055	-	3,096	-	(400)	-	-	-	61,740
3911	16,034	13,505	-	-	(745)	28,794	3911	(8,256)	(745)	1,668	-	-	-	-	-	(5,333)
3912	17,989	-	-	1,097	-	19,086	3912	4,454	-	2,323	-	-	499	-	-	7,276
3913	237,422	95,664	-	(1,097)	(6,267)	339,667	3913	180,455	(6,267)	32,571	1,601	-	7,876	-	-	216,036
3921	209,224	12,848	-	14,417	-	223,641	3921	151,946	-	35,793	561	-	12,976	-	-	201,278
3922	1,145,683	73,125	-	-	-	1,218,808	3922	687,138	-	153,542	602	-	-	-	-	841,282
3924	16,772	-	-	-	-	16,772	3924	16,773	-	-	-	-	-	-	-	16,772
393	13,359	-	-	-	-	13,359	393	8,908	-	972	-	-	-	-	-	9,881
394	169,397	14,031	-	-	(1,336)	182,092	394	15,882	(1,336)	8,875	-	-	-	-	-	23,402
395	-	-	-	-	-	-	395	(2,892)	-	0	-	-	-	-	-	(2,892)
396	118,519	24,730	-	-	(1,443)	143,249	396	71,629	-	8,358	-	-	-	-	-	79,987
397	96,760	1,813	-	-	-	97,130	397	32,237	(1,443)	5,704	-	-	-	-	-	36,498
398	12,427	508	-	-	-	12,935	398	761	-	1,316	-	-	-	-	-	2,076
38,493,267	2,025,194	-	(49,415)	-	(192,555)	40,276,480	388	13,920,754	(192,554)	1,481,196	2,764	(309,877)	(3,367)	-	-	14,907,913
COMMON PLANT																
389	341,926	-	-	-	-	341,926	389	-	-	-	-	-	-	-	-	-
3891	-	-	-	-	-	-	3891	-	-	-	-	-	-	-	-	-
390	1,933,675	78,125	-	-	(10,316)	2,012,800	390	241,195	-	50,280	-	-	-	-	-	261,477
3911	29,707	3,900	-	-	-	33,291	3911	184	(10,316)	1,960	-	-	-	-	-	(8,172)
3912	64,406	-	-	(1,097)	-	63,309	3912	25,207	-	8,057	50	-	499	-	-	32,815
3913	713,540	164,258	-	(13,808)	(1,368)	862,822	3913	428,725	(1,368)	90,656	-	-	(8,314)	-	-	507,699
3921	133,381	-	-	-	-	133,381	3921	120,043	-	-	-	-	-	-	-	120,043
397	60,373	56,442	-	-	-	116,815	397	1,150	-	3,564	-	-	-	-	-	4,714
3,277,009	303,725	0	(14,905)	-	(11,684)	3,554,144	814,505	(11,684)	154,517	50	-	-	(8,813)	-	-	948,576
41,770,276	2,328,908	0	(64,320)	-	(204,239)	43,830,624	14,735,258	(204,239)	1,635,713	2,814	(300,877)	(12,180)	-	-	-	15,856,489

FLORIDA PUBLIC UTILITIES COMPANY
 MID-FLORIDA - GAS DIVISION
 REPORT OF DEPRECIATION DATA UNDER RULE 25.6.043(6)(f)
 1999

PLANT IN SERVICE (\$)				RESERVE (\$)				(CREDIT BALANCES)								
Plant Acct.	Beginning Balance	Additions	Purchases & Adjustments	Transfers	Retirements	Ending Balance	Plant Acct.	Beginning Balance	Retirements	Accruals	Salvage	Cost of Removal	Purchases & Adjustments	Transfers	Reclassifications	Ending Balance
303	213,642					213,642	303	37,264		7,725						44,989
304	-					-	304	-								-
305	-					-	305	-								-
311	-					-	311	(129)				129				-
320	-					-	320	-								-
360	-					-	360	-								-
361	-					-	361	-								-
362	-					-	362	-								-
374	44,421					44,421	374	-								-
3741	-					-	3741	(12,564)								(12,564)
375	16,076					16,076	375	6,252		362						6,252
3761	2,006,536	262,021		50,475		2,319,032	3761	435,615		62,833	4,200	(49)		1,505		504,104
	3,634,100	166,430		285,617	(1,652)	4,084,495	3762	1,534,253	(1,652)	120,955		(2,175)		106,434		1,757,815
378	12,554					12,554	378	(3,739)		468						(3,271)
379	266,326					266,326	379	60,987		9,050		(6,028)				64,009
3801	1,900,172	135,138		66,667	(6,857)	2,115,120	3801	417,454	(6,857)	63,414	800	(6,857)		48,452		487,953
3802	455,049	23,117		137,038	(1,228)	613,976	3802	231,805	(1,228)	35,056		(14,542)		32,099		299,543
381	803,228	23,006		84,557	(4,411)	906,380	381	372,897	(14,631)	30,231		(2,077)		4,120		418,519
382	258,958	110,209		18,652	(528)	387,290	382	71,787	(528)	9,316		(499)		9,373		84,195
383	186,044	315		21,904	(3,937)	174,326	383	62,941	(6,815)	5,558				3,484		69,057
384	113,368	23,432		14,620	(325)	151,086	384	33,410		3,662						40,231
385	15,352			1,266		16,618	385	290		624						914
387	40,721	2,640				43,361	387	11,230		1,480						12,720
389	12,207					12,207	389	-								-
390	279,518			(107)		279,411	390	113,597	(2,598)	7,270						118,269
3911	13,711			(151)		13,560	3911	5,241	(151)	874						5,864
3912	8,180	11,256		1,217	(1,228)	18,425	3912	4,160		1,615						5,775
3913	96,216	22,575		15,498	(2,093)	134,296	3913	81,405	(2,093)	12,860	712					92,884
3921	100,665	17,736		(14,418)	(24,707)	79,276	3921	91,287	(24,707)	5,135				(12,976)		58,739
3922	400,421	31,687		(7,269)	(39,481)	385,358	3922	298,553	(59,411)	49,431	3,858					293,431
3924	3,823	3,950				7,773	3924	3,188		626						3,794
393	-					-	393	-								-
394	60,849	642				61,491	394	26,051		3,070						29,121
395	-					-	395	-		0						-
396	30,223	39,490				69,713	396	19,233		2,016						21,251
397	61,059	2,607		2,337	(18,642)	47,361	397	52,887	(45,850)	3,299						10,336
398	6,028	620		621		7,269	398	2,892		734						3,626
	11,010,458	876,871		698,534	(101,769)	12,484,084		3,959,207	(168,847)	437,676	9,570	(32,098)	0	192,491	0	4,397,998

* Beginning Balance - Sanford & Deland consolidated

CONSTRUCTION WORK IN PROGRESS-GAS (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (107).
 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).
 3. Minor projects (less than \$500,000) may be grouped.

Line No.	Description of Project (a)	Construction Work in Progress-Gas (Account 107) (b)	Estimated Additional Cost of Project (c)
1			
2	WPB		
3			
4	Main Extensions	*	145,344
5	Other	*	32,865
6			
7			
9			
10			
11	MID-FLORIDA		
12			
13	Purchase Property for Mid-FI Office Consolidation	16,563	
14	AEP - Convert Deltona Propane System Ph.III	75,220	476,754
15	Other	*	24,927
16			
17			
18			
19			
20			
21			
24			
34			
35			
36			
37	* Grouped Items		
38			
39			
40	TOTAL	\$267,172	\$679,890

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 Charged (E) for the Year (b)	Total Cost of Construction to Which Overheads Were 4 Overhead Charges) (c)
1	Administrative and General Overheads	-	-
2	Payroll Taxes, Pensions, Group and Worker's		
3	Compensation Insurance	\$101,064	
4	Allowance for funds used during construction	-	
5			
6			
7			
8			
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37			
38	TOTAL	\$101,064	\$2,948,415

December 31, 1999

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 and general overheads are intended to cover that portion of administrative and general expenses determined as applicable to construction. Overheads are distributed to construction jobs on the basis of direct labor costs incurred. Engineering and superintendents treated as overheads include only such portion as are not directly chargeable to specific construction jobs. All supervision costs which are directly applicable are charged to construction.

Payroll taxes, pensions, group insurance and workmen's compensation insurance are all directly applied to all company labor charged to construction. The rates are revised monthly, based upon cost. Only the workmen's compensation insurance rate varies with the type of construction - - electric, gas or water - - with the basis being the cost of insurance as determined by utility experience rates.

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 (100.1650.2)	308,978
2	Prepaid Rents	
3	Prepaid Taxes (page 41)	
4	Prepaid Interest	
5	Gas Prepayments	
6	Miscellaneous Prepayments: Pensions & Software Maintenance (1650.3 & .4)	1,595,910
7	TOTAL 1650.*	1,904,888

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	NONE					
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	NONE					
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21	TOTAL					

OTHER REGULATORY ASSETS (Account 182.3)

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).

2. For regulatory assets 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 and Purpose of Other Regulatory Assets (a)	Balance Beginning of Year (b)	Debits ©	Credits		Balance End of Year (f)
				Account Charged (d)	Amounts (e)	
1	See page 35					
2						
3						
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40	TOTAL					

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	Energy Conservation Program	\$0	\$0		\$0	\$0
2	Undistributed Capital					
3	-Accrued Payroll	44,007			(18,319)	\$25,688
4	Amortized Piping Costs	797,504			135,625	\$933,129
5	Amortized Conversion Cost	66,174			42,007	\$108,181
6	Underrecovery Conservation	116,338			146,659	\$262,997
7	Underrecovery Natural Gas	193,187			944,909	\$1,138,096
8	Penny Elimination	95			(95)	\$0
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47	Misc. Work in Progress	(514,956)				(\$587,296)
48	Deferred Regulatory Comm. Expenses					
49	(See Pages 58 - 59)	11,072	35,400	928	9,948	\$36,524
50	TOTAL	\$713,421				\$1,917,319

Line No.	Account Subdivisions (a)	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	
							Amount	No.		Amount	No.
1	ELECTRIC										
2	AMT										
3	Conservation Prog. & Pensions										
4	Int. Not Cap. & Amort. of Dept.										
5	Regulatory										
6	Self Ins Res. & Audit Fee	49,396	(16,218)								
7	Uncollectible	30,095	2,049							33,178	
8	Vacation Pay	52,479	3,408							32,144	
9	Misc. Accrual		(2,458)							55,885	
10	Gain on Hydroplant	27,102	(27,102)								
11	General liability	24,547	(39,592)							(15,045)	
12	Rate Refund	28,224	22,953							51,177	
13	TOTAL Electric (Lines 2 - 4)	214,301	(56,962)							157,339	
14	GAS										
15	AMT										
16	Interest Not Cap. & Amort. of Dept.										
17	Regulatory										
18	Self Insurance Res. & Audit Fee	83,727	(22,531)							61,196	
19	Uncollectible	10,708	1,854							12,562	
20	Vacation Pay	106,693	1,699							108,392	
21	Environmental	2,082,865	28,014							2,110,879	
22	Misc. Accrual	2,519	(2,519)								
23	General liability	24,866	(40,508)							(15,642)	
24	TOTAL Gas (Lines 7 - 19)	2,311,378	(33,991)							2,277,387	
25	Other (Specify) Water Division	19,960	(7,343)							12,617	
26	TOTAL (Account 190)										
27	(Enter Total of lines 13,24 & 25)	2,545,639	(96,296)							2,447,343	
28	WATER DIVISION										
29	AMT										
30	Interest Not Cap. & Amort. of Dept.										
31	Regulatory										
32	Self Insurance Res. & Audit Fee	7,610	(2,158)							5,452	
33	Vacation Pay	8,490	1,056							9,546	
34	Misc. Accrual	369	(369)								
35	General liability	3,491	(5,872)							(2,381)	
36	TOTAL WATER (Line 25 above)	19,960	(7,343)							12,617	

NOTES

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.

None

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)	Original Amount Issued (d)	INTEREST FOR YEAR		Total Amount Outstanding (g)
					Rate (in %) (e)	Amount (f)	
1	FIRST MORTGAGE BONDS:						
2							
3							
4	9.57% Series Due 2018	5/1/88	5/1/18	10,000,000	9.57%	957,000	10,000,000
5	10.03% Series-Due 2018	5/1/88	5/1/18	5,500,000	10.03%	551,650	5,500,000
6	9.08% Series Due 2022	6/1/92	6/1/22	8,000,000	9.08%	726,400	8,000,000
7							
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22							
23							
24							
25	TOTAL			23,500,000		2,235,050	23,500,000

December 31, 1999

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	FIRST MORTGAGE BONDS:							
2								
3	9.57% Series Due 2018	10,000,000	180,273	5/1/88	5/1/18	103,358	(7,210)	96,148
4	10.03% Series Due 2018	5,500,000	97,070	5/1/88	5/1/18	55,653	(3,883)	51,770
5	9.08% Series Due 2022	8,000,000	121,967	6/1/92	6/1/22	95,572	(4,067)	91,505
6								
7								
8								
9								
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14								
15								
16	NOTE: Account 189 - \$5,000,000 Reacquired Bond originally due in 1988 has reacquired debt loss and is amortized in Account 4280.1.							
17	The associated amount for 1999 was \$18,284.00. \$2,000,000 Reacquired Bond originally due in 2002 has reacquired debt loss and is							
18	amortized in Account 428. The associated amount for 1999 is \$4,078.							
19								
20	Expenses incurred to obtain a \$13,000,000 line of credit is amortized in Account 4280.3 by the amount of \$4,999 for 1999.							
21								
22	The amortization of debt discount occurs in Account 4280.2. The associated amount for 1999 was \$15,161							
23								
24	Total Account 4280 = \$ 42,522							
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43								
44								
45								
46		23,542,522	399,310			254,583	(15,160)	239,423

December 31, 1999

UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Accounts 189, 257)

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.
 2. In column (c) show the principal amount of bonds or other long-term debt reacquired.
 3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with

General Instruction 17 of the Uniform Systems of Accounts.
 4. Show loss amounts by enclosing the figures in parentheses.
 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.

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	Unamortized Loss on Reacquired Debt 12.5% Due 1988 Maturity date of new issue - 5/1/18	5/1/88	5,000,000	548,516	355,010	336,725
2						
3						
4						
5						
6						
7	Unamortized Loss on Reacquired Debt 8% Due 2002	7/1/93	2,000,000	36,699	14,272	10,195
8						
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46						346,920

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)	\$3,278,145
2	Reconciling Items for the Year	
3		
4	Taxable Income Not Reported on Books	
5	Service Contributions	635,000
6	Rate Refund Pending	61,000
7	Uncollectible Reserve	10,373
8	Depreciation	54,122
9	Penalties	134
10		
11		
12	Deductions Recorded on Books Not Deducted for Return	
13	Self - Insurance Reserve	102,451
14	Meals Expense	8,990
15	Vacation Pay	13,814
16	Depreciation Study	539
17	Natural Gas Odorizer	5,283
18	Loss on Reacquired Debt	22,362
19	Income Taxes (excluding current state income of \$ 202,100)	1,547,688
20		
21		
22	Income Recorded on Books Not Included in Return	
23	AEP	944,908
24	Outside Audit Fees	72,286
25	Rate Case Expense	25,991
26	Environmental Costs	165,202
27	Sun Trust Analysis Charges	14,199
28	General Liability	216,815
29		
30		
31	Deductions on Return Not Charged Against Book Income	
32	Ordinary Loss on ACRS Property	150,000
33	Conservation Program Costs	145,976
34	Cost of Removal ADR	80,000
35	Pension Reserve	106,031
36	Underrecoveries of Purchased Energy Costs	341,815
37		
38		
39		
40	Federal Tax Net Income	3,476,687
41	Show Computation of Tax:	
42		
43	Tax at 34%	1,182,074
44	Rounding	(75)
45	TOTAL Federal Income Tax Payable	1,181,999
46	* Excludes Flo-Gas Net Income of	\$251,112

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	2,198	(2,842)	-	-	-	(13,706)	(139,527)	(164,252)	-	-	(317,929)
2	Taxes Charged During Year											
3												
4	Federal Taxes	1,024,997					866,561					1,891,558
5												
6	State of Florida Taxes		174,562			9,395	8,151	1,683,252	288,172	(10,301)	-	2,153,231
7												
8	Local Taxes			1,287,123							6,979	1,294,102
9												
10												
11												
12	TOTAL TAXES CHARGED DURING YEAR (Lines 3-11)	1,024,997	174,562	1,287,123	-	9,395	874,712	1,683,252	288,172	(10,301)	6,979	5,338,891
13	Taxes Paid During Year											
14												
15	Federal Taxes	947,393					865,760					1,813,153
16												
17	State of Florida Taxes		161,794			9,395	7,835	1,678,499	256,739	(10,301)	-	2,103,961
18												
19	Local Taxes			1,332,052							6,979	1,339,031
20												
21												
22												
23	TOTAL TAXES PAID DURING YEAR (Lines 14-22)	947,393	161,794	1,332,052	-	9,395	873,595	1,678,499	256,739	(10,301)	6,979	5,256,145
24	Adjustments (list): Account adjustment											
25	Refund			(44,929)								(44,929)
26												
27	TOTAL ADJUSTMENTS (Lines 24-26)			(44,929)			(14,823)	(144,280)	(195,665)			(44,929)
28	TAXES (ACCRUED)/PREPAID END OF YEAR (Lines 1+12-23+1+27)	(75,406)	(15,410)	-	-	-	-	-	-	-	-	(445,604)

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)	83,940	451,755	-	4,829	134,615	956,017	27,972	(4,736)	425	2,147,354
31	Gas (Account 408.1, 409.1)	175,192	667,084	-	4,566	409,033	727,356	151,960	(4,852)	6,479	2,186,458
32	Other Utility Departments (408.1, 409.1)	30,263	168,284	-	-	25,487	-	108,240	(711)	75	508,932
33	Other Income and Deductions (408.2, 409.2)	178,972	30,759	-	-	-	(161)	-	-	-	210,570
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 Balance Sheet Accounts & Merch. & Jobbing										
39	Int Penalty										
40											
41											
42	TOTAL (Should equal Lines 12+Line 27, if applicable)	1,024,997	174,562	1,287,123	-	9,395	1,683,252	288,172	(10,301)	6,979	5,338,891

FLORIDA PUBLIC UTILITIES

For the Year Ended

December 31, 1999

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 (f) 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 of Year (h)	Average Period of Allocation to Income (i)
			Acct. No. (c)	Amount (d)	Acct. No. (e)	Amount (f)			
1	Gas Utility								
2	3%	8,683			4110.4	3,782	4,901	35 Years	
3	4%	19,002			4110.4	3,300	15,702	35 Years	
4	7%	0					0		
5	10%	534,486			4110.4	47,774	486,712	35 Years	
6	Prior Period Adjustment	(49)					(49)		
7									
8	TOTAL	562,122				54,856	507,266		
9	Electric Utility								
10	3%	125			4110.4	376	(251)	28 Years	
11	4%	23,093			4110.4	7,173	15,920	28 Years	
12	7%	0					0		
13	10%	505,767			4110.4	53,474	452,293	28 Years	
14	Prior Period Adjustment	(7,769)					(7,769)		
15									
16	TOTAL	521,216				61,023	460,193		
17	Water Utility								
18	3%	561			4110.4	118	443	34 Years	
19	4%	1,958			4110.4	217	1,741	34 Years	
20	7%	0					0		
21	10%	105,146			4110.4	6,603	98,543	34 Years	
22	Prior Period Adjustment	23					23		
23									
24	TOTAL	107,688				6,938	100,750		
25									
26	Total Utility	1,191,026				122,817	1,068,209		

Notes

1. Use this space to explain any adjustments made in this period.
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.

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		
2	Vacation Pay	667,605
3		
4	Outside Audit Fees	22,465
5		
6	Commission Funds	2,104
7		
8	Sun Trust Analysis	0
9		
10	Employee Fund	2,823
11		
12		
13		
14		
15		
16		
17		
18	TOTAL	694,997

OTHER DEFERRED CREDITS (Account 253)

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

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	Over Recovery of Fuel Adjustment - Electric (Amortized over succeeding six month period)	715,203	456.1	715,203	1,582,090	1,582,090
2			456.11			
3						
4						
5	Over Recovery of Fuel Adjustment - Gas (Amortized over succeeding twelve month period)	80,313	495.1	1,266,565	1,186,553	300
6			495			
7						
8						
9	Environmental Insurance Proceeds	5,004,067	1860.1	450,949	40,763	4,593,880
10						
11	Over Recovery - Conservation	327,994	456.6	-	684	328,678
12						
13	Gain on sale of property	56,722	4030.1	14,400	-	42,322
14						
15						
16						
17						
18						
19						
20						
21	TOTAL	\$6,184,299		\$2,447,117	\$2,810,090	\$6,547,270

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	Amounts Debited to Account 410.2	Amounts Credited to Account 411.2	Debits Account No.	Credits Account No.	
1	ACCOUNT 281 - ACCELERATED AMORTIZATION PROPERTY								
2	Electric								
3	Gas								
4	Other								
5	TOTAL ACCOUNT 281 (Lines 3 thru 6)	0	0	0	0	0	0	0	0
6	ACCOUNT 282 - OTHER PROPERTY								
7	Electric	3,929,065	(139,741)						
8	Gas	4,754,421	180,977			17,917		31,807	3,775,454
9	Other	(84,770)	(32,454)					29,959	5,071,990
10	TOTAL ACCOUNT 282 (Lines 10 thru 13)	8,616,736	6,802	0	0	17,917		61,766	8,783,991
11	ACCOUNT 283 - OTHER								
12	Electric	23,324	188,755						212,079
13	Gas	204,714	383,632						588,346
14	Other - Water	15,661	15,342						31,023
15	TOTAL ACCOUNT 283 - OTHER (Lines 17 thru 20)	243,719	587,729	0	0	0	0	0	811,448
16	ELECTRIC								
17	Federal Income Tax	3,481,312	65,983						3,547,295
18	State Income Tax	471,067	(16,969)						454,098
19	TOTAL ELECTRIC (Lines 24 thru 26)	3,952,409	49,014	0	0	17,917		31,807	3,987,533
20	GAS								
21	Federal Income Tax	4,340,137	518,965						4,859,102
22	State Income Tax	618,998	25,844						644,842
23	TOTAL GAS (Lines 30 thru 32)	4,959,135	544,809	0	0	168,551		29,959	5,640,336
24	OTHER - WATER								
25	Federal Income Tax	(31,541)	(15,139)						(46,680)
26	State Income Tax	(17,548)	(1,953)						(19,501)
27	TOTAL OTHER (Lines 36 thru 38)	(49,089)	(17,092)	0	0	33,751		0	(32,453)
28	TOTAL (Total of lines 7, 14, 21 and Lines 27, 33, 39)	8,862,455	576,551	0	0	218,219	0	61,766	9,595,439

NOTES

* Plant & Reserve Transfer Adjustment between FPUC and Flo-Gas Corp

OTHER REGULATORY LIABILITIES (Account 254)

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).

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.

2. For regulatory liabilities being amortized, show period of amortization in column (a).

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						
2	See Page 44					
3						
4						
5						
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39						
40						
41	TOTAL					

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	9,989,858	9,388,361
4	481 Commercial & Industrial Sales - Small	6,464,496	6,008,524
5	481 Commercial & Industrial Sales - Large	10,558,511	10,957,632
6	481		
7	481		
8	481		
9	INTERRUPTIBLE SALES SERVICE		
10	481 Commercial & Industrial Sales - Interruptible	779,155	1,386,892
11	481		
12	FIRM TRANSPORTATION SERVICE		
13	489	706,612	339,325
14	489		
15	489		
16	INTERRUPTIBLE TRANSPORTATION SERVICE		
17	489		
18	482 Other Sales to Public Authorities	660,303	630,071
19	484 Flex Rate - Refund		
20	TOTAL Sales to Ultimate Consumers	29,158,935	28,710,805
21	483 Sales for Resale		
22	Off-System Sales 4000.4954*	608,510	670,147
23	TOTAL Nat. Gas Service Revenues	29,767,445	29,380,952
24	TOTAL Gas Service Revenues	29,767,445	29,380,952
25	OTHER OPERATING REVENUES		
26	485 Intracompany Transfers		
27	487 Forfeited Discounts		
28	488 Misc. Service Revenues	355,391	278,527
29	489 Rev. from Trans. of Gas of Others (not included		
30	in above rate schedules)	0	0
31	493 Rent from Gas Property		
32	494 Interdepartmental Rents		
33	495 Other Gas Revenues		
34	Initial Connection		
35	Reconnect for Cause		
36	Collection in lieu of disconnect		
37	Returned Check		
38	Unbilled Revenue	52,831	1,871
39	Other 495.2	30,897	26,467
40	495.1 Overrecoveries Purchased Gas	80,012	46,402
41	TOTAL Other Operating Revenues	519,131	353,267
42	TOTAL Gas Operating Revenues	30,286,576	29,734,219
43	(Less) 496 Provision for Rate Refunds		
44	TOTAL Gas Operating Revenues Net of		
45	Provision for Refunds	30,286,576	29,734,219
46	Sales for Resale		
47	Other Sales to Public Authority		
48	Interdepartmental Sales		
49	TOTAL	30,286,576	29,734,219

December 31, 1999

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
9,558,870	9,185,160	34,085	32,655	3
10,534,350	10,152,760	2,623	2,557	4
19,870,370	21,555,970	870	853	5
				6
				7
				8
				9
1,853,450	3,478,330	8	12	10
				11
29,027,580	25,356,030	12	4	12
				13
				14
				15
				16
				17
1,160,670	1,155,940	208	201	18
				19
72,005,290	70,884,190	37,806	36,282	20
				21
2,179,630	2,531,700	1	1	22
74,184,920	73,415,890	37,807	36,283	23
				24
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				48
74,184,920	73,415,890			49

NOTES

Firm transportation service revenues also includes interruptible transportation service revenues. These will be classified to the appropriate accounts in 2000.

RESIDENTIAL AND COMMERCIAL SPACE HEATING CUSTOMERS

A residential space heating customer is a customer whose major fuel for heating is gas.

Line No.	Item (a)	Residential (b)	Commercial (c)
1	Average Number of Space Heating Customers for the Year (Estimate if not known. Designate with an asterisk if estimated.)	18,582	1,864
2	For Space Heating Only, Estimated Average Therms (14.73 psia at 60 degrees F) Per Customer for the Year	180	400
3	Number of Space Heating Customers Added During the Year	878	47
4	Number of Unfilled Application for Space Heating at End of Year	NONE	NONE

INTERRUPTIBLE, OFF PEAK, AND FIRM SALES TO DISTRIBUTION SYSTEM INDUSTRIAL CUSTOMERS

1. Report below the average number of interruptible, off peak, and firm industrial customers on local distribution systems of the respondent, and the Therms of gas sales to these customers for the year. by law, ordinance, directive, or other requirement of government authority. State in a footnote the basis on which interruptible customers are reported.

2. Interruptible customers are those to whom service may be interrupted under terms of the customer's gas contract, or to whom service is required to be interrupted, regardless of the contractual arrangements in emergency periods. 3. Off peak sales are seasonal and other sales which do not occur during wintertime demands.

4. Report pressure base of gas volumes at 14.73 psia at 60 degrees F.

Line No.	Item (a)	Number/Amount (b)
1	Interruptible Customers	
2	Average Number of Customers for the Year	8
3	Therms of Gas Sales for the Year	1,853,450
4	Off Peak Customers	
5	Average Number of Customers for the Year	
6	Therms of Gas Sales for the Year	
7	Firm Customers	
8	Average Number of Customers for the Year	
9	Therms of Gas Sales for the Year	
10	TOTAL Industrial Customers	
11	Average Number of Customers for the Year	8
12	Therms of Gas Sales for the Year	1,853,450

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	9,389,629	9,212,454
11	802 Natural Gas Gasoline Plant Outlet Purchases		
12	803 Natural Gas Transmission Line Purchases		
13	804 Natural Gas City Gate Purchases	5,154,510	5,391,215
14	804.1 Liquefied Natural Gas Purchases		
15	805 Other Gas Purchases	0	0
16	(Less) 805.1 Purchased Gas Cost Adjustments		
17	TOTAL Purchased Gas (Enter Total of Lines 8 to 16)	14,544,139	14,603,669
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	0	0
24	807.5 Other Purchased Gas Expenses		
25	TOTAL Purchased Gas Expenses (Enter Total of lines 20 through 24)	0	0
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		
34	TOTAL Gas Used in Utility Operations—Credit (Lines 31 through 33)	0	
35	813 Other Gas Supply Expenses	112,582	114,730
36	TOTAL Other Gas Supp. Exp. (Total of Lines 17,18,25,26 through 29,34,35)	14,656,721	14,718,399
37	TOTAL Production Expenses (Enter Total of Lines 2,3,4,5 and 36)		
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)		
43	3. TRANSMISSION EXPENSES		
44	TOTAL Transmission Expenses (Enter Total of Accounts 850 through 867)		
45			
46			

December 31, 1999

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	184,974	178,371
50	871 Distribution Load Dispatching	20,393	21,377
51	872 Compressor Station Labor and Expenses	158	272
52	873 Compressor Station Fuel and Power	0	112
53	874 Mains and Services Expenses	690,393	620,334
54	875 Measuring and Regulating Station Expenses--General	3,569	776
55	876 Measuring and Regulating Station Expenses--Industrial	8,701	6,631
56	877 Measuring and Regulating Station Expenses--City Gate Check Sta.	15,248	18,163
57	878 Meter and House Regulator Expenses	990,107	908,116
58	879 Customer Installations Expenses	159,108	181,437
59	880 Other Expenses	524,387	539,213
60	881 Rents	7,970	2,618
61	TOTAL Operation (Enter Total of lines 49 through 60)	2,605,008	2,477,420
62	Maintenance		
63	885 Maintenance Supervision and Engineering	48,187	42,682
64	886 Maintenance of Structures and Improvements	69,522	39,327
65	887 Maintenance of Mains	254,196	242,102
66	888 Maintenance of Compressor Station Equipment	0	
67	889 Maintenance of Meas. and Reg. Sta. Equip.--General	3,923	7,402
68	890 Maintenance of Meas. and Reg. Sta. Equip.--Industrial	58	96
69	891 Maintenance of Meas. and Reg. Sta. Equip.--City Gate Check Sta.	15,180	43,113
70	892 Maintenance of Services	139,259	142,270
71	893 Maintenance of Meters and House Regulators	159,094	167,962
72	894 Maintenance of Other Equipment	13,319	14,934
73	TOTAL Maintenance (Enter Total of Lines 63 through 72)	702,738	699,888
74	TOTAL Distribution Expenses (Enter Total of Lines 61 and 73)	3,307,746	3,177,308
75	5. CUSTOMER ACCOUNTS EXPENSES		
76	Operation		
77	901 Supervision	42,400	33,310
78	902 Meter Reading Expenses	312,133	282,110
79	903 Customer Records and Collection Expenses	827,797	741,790
80	904 Uncollectible Accounts	57,808	55,702
81	905 Miscellaneous Customer Accounts Expenses	77,147	73,522
82	TOTAL Customer Accounts Expenses (Enter Total of Lines 77 through 81)	1,317,285	1,186,434
83	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
84	Operation		
85	907 Supervision		
86	908 Customer Assistance Expenses	0	36
87	909 Informational and Instructional Expenses		
88	910 Miscellaneous Customer Service and Informational Expenses		
89	TOTAL Customer Service and Informational Expenses (Enter Total of Lines 85 through 88)	0	36
90	7. SALES EXPENSES		
91	Operation		
92	911 Supervision	95,536	80,433
93	912 Demonstrating and Selling Expenses	632,099	522,990
94	913 Advertising Expenses	64,072	46,796
95	916 Miscellaneous Sales Expenses	239,633	196,581
96	TOTAL Sales Expenses (Enter Total of lines 92 through 95)	1,031,340	846,800
97			

Florida Public Utilities Company		An Original	For the Year Ended
			December 31, 1999
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	756,536	784,874
101	921 Office Supplies and Expenses	214,350	194,998
102	(Less) (922) Administrative Expenses Transferred--Cr.	0	0
103	923 Outside Services Employed	96,509	85,929
104	924 Property Insurance	14,862	19,063
105	925 Injuries and Damages	224,376	388,190
106	926 Employee Pensions and Benefits	389,154	313,493
107	927 Franchise Requirements	0	
108	928 Regulatory Commission Expenses	37,532	53,290
109	(Less) (929) Duplicate Charges--Cr.	0	
110	930.1 General Advertising Expenses	0	0
111	930.2 Miscellaneous General Expenses	84,453	61,815
112	931 Rents	6,330	5,754
113	TOTAL Operation (Enter Total of lines 100 through 112)	1,824,102	1,907,406
114	Maintenance		
115	935 Maintenance of General Plant	87,807	63,666
116	TOTAL Administrative and General Exp. (Total of lines 113 and 115)	1,911,909	1,971,072
117	TOTAL Gas O. and M. Exp. (Lines 37, 42, 44, 74, 82, 89, 96, and 116)	22,225,001	21,900,049
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, or any payroll period ending 60 days before or after October 31.		
133			
134	2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special construction employees in a footnote.		
135			
136	3. The number of employees assignable to the gas department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the gas department from joint functions.		
137			
138			
139			
140	1. Payroll Period Ended (Date)		11/8/1999
141	2. Total Regular Full-Time Employees		220
142	3. Total Part-Time and Temporary Employees		2
143	4. Total Employees		222
144			
145			
146			
147			

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, Incompany 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 foot-note.

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, Incompany Transfers			
3	801 - Natural Gas Field Line Purchases	32,281,590	9,389,629	29.087
4	802 - Natural Gas Gasoline Plant Outlet Purchases			
5	803 - Natural Gas Transmission Line Purchases			
6	804 - Natural Gas City Gate Purchases	41,384,310	5,154,510	12.455
7	804.1 - Liquefied Natural Gas Purchases			
8	805 - Other Gas Purchases		0	
9	805.1 - Purchased Gas Cost Adjustments			
10	TOTAL (Enter Total of lines 1 through 9)	<u>73,665,900</u>	<u>14,544,139</u>	<u>19.743</u>

NOTES TO GAS PURCHASES

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							
7	Heat, Hot Water, A/C	812	83,500				
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20	TOTAL		83,500				

FLORIDA PUBLIC UTILITIES COMPANY		For the Year Ended
		December 31, 1999
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	Natural Gas Procurement	112,582
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14	TOTAL	
MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (Gas)		
Line No.	Description (a)	Amount (b)
1	Industry Association Dues	\$22,985
2	Experimental and General Research Expenses: (a) Gas Research Institute (GRI) (b) Other	0 0
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	48,678
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)	
5	Directors Fees and Expenses (40 items) Miscellaneous Expenses (21 items)	9,608 3,182
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19	TOTAL	84,453

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	-	-	-	-	-	-
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	-	-	-	-	-	-
9	Distribution Plant	1,570,007	-	-	-	-	1,570,007
10	General Plant	103,650	-	-	-	-	103,650
11	Common Plant-Gas						77,828
12	Environmental Clean Up	-	-	-	-	239,604	239,604
13	AEP	-	-	-	-	86,227	86,227
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37	TOTAL	1,673,657				325,831	2,077,316

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	Account 425: Miscellaneous Amortization	None
2		
3	Account 426: Miscellaneous Income Deductions	
4	426.11 Charitable Contributions: Inside Service Area	14,775
5	426.12 Charitable Contributions: Outside Service Area	879
6	426.13 Civic and Social Club Dues	3,772
7	426.3 Penalties	134
8	426.4 Expenditures for Lobbying and Other Politically Related Activities	106
9	426.5 Other	
10	Chamber of Commerce	6,676
11	TOTAL MISCELLANEOUS INCOME DEDUCTIONS	26,342
12		
13		
14	Account 430: Interest on Debt to Associated Company	
15	Accounts Payable at 4.844% (12 mo. avg. of the interest rates applied)	(37,437)
16		
17		
18	Account 431: Other Interest Expense	
19	431.1 Interest on Customer Deposits	219,835
20	431.2 Interest on Notes Payable	473,011
21	431.3 Interest on Miscellaneous	3,891
22	TOTAL OTHER INTEREST EXPENSE	696,737
23		
24		
25		
26		
27		

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	1,870,886	111,261	1,982,147
3	Gas			
4	Operation			
5	Production - Manufactured Gas & Nat.Gas (inc. Expl. and Dev.); Other Gas Supply; Storage, LNG, Termn. & Proces.	94,399		
6	Transmission	-		
7	Distribution	1,776,944		
8	Customer Accounts	847,383		
9	Customer Service and Informational	-		
10	Sales	595,700		
11	Administrative and General	207,937		
12	TOTAL Operation (Enter Total of lines 5 through 11)	3,522,363		
13	Maintenance			
14	Production - Manufactured Gas & Nat Gas (inc. Expl. and Dev.); Other Gas Supply; Storage, LNG, Termn. & Proces.	-		
15	Transmission	-		
16	Distribution	445,139		
17	Administrative and General	15,711		
18	TOTAL Maintenance (Enter Total of lines 14 through 17)	460,850		
19	TOTAL Operation and Maintenance			
20	Production - Manufactured Gas & Nat Gas (inc. Expl. and Dev.); Other Gas Supply; Storage, LNG, Termn. & Proces.	94,399		
21	Transmission (Enter Total of lines 6 and 15)	-		
22	Distribution (Enter Total of lines 7 and 16)	2,222,083		
23	Customer Accounts (Transcribe from line 8)	847,383		
24	Customer Service and Informational (Transcribe from line 9)	-		
25	Sales (Transcribe from line 10)	595,700		
26	Administrative and General (Enter Total of lines 11 and 17)	223,648		
27	TOTAL Operation and Maint. (Total of lines 20 through 26)	3,983,213	78,543	4,061,756
28	Other Utility Departments			
29	Operation and Maintenance - Water	392,939	-	392,939
30	TOTAL All Utility Dept. (Total of lines 2, 27, and 29)	6,247,038	189,804	6,436,842
31	Utility Plant			
32	Construction (By Utility Departments)			
33	Electric Plant	796,349	-	796,349
34	Gas Plant	782,937	-	782,937
35	Other	143,956	-	143,956
36	TOTAL Construction (Enter Total of lines 33 through 35)	1,723,242	-	1,723,242
37	Plant Removal (By Utility Department)			
38	Electric Plant	85,854	-	85,854
39	Gas Plant	193,182	-	193,182
40	Other	-	-	-
41	TOTAL Plant Removal (Enter Total of lines 38 through 40)	279,036	-	279,036
42				
43	Other Accounts (Specify):			
44	Other Accounts Receivable/Employee	134,753	-	134,753
45	Temporary Facilities	19,847	-	19,847
46	Stores Expense	314,396	-	314,396
47	Clearing Accounts	143,087	-	143,087
48	Miscellaneous Deferred Debits	209,028	-	209,028
49	Merchandise and Jobbing	632,967	-	632,967
50	Taxes other Than Income Taxes-Electric/Gas/Water	(305,577)	-	(305,577)
51	Vacation Pay	-	-	-
52	Other Accounts Receivable	1,418,686	-	1,418,686
53	TOTAL Other Accounts	2,567,187	-	2,567,187
54	TOTAL SALARIES AND WAGES	10,816,503	189,804	11,006,307

December 31, 1999

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 (Furnish 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)
1					
2	Legal Fees and Miscellaneous Expenses				
3	Incurred by the Company in its Filings for				
4	Rate Relief on Docket Number 940620-GU		112,806	112,806	9,409
5					
6	Miscellaneous Expenses incurred by the				
7	Company in doing a Depreciation Study				
8	for Marianna. Docket Number 970537-EI		2,156	2,156	1,617
9					
10	Legal Fees and Miscellaneous Expenses				
11	Incurred by the Company in its Filings for				
12	Rate Relief for water. No docket number has				
13	been assigned		35,446	35,446	46
14					
15					
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22					
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39					
40	TOTAL		150,408	150,408	11,072

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
							2
							3
Gas		0	0	928	9,409	0	4
							5
							6
							7
Electric		0	0	928	539	1,078	8
							9
							10
							11
							12
Water		35,400	35,400		0	35,446	13
							14
							15
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		35,400	35,400		9,948	36,524	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.

1	Description (a)	Amount (b)
2	1. (a) Deloitte & Touche, 1645 Palm Beach Lakes Blvd., West Palm Beach, FL 33401	182,000
3	(b) Professional Accounting Services.	
4	(c) Based on services rendered.	
5	(d) Total charges for services, utility departments and accounts charged:	
6		
7	Account Utility Allocation %	
8	923 GAS 50.7%	
9	923 ELECTRIC 36.8%	
10	923 WATER 5.6%	
11	923 FLO-GAS 6.9%	
12		
13	2. (a) Akerman, Senterfitt & Eidson, P.O. Box 231 Orlando, FL 32802	70,074
14	(b) Professional Legal Services for Environmental Issues.	
15	(c) Based on services rendered.	
16	(d) Total charges for services, utility department and account charged:	
17		
18	923 GAS 21,778	
19	923 ELECTRIC 251	
20	186 FPU 47,600	
21	923 Flo -Gas 445	
22	184 FPU -	
23		
24		
25		
26		
27		
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41		

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

FLORIDA PUBLIC UTILITIES COMPANY

For the Year Ended December 31, 1999

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).

Line No.	(a) Description	(b) Gross Operating Revenues per Page 46	(c) Interstate and Sales for Resale Adjustments	(d) Adjusted Intrastate Gross Operating Revenues	(e) Intrastate Gross Operating Revenues per RAF Return	(f) Difference (d) - (e)
1	Total Sales to Ultimate Customers (480-482, 484)	29,158,935		29,158,935	28,452,324	706,611
2	Sales for Resale (483)	608,510		608,510	-	608,510
3	Total Natural Gas Service Revenues	29,767,445		29,767,445	28,452,324	1,315,121
4	Total Other Operating Revenues (485-495)	519,131		519,131	1,834,252	(1,315,121)
5	Total Gas Operating Revenues					
6	Provision for Rate Refunds (496)	30,286,576		30,286,576	30,286,576	
7	Other (Specify)					
8						
9						
10	Total Gross Operating Revenues	30,286,576		30,286,576	30,286,576	-

Notes:

Transportation Revenues of \$706,611 are included in Total Sale to Ultimate Customers on page 46 and Off System Sales of \$608,510. make up Sales for Resale on page 46. These items are reported as other operating revenue on the Regulatory Assessment Fee Return.

CORPORATE STRUCTURE

Company: FLORIDA PUBLIC UTILITIES COMPANY
For the Year Ended December 31, 1999

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

Effective
Date January-99

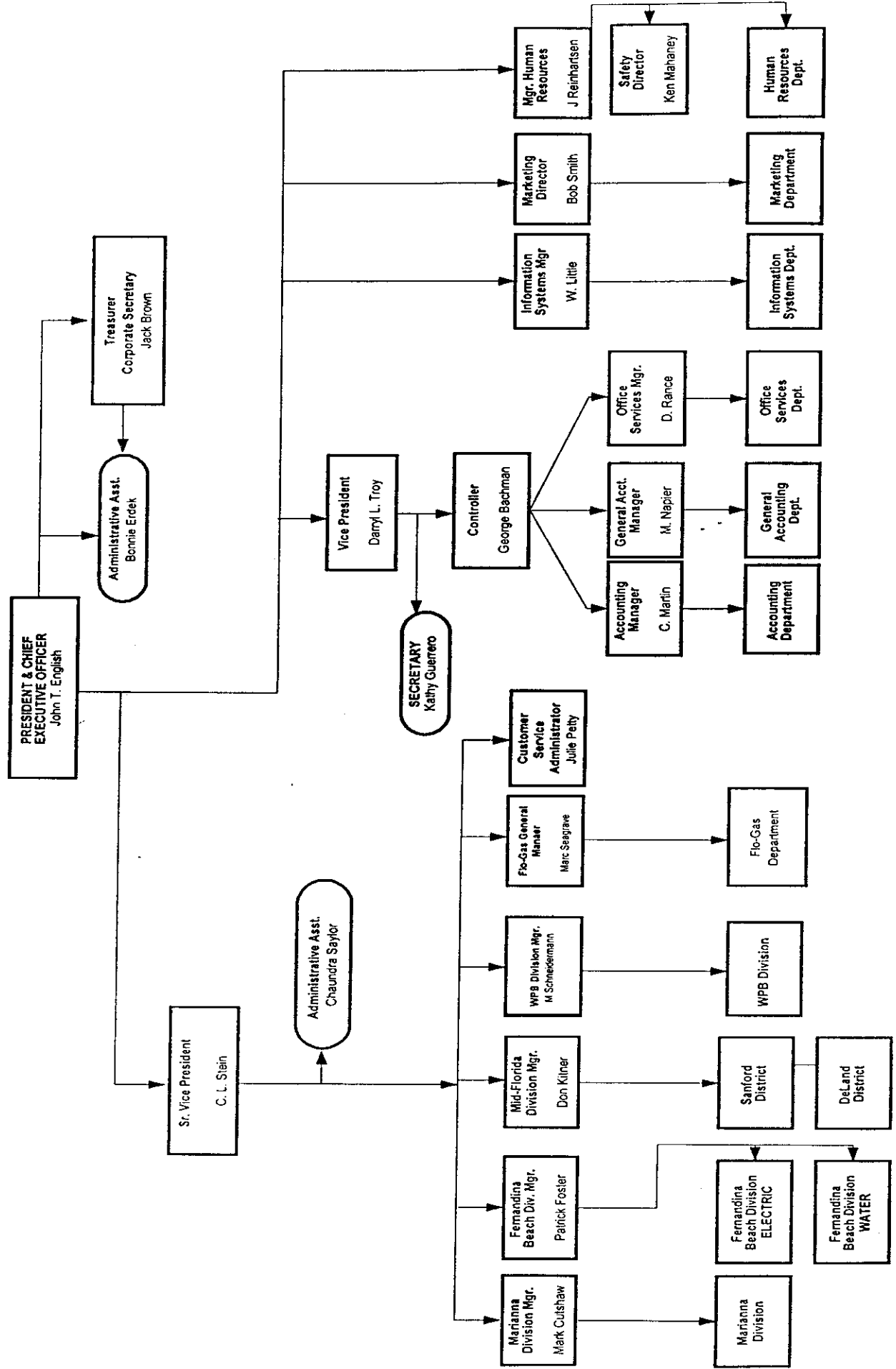
We have enclosed copies of our updated Organizational Charts for Florida Public Utilities Company.

Flo-Gas Corporation does not have any employees.



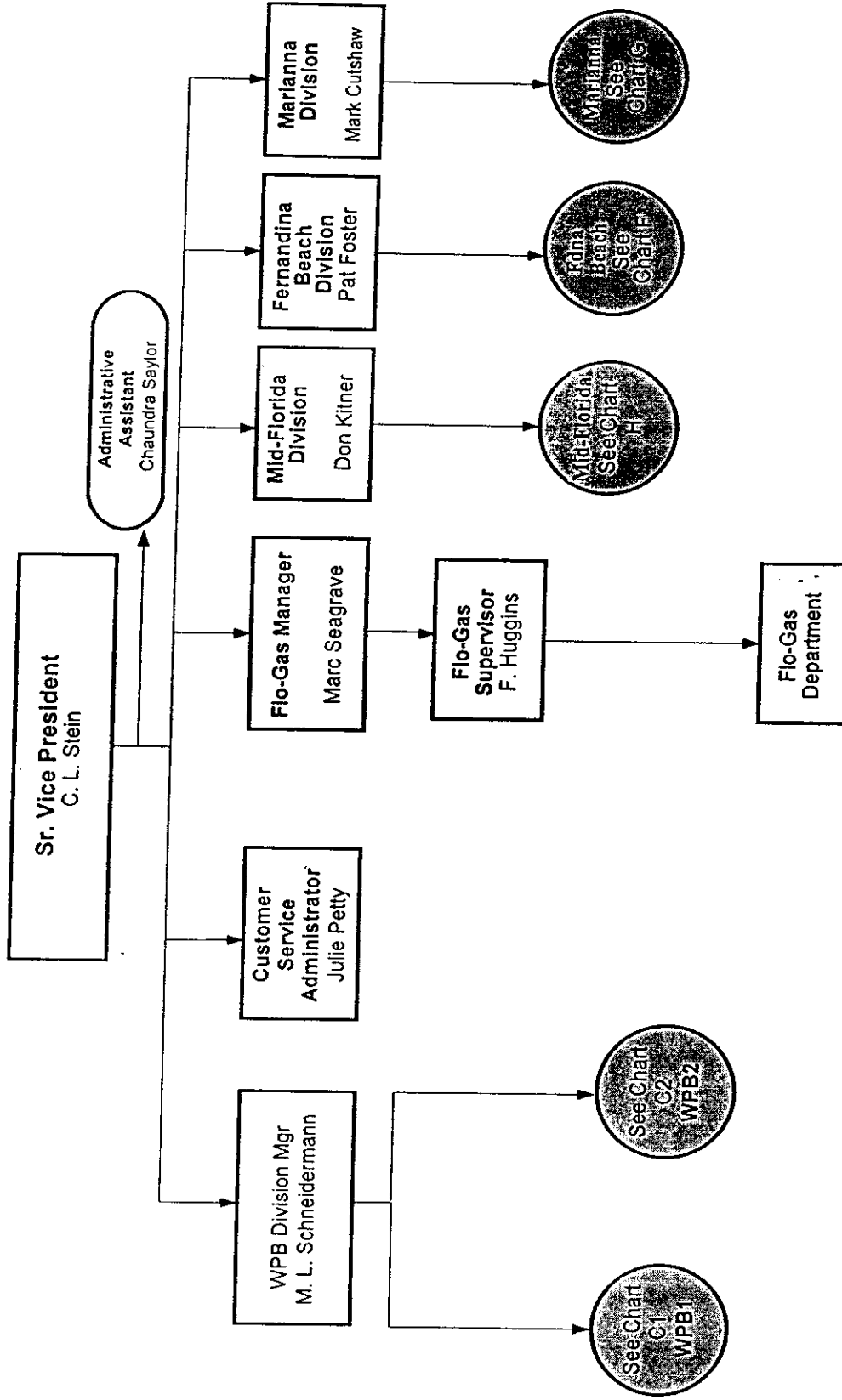
FLORIDA PUBLIC UTILITIES COMPANY

Organizational Chart Chart A



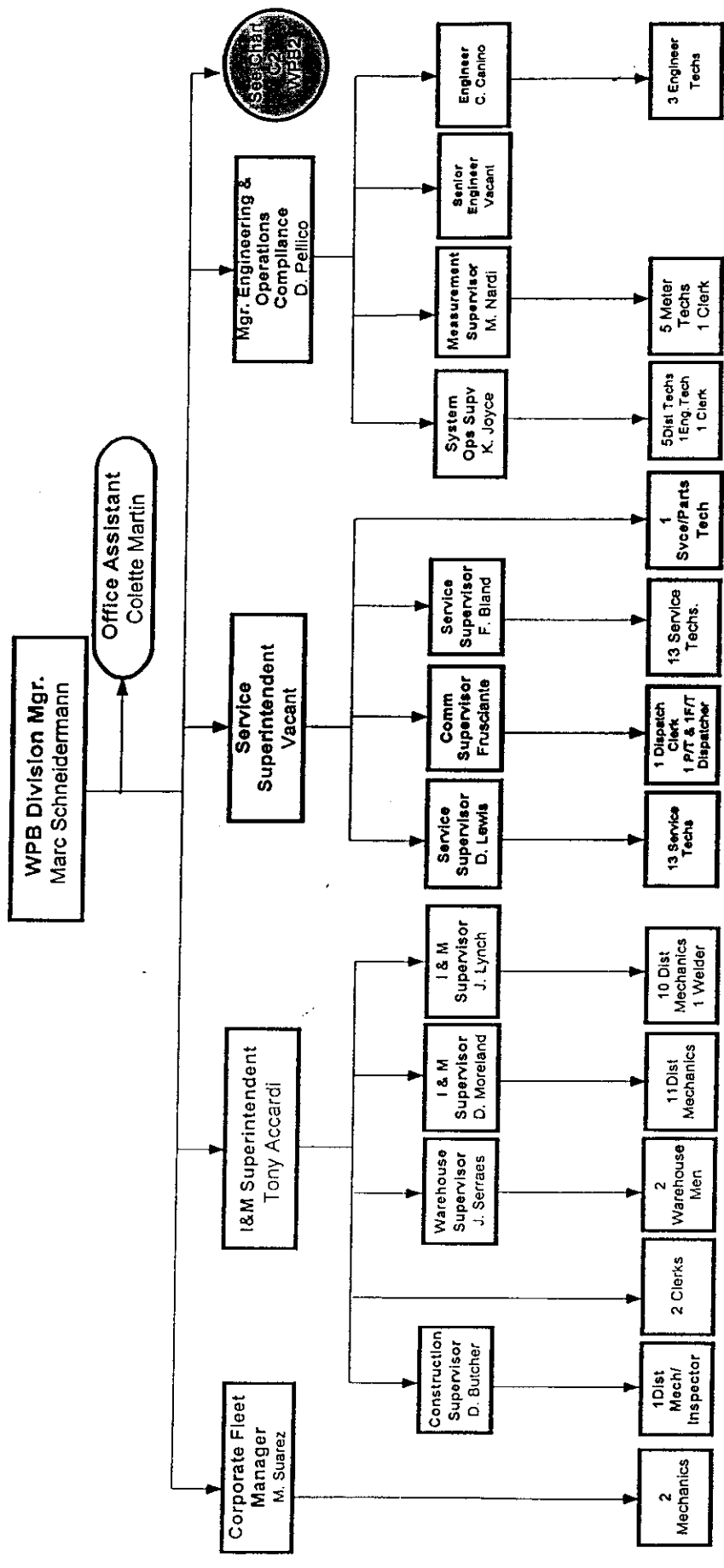


FLORIDA PUBLIC UTILITIES COMPANY
Gas Operations Organizational Chart
Chart B



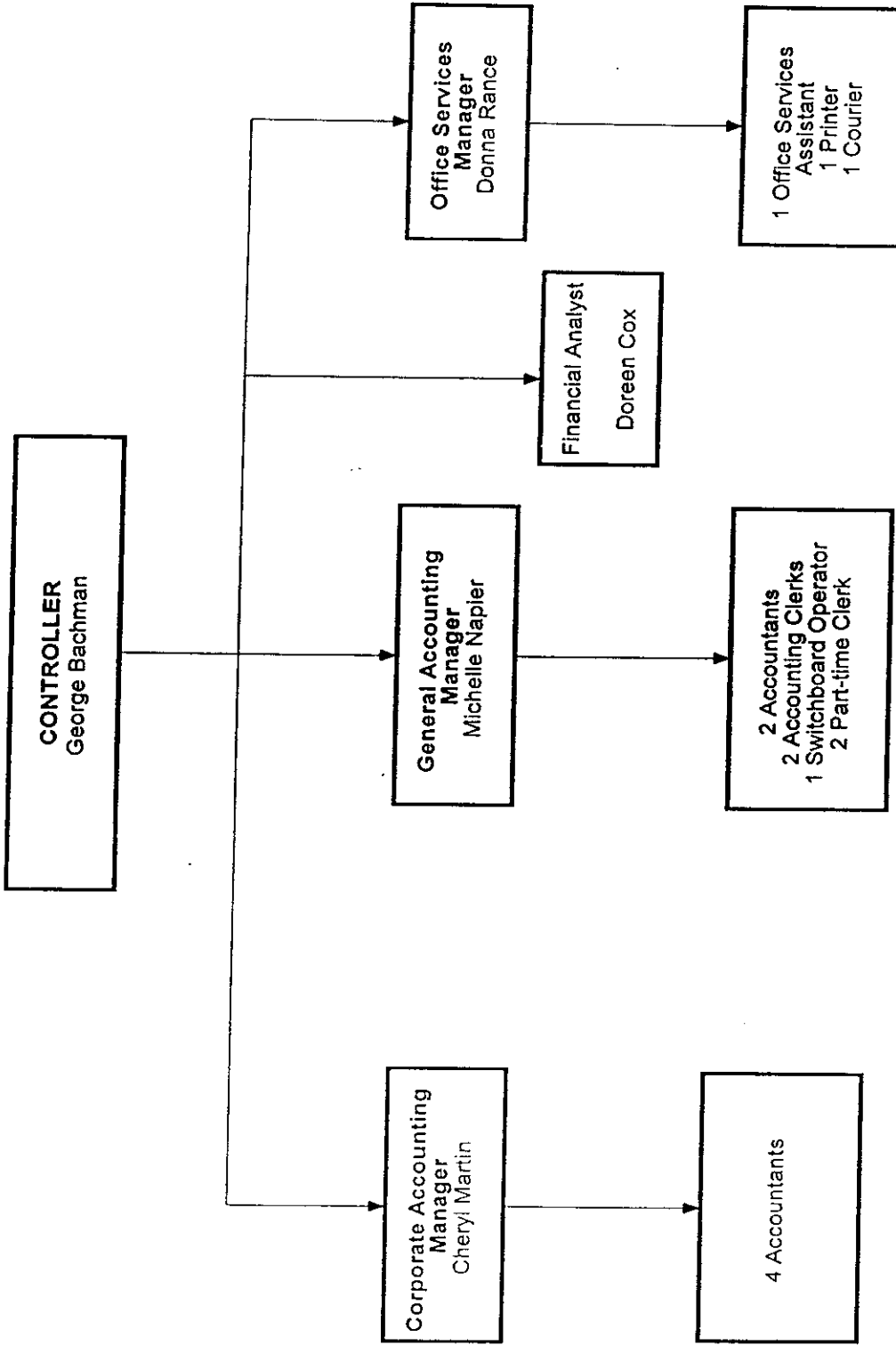


FLORIDA PUBLIC UTILITIES COMPANY
 West Palm Beach Gas Operations Organizational Chart
 Chart C1





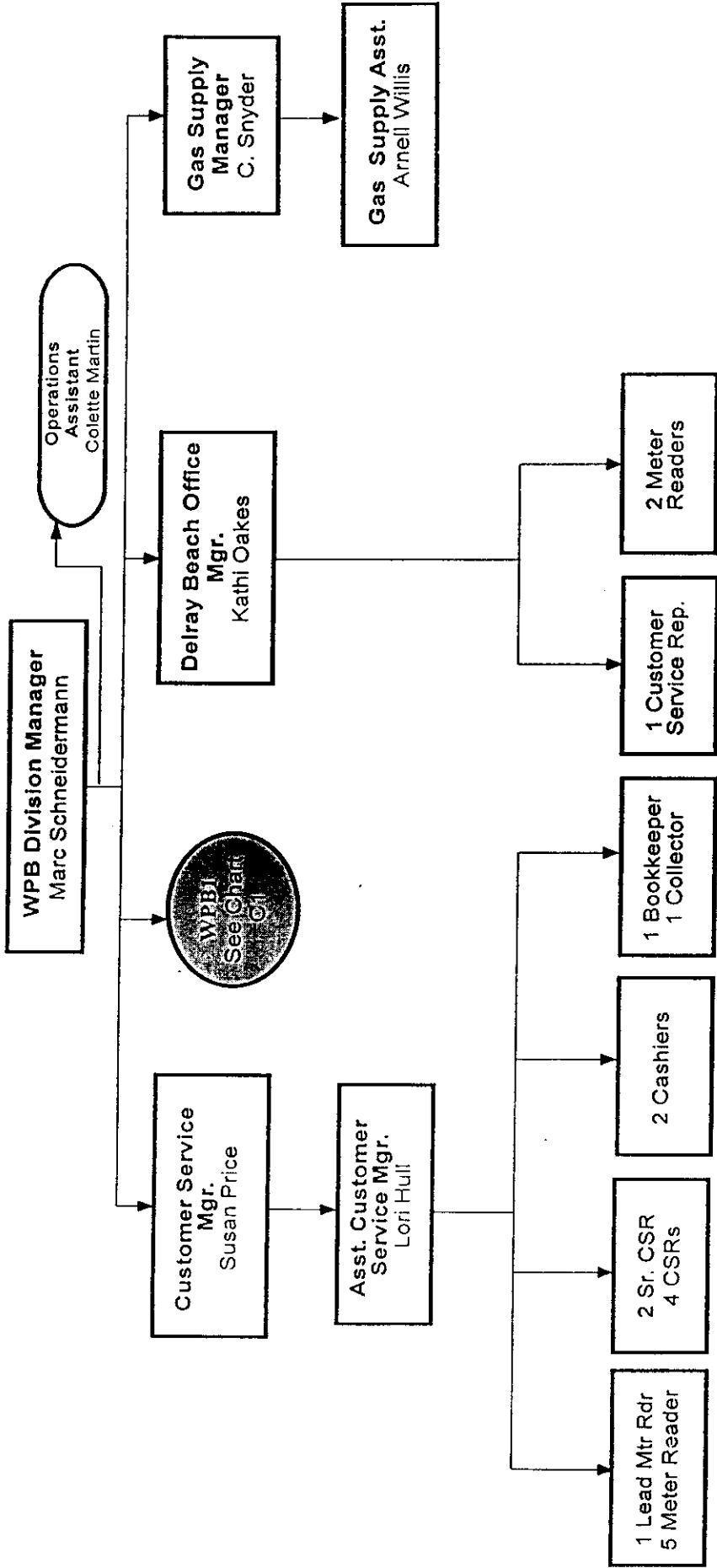
FLORIDA PUBLIC UTILITIES COMPANY
General Office Organizational Chart
Chart D





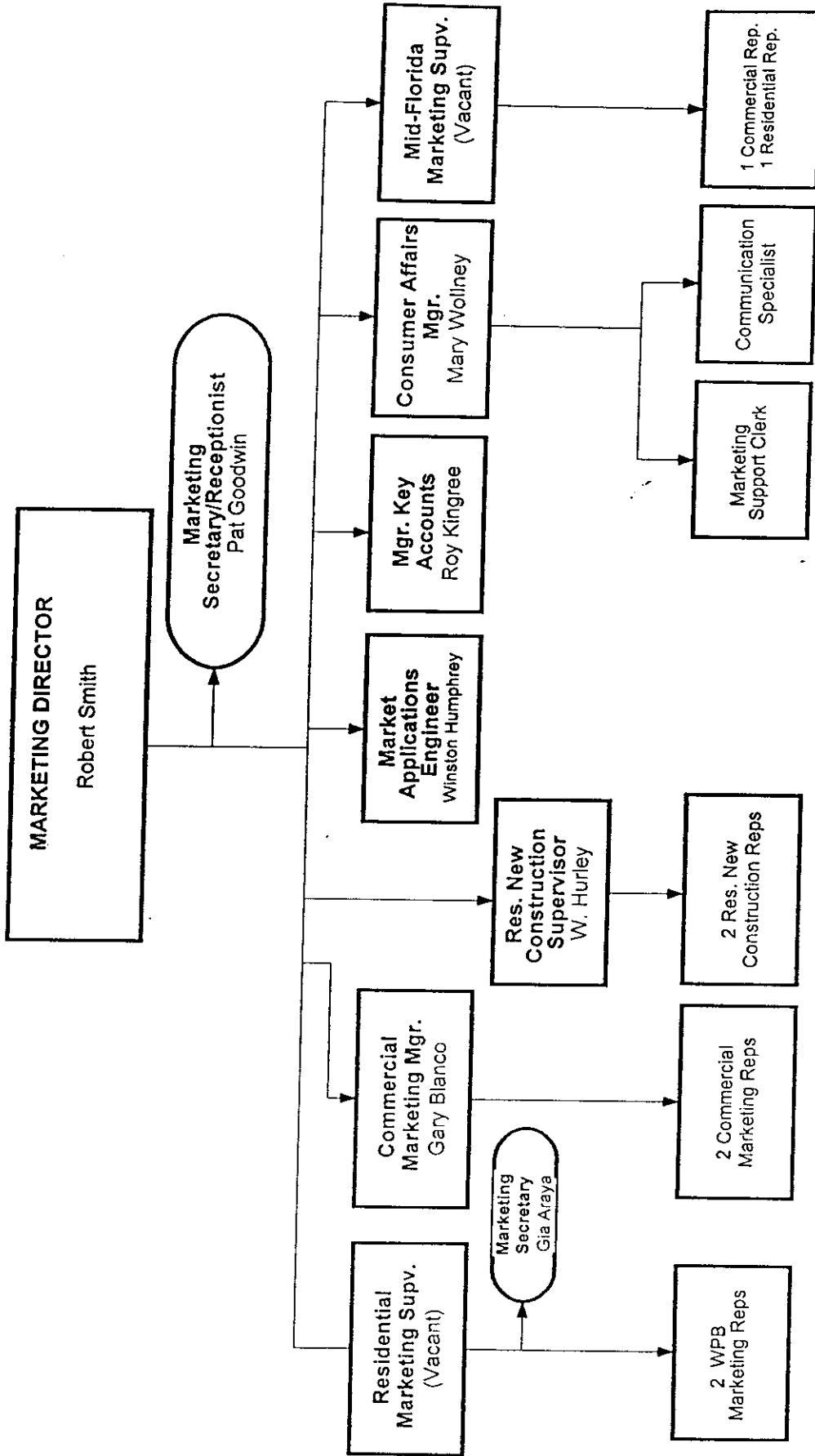
FLORIDA PUBLIC UTILITIES COMPANY

Customer Service Organizational Chart
Chart C2



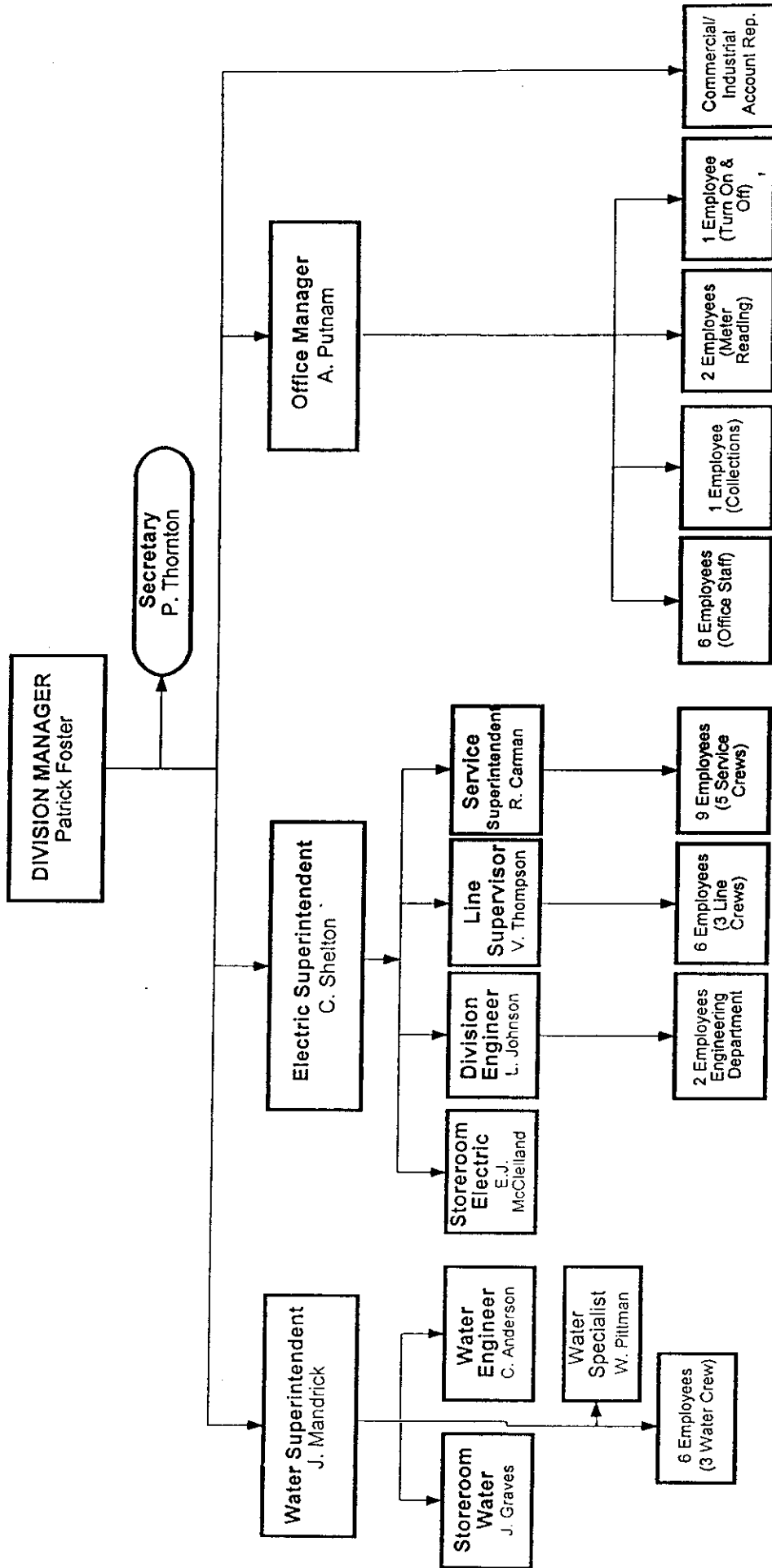


FLORIDA PUBLIC UTILITIES COMPANY
Marketing Department Organizational Chart
Chart E





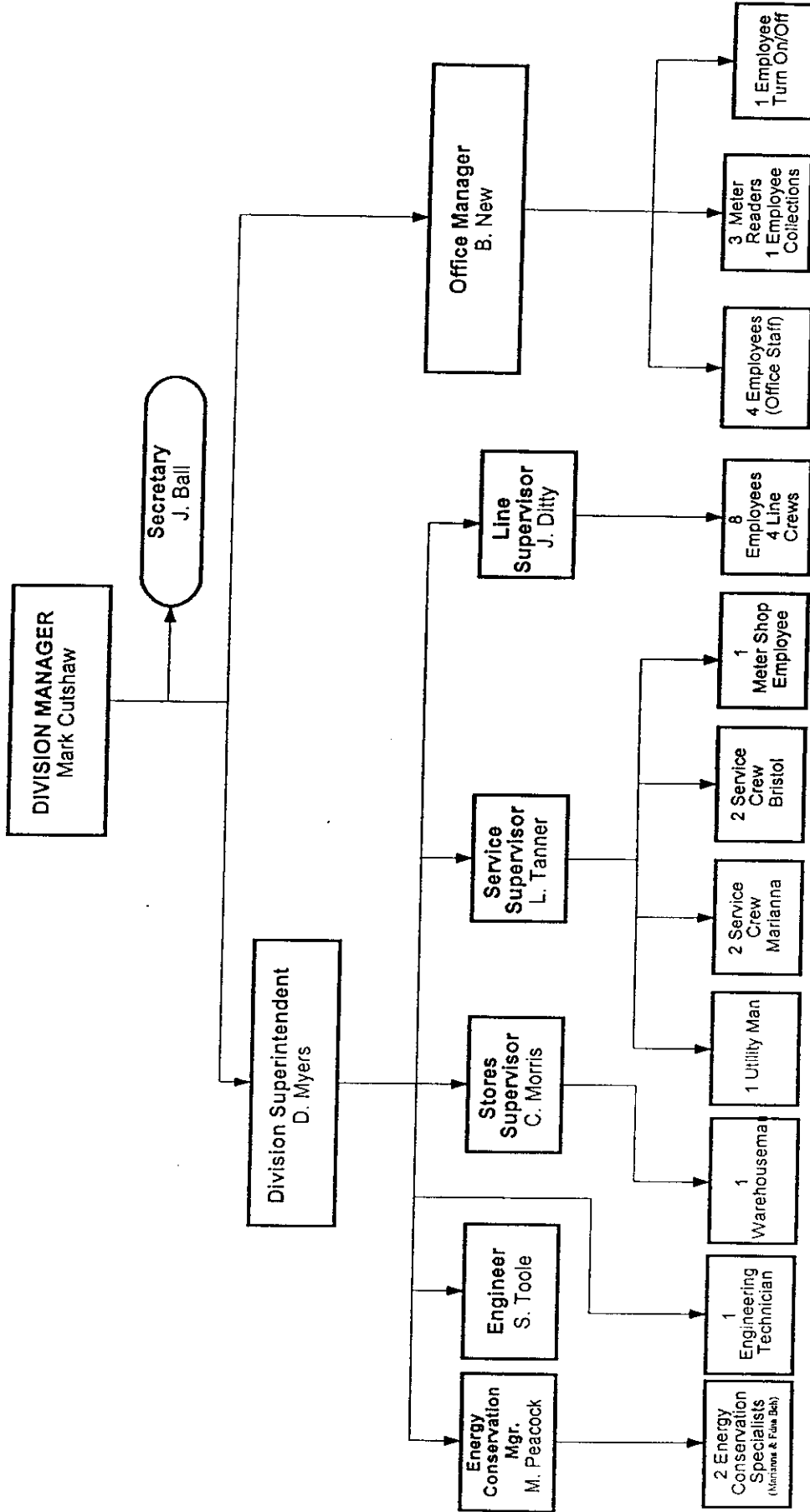
FLORIDA PUBLIC UTILITIES COMPANY
Organizational Chart for Fernandina Beach Division
Chart F





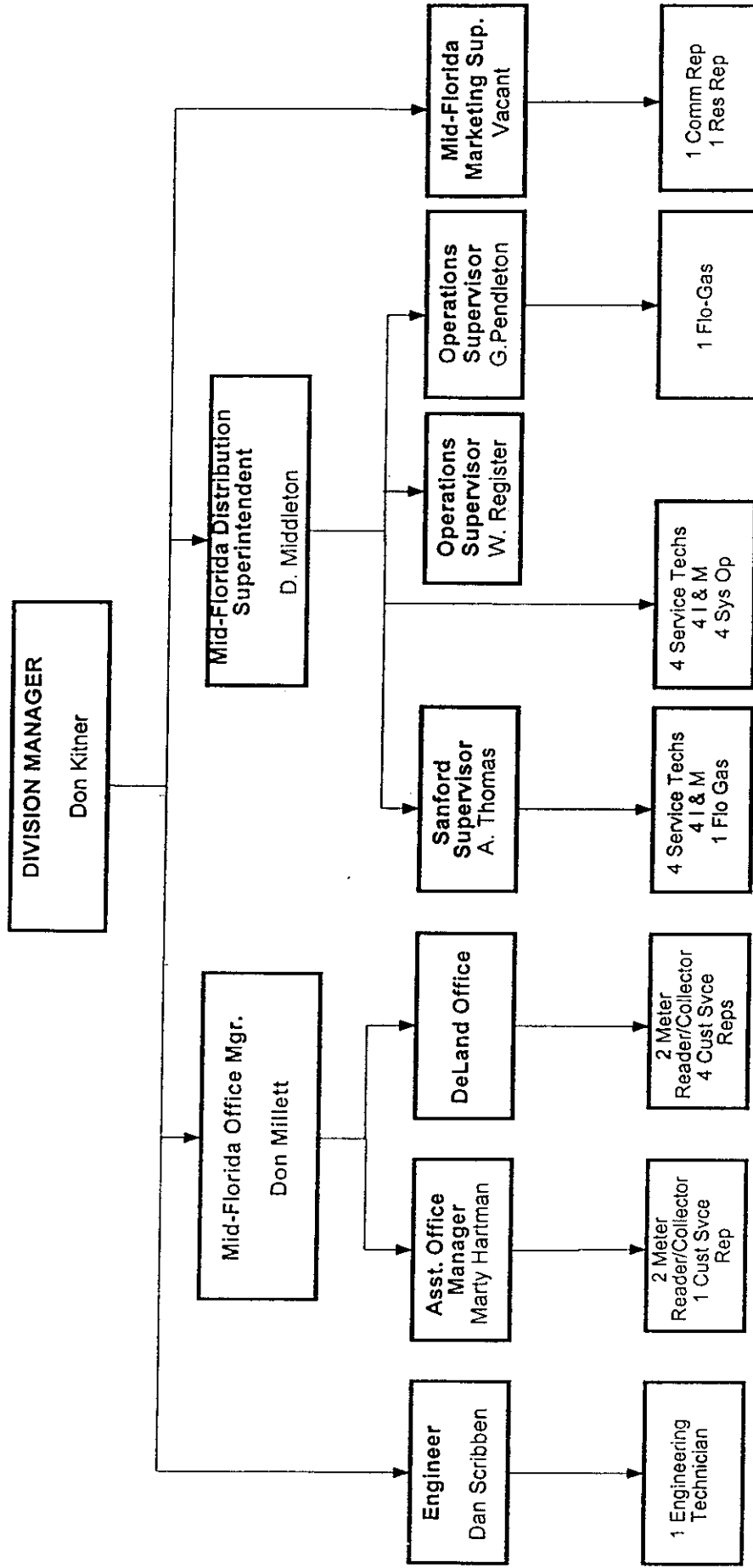
**Florida
Public
Utilities
Company**

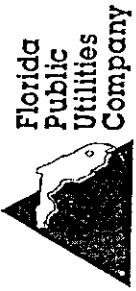
FLORIDA PUBLIC UTILITIES COMPANY
Organizational Chart for Marianna Division
Chart G



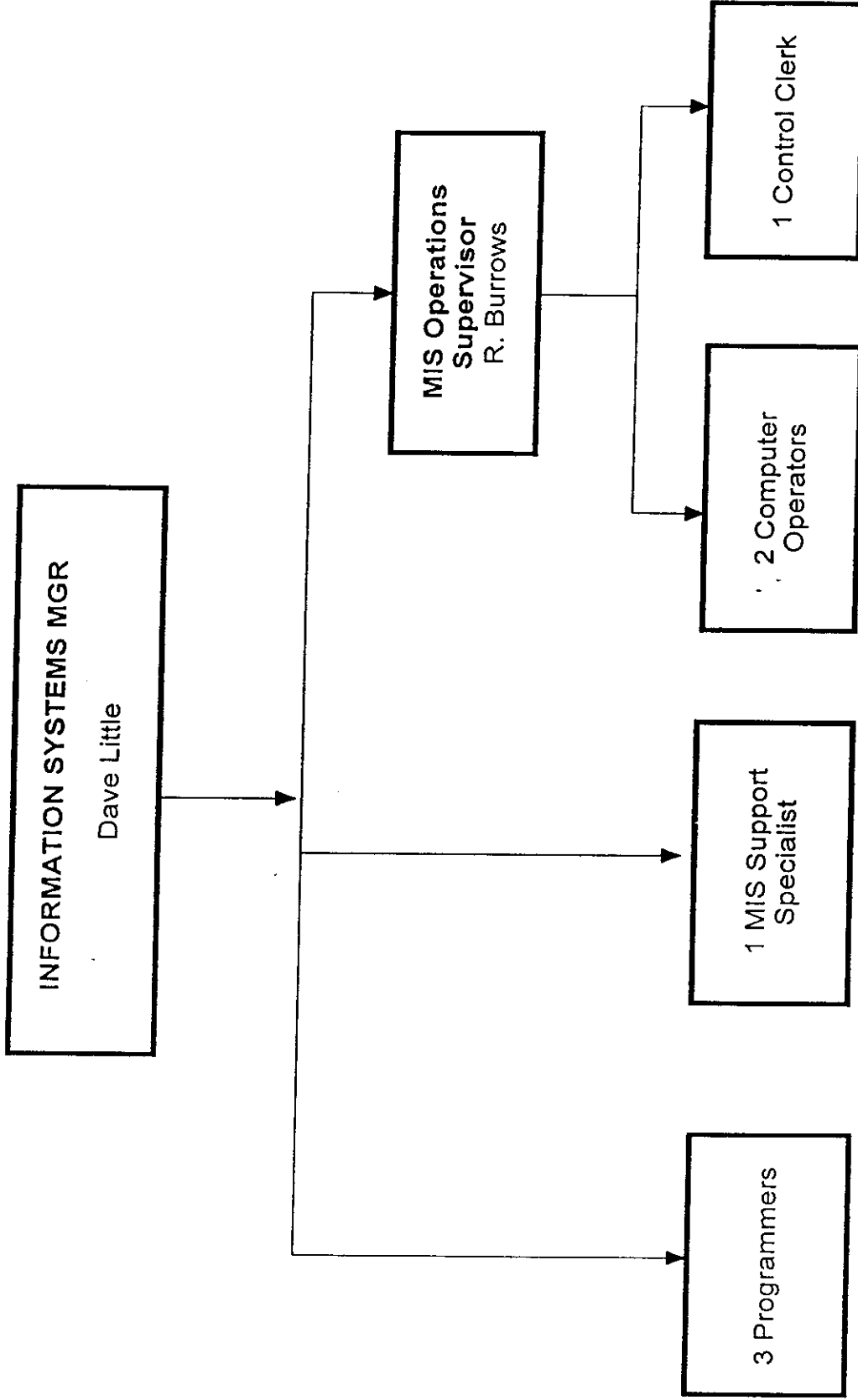


FLORIDA PUBLIC UTILITIES COMPANY
 Mid-Florida Division Organizational Chart
 Chart H





FLORIDA PUBLIC UTILITIES COMPANY
Management Information Systems (MIS) Organizational Chart
Chart I



NEW OR AMENDED CONTRACTS WITH AFFILIATED COMPANIES

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

For the Year Ended December 31, 1999

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

INDIVIDUAL AFFILIATED TRANSACTIONS IN EXCESS OF \$25,000

Company: FLORIDA PUBLIC UTILITIES COMPANY
For the Year Ended December 31, 1999

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)
<i>Flo-Gas Corporation</i>	<i>Accounts Payable general expenses. Can not readily determine if it is recurring or non-recurring</i>	2,307,373
<i>Flo-Gas Corporation</i>	<i>Payroll Payment by Florida Public Utilities Company for Flo-Gas Corporation. Recurring.</i>	1,418,686
<i>Flo-Gas Corporation</i>	<i>Cash Receipts - Recurring.</i>	(4,280,530)

SUMMARY OF AFFILIATED TRANSFERS AND COST ALLOCATIONS

Company: FLORIDA PUBLIC UTILITIES COMPANY
For the Year Ended December 31, 1999

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)
	<i>SEE ATTACHED SCHEDULES</i>				

(Schedules 2,3 & 4)

ANALYSIS OF DIVERSIFICATION ACTIVITY REPORT

Flo-Gas Corporation is a wholly-owned subsidiary of Florida Public Utilities Company and transactions that exceed \$300 annually are numerous. Therefore, the enclosed summaries of Flo-Gas' Income Statement and Balance Sheet should be sufficient to meet the requirements of the report.

- Items relating specifically to Flo-Gas are charged directly.
- Corporate general expenses relating to both companies are allocated using factors previously reviewed by the Florida Public Service Commission during our last rate proceeding.
- Items that typically create intercompany transactions include payroll, cash Payments and receipts, and propane purchases.
- Flo-Gas does not have employees or cash.

Detailed transactions are available at our corporate office. If you require additional information, please let us know.

NOTE: Flo-Gas' Income Statement and Balance Sheet (Supplement pages 1 through 3).

ANALYSIS OF DIVERSIFICATION ACTIVITY SUPPLEMENT
FLO-GAS
INCOME STATEMENT
12 MONTHS ENDING 12/31/99

	Year-to-Date Actual	Last Year-to-Date Actual
	<u> </u>	<u> </u>
Operating Revenue	3,866,261	4,043,023
Operation Expenses	2,897,742	3,171,206
Maintenance Expenses	212,794	258,741
Depreciation Expense	303,322	340,049
Amortization of Utility Plant- Acquisition Adjustment	-	-
Tax Other Than Income Tax-Utility Operation Expense	59,606	65,334
Income Tax - Federal - Utility Operating Income	109,312	9,305
Income Tax - State - Utility Operating Income	18,601	1,486
Deferred Income Tax - Utility Operating Income	(33,890)	4,883
Investment Tax Credit - Utility Operating Income	(7,175)	(7,779)
Operating Income	<u><u>305,949</u></u>	<u><u>199,798</u></u>
 <u>Other Income and Deductions</u>		
Interest and Dividend Income	-	-
Misc. Non-Operating Income	-	-
Other Income Deductions	-	-
Taxes Other Than Income - Other	-	-
Income Taxes-Federal-Other Income	-	-
Income Taxes-State-Other Income	-	-
Other (Income) and Deductions	<u><u>-</u></u>	<u><u>-</u></u>
 <u>Interest Charges</u>		
Interest on Debt to Associated Companies	37,437	77,110
Other Interest Expense	17,400	16,041
Interest Charges	<u><u>54,837</u></u>	<u><u>93,151</u></u>
 <u>Extraordinary Items</u>		
Cumulative Effect - Change in Accounting Principles - Net	-	-
 Net Income	 <u><u>251,112</u></u>	 <u><u>106,647</u></u>

ANALYSIS OF DIVERSIFICATION ACTIVITY SUPPLEMENT
FLO-GAS
BALANCE SHEET - 09
December 31, 1999

Assets and Other Debits	<u>Current</u>	<u>Last Year End</u>
Utility Plant		
Utility Plant in Service	6,360,333	6,658,037
Utility Plant Purchased/Sold	-	
Completed Construction Not Classified		
Construction Work in Progress	80,229	
Utility Plant	<u>6,440,562</u>	<u>6,658,037</u>
Accumulated Depreciation		
Accumulated Dep. - Utility Plant in Service	(2,220,114)	(2,188,089)
Accumulated Dep. - Transportation Equip.	(405,645)	(412,189)
Retirement Work in Progress		
Accumulated Dep. - Rental Equipment	-	
Accumulated Depreciation	<u>(2,625,759)</u>	<u>(2,600,278)</u>
Other Utility Plant		
Utility Plant Acquisition Adj.	-	-
Accum. Amort. - Utility Acq. Adj.	-	-
Other Utility Plant	<u>-</u>	<u>-</u>
Other Property and Investments		
Investment in Assoc. Companies -		
Common Stock	44,327	78,519
Other Property and Investments	<u>44,327</u>	<u>78,519</u>
Current and Accrued Assets		
Customer Accounts Receivable	361,755	336,252
Allowance for Uncollectible Accounts	(9,207)	(5,893)
Accounts Rec. from Associated Companies		
Operating Supplies - Propane	738,385	651,517
Prepayments - Taxes	62	
Interest and Dividends Receivable		
Accrued Utility Revenues	93,797	93,797
Current and Accrued Assets	<u>1,184,792</u>	<u>1,075,673</u>
Deferred Debits		
Misc. Deferred Debits - Other W.I.P.		
Misc. Deferred Debits - Miscellaneous	2,526	1,721
Accum. Deferred Income Taxes	6,611	5,579
Deferred Debits	<u>9,137</u>	<u>7,300</u>
ASSETS AND OTHER DEBITS	<u>5,053,059</u>	<u>5,219,251</u>

ANALYSIS OF DIVERSIFICATION ACTIVITY SUPPLEMENT
FLO-GAS
BALANCE SHEET - 09
December 31, 1999

	<u>Current</u>	<u>Last Year End</u>
Liabilities and Other Credits		
Proprietary Capital		
Common Stock Issued	10,000	10,000
Appropriated Retained Earnings	-	-
Unappropriated Retained Earnings	<u>1,479,167</u>	<u>1,872,520</u>
Proprietary Capital	<u><u>1,489,167</u></u>	<u><u>1,882,520</u></u>
Current and Accrued Liabilities		
Accounts Payable to Assoc. Companies	1,275,490	1,024,748
Customer Deposits	474,030	486,413
Taxes Accrued	(85,112)	(124,065)
Interest Accrued	18,907	16,498
Dividends Declared	-	-
Tax Collections Payable	29,469	28,227
Misc. Current and Accrued Liabilities	-	-
Customer Advances for Construction	-	-
Other Deferred Income Taxes - Other	-	-
Accumulated Deferred I.T.C.	23,766	30,941
Current and Accrued Liabilities	<u><u>1,736,550</u></u>	<u><u>1,462,762</u></u>
Operating Reserves		
Misc. Operating Reserves	-	-
Accum. Deferred Income Tax - Liberalized Depreciation	1,576,231	1,767,322
Accum. Deferred Income Taxes - Other	-	-
Operating Reserves	<u><u>1,576,231</u></u>	<u><u>1,767,322</u></u>
Year-to-Date Income/Loss	<u>251,112</u>	<u>106,647</u>
LIABILITIES AND OTHER CREDITS	<u><u>5,053,060</u></u>	<u><u>5,219,251</u></u>

ASSETS OR RIGHTS PURCHASED FROM OR SOLD TO AFFILIATES

FLORIDA PUBLIC UTILITIES COMPANY
For the Year Ended December 31, 1999

Provide a summary of affiliated transactions involving asset transfers or the right to use assets.

Name of Affiliate	Description of Asset or Right	Cost/Orig. Cost	Accumulated Depreciation	Net Book Value	Fair Market Value	Purchase Price	Title Passed Yes/No
Purchases from Affiliates:		497,494	180,659	316,835	\$ N/A	\$ N/A	N/A
Flo-Gas Corporation	Plastic Mains	4,039	1,505	2,534	N/A	Transfer	N/A
	Steel Mains	285,617	106,434	179,183	N/A	Transfer	N/A
	Plastic Services	-	-	-	N/A	Transfer	N/A
	Steel Services	136,830	48,452	88,378	N/A	Transfer	N/A
	Meters	34,984	13,085	21,899	N/A	Transfer	N/A
	Meter Installation	13,616	4,120	9,496	N/A	Transfer	N/A
	Regulators	9,504	3,580	5,924	N/A	Transfer	N/A
	Regulators Installations	12,904	3,483	9,421	N/A	Transfer	N/A
Sales to Affiliates:		\$	\$	\$	\$	Sales Price	
None							
Total						\$	

EMPLOYEE TRANSFERS

FLORIDA PUBLIC UTILITIES COMPANY

For the Year Ended December 31, 1999

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				

Florida Public Utilities Company
AEP Reconciliation
 As Of December 31, 1999

Beginning Date of Surcharge Revenues	AEP Facilities Area	Balance at Beginning of year		12 Months Ended December 99		Charges to Date	
		Surcharge Revenues	Facilities Cost	Surcharge * Revenues	Facilities ** Cost	Surcharge Revenues	Facilities Cost
Sep-98	AEP #20000 Alaqua Lakes	1,714.50	208,570.00	16,238.65	230,924.40	17,953.15	439,494.40
Sep-98	AEP # 20001 Deltona HP #1	13,668.00	-	66,234.86	548,198.35	79,902.86	548,198.35
Feb-99	AEP # 20092 Stone Gable	-	-	1,036.97	20,177.54	1,036.97	20,177.54
May-99	AEP # 20093 Deltona HP #2	-	-	17,765.90	390,114.34	17,765.90	390,114.34
Apr-99	AEP # 20098 DeBary Golf & CC	-	-	390.41	44,825.30	390.41	44,825.30
	AEP # 20193 Spring Valley Unit 5			0	5522.65	-	5,522.65
	AEP # 20289 Convert Deltona Ph III						
	Total	15,382.50	208,570.00	101,666.79	1,239,762.58	117,049.29	1,448,332.58

Note:

* Collections posted to 1860.4
 ** Includes tax

1860.4
 1,138,095.79

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