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**ORIGINAL
FILE COPY**

FLORIDA PUBLIC UTILITIES COMPANY

ADDRESS REPLY TO COMPANY AT
P. O. Drawer C
West Palm Beach,
Florida 33402

January 3, 1991

Mr. Steve Tribble, Director
Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Fletcher Building
Tallahassee, FL 32301-8153

RE: DOCKET NO. 900151-GU

Dear Mr. Tribble:

Enclosed for filing in the above captioned proceeding on behalf of Florida Public Utilities Company is an original and nineteen (19) copies of the Company's Late Filed Exhibits as follows:

<u>Late Filed Exhibit Number</u>	<u>Description</u>
1	Justification for Arithmetic Growth Rate
2	Measure of Cost of Common Equity
3	List of Comparison Companies (Update)
4	Information Sheets for Comparison Companies

- ACK
- AFA
- APP
- CAF
- CMU
- CTR
- EAG**
- LEG
- LIN
- OPG
- RCH
- SEC
- WAS
- OTH

Please indicate the time and date of receipt on the enclosed duplicate of this letter and return it to this office.

Yours very truly,

F. C. Cressman
President

RECEIVED & FILED
EPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE
00095 JAN -3 1991
EPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for a rate increase)
in natural gas operations by)
FLORIDA PUBLIC UTILITIES COMPANY)


Docket No. 900151-GU

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on the 3rd day of January, 1991, a correct copy of the Company's Late Filed Exhibits Numbers 1 through 4 were sent by U. S. Mail to the individuals listed below:

FREDERICK M. BRYANT, of
Moore, Williams, Bryant,
Peebles & Gautier, P.A.
306 East College Avenue
Tallahassee, FL 32302

Robert Elias, Staff Attorney
Florida Public Service Commission
101 East Gaines Street
Tallahassee, FL 32301



William E. Eaton, Jr.
Attorney at Law
Suite 301 Flagler Court Building
215 Fifth Street
West Palm Beach, FL 33401

Docket No. 900151-GU
Witness: Jackson

Late Filed Exhibit 1

**FLORIDA PUBLIC UTILITIES COMPANY
NATURAL GAS DIVISION**
=====

The justification for using an arithmetic growth rate rather than a geometric growth rate in the Risk Premium Analysis is provided on pages 122-124 of SBBI, 1990 Yearbook of Ibbotson Associates. Copies of these pages are attached.

DOCUMENT NUMBER-DATE

00095 JAN -3 1991

FPSC-RECORDS/REPORTING .

In estimating the CAPM market risk premium, it is important to subtract the appropriate measure of bond yields. The realized yield, or bond income return, is the appropriate measure -- not the stated yield, which is forward-looking. The bond income return is constructed as the total return which would have occurred on the bond had the yield not changed over the period. That is, the income return is the return realized from yield alone, before capital appreciation or loss.

The reason total returns on equities are used in estimating the market risk premium is that equities have no market observable expected return (i.e., no counterpart to the yield-to-maturity on bonds). Therefore, the best measure available, realized total returns, is used.

Arithmetic versus Geometric Mean

Arithmetic Mean Return: Why it is the Correct Discount Rate

The arithmetic mean is the rate of return which, when compounded over multiple periods, gives the mean of the probability distribution of ending wealth values. (A simple mathematical example given below shows that this is true.) This makes the arithmetic mean return appropriate for computing a discount rate and for the cost of capital or market required rate of return. The discount rate that equates expected (mean) future values with the present value of an investment is that investment's cost of capital. The logic of using the discount rate as the cost of capital is reinforced by noting that investors will discount their expected (mean) ending wealth values from an investment back to the present using the arithmetic mean, for the reason given above. They will therefore require such an expected (mean) return prospectively (that is, in the present looking toward the future) in order to commit their capital to the investment. The discount rate is the market required rate of return or cost of capital.

The following example illustrates the fact that the arithmetic mean, compounded over the number of years that an investment is held, provides the best estimate of the ending wealth value of the investment.

Assume that a dollar invested has two possible outcomes each year: it rises 30 percent or falls 10 percent. Each of these outcomes occur with a probability of 0.5. After one year, the possible outcomes are:

<u>Ending wealth value</u>	<u>Probability</u>
\$1.30	0.50
0.90	0.50

Now, let's extend the example one more year. The investment could start at \$1.30 and rise 30 percent or fall 10 percent (i.e., rise to \$1.69 or fall to \$1.17 each with a probability of 0.25). Alternatively, the investment could start at \$0.90 and rise 30 percent or fall 10 percent (i.e., rise to \$1.17 or fall to \$0.81, again each with a probability of 0.25). After two years, the possible outcomes are:

<u>Ending wealth value</u>	<u>Probability</u>	<u>Value x Probability</u>
\$ 1.69	0.25	0.4225
1.17	0.50	0.5850
0.81	0.25	<u>0.2025</u>
	Summation:	\$1.2100

Note that an extra column has been added: value times probability. The summation (\$1.21) represents the statistical expectation of the wealth an investor in this security would have after two years.

The return required in order for an investment to grow from \$1.00 to (an expected) \$1.21 in two years can now be calculated.

This is given by $(1.21 / 1.00)^{1/2} - 1 = 0.10$ or 10 percent. Remarkably, 10 percent is also the arithmetic mean of the two returns, +30 and -10 percent. The geometric mean of the two returns is $(1.3 \times 0.9)^{1/2} - 1 = 0.082$ or 8.2 percent.

Clearly, the arithmetic mean is the rate of return that equates the expected future value of an investment with its present value. This property makes the arithmetic mean the correct return to use as the discount rate or cost of capital.

Stated another way, the arithmetic mean is correct because an investment with uncertain returns will have a higher expected ending wealth value than an investment which simply earns (with certainty) its compound or geometric rate of return every year. In the above example, compounding at the geometric rate of return (8.2 percent) for two years yields a terminal wealth of \$1.17, based on a dollar invested. But holding the uncertain investment, with a possibility of high returns (two +30 percent years in a row) as well as low returns (two -10 percent years in a row, in the example), yields a higher expected terminal wealth, \$1.21. In other words, more money (terminal wealth) is gained by higher-than-expected returns than is lost by lower-than- expected returns.

Therefore, in the investment markets, where returns are a probability distribution, the measure that accounts for uncertainty -- the arithmetic mean -- is the appropriate one for estimating discount rates and the cost of capital.

Applications of the Cost of Capital

As noted earlier, the cost of capital has many different applications in investment management, corporate finance, regulatory and tax issues, valuation, and other settings. Three of the most common applications are discussed below.

The Cost of Capital in a Regulatory Environment

When discounting cash flows projected over a long period, it is necessary to discount them by a long-term cost of capital. Also, regulatory processes for setting rates often specify or suggest that the desired rate of return for a regulated firm is that which would allow the firm to attract and retain debt and equity capital over the long term. Thus, the long-term cost of capital is typically the appropriate cost of capital to use in regulated ratesetting.

Late Filed Exhibit 2

Schedule 5

FLORIDA PUBLIC UTILITIES COMPANY
NATURAL GAS DIVISION

MEASURE OF COST OF COMMON EQUITY USING
CAPITAL ASSET PRICING MODEL
USING GEOMETRIC GROWTH RATE

1 Capital Asset Pricing Model:

2 -----

3 $Ke = Rf + Rp(B)$

4

5 Where:

6 Ke = Current cost of equity

7 Rf = Risk-free rate

8 Rp = Risk premium

9 B = Beta

10

11 Let risk-free rate be represented by U. S. Government Bond,
12 10% Issue of 2005/2010 (8.90%)

13

14 Let risk premium be equal to difference between common stock
15 returns and long-term government bond returns (7.51%)

16

17 Let beta be equal to average of gas utility companies (0.70)

18

19

	End of	End of	Geom
Risk Premium:	1925	1989	Growth

20 -----

21

22 Common Stocks	1.000	534.456	10.31%
23 LT Government Bonds	1.000	17.296	4.55%
24			-----
25 Difference			5.76%
26			-----

Late Filed Exhibit 3

Appendix B
 Updated

FLORIDA PUBLIC UTILITIES COMPANY
 NATURAL GAS DIVISION

LIST OF COMPARISON COMPANIES

	(000) Total Capital	Common Equity Ratio	#Empl	#Gas Custs	#Shldrs
	(1)	(2)	(3)	(4)	(5)
1 Chesapeake Utilities	\$61,852	52%	320	27,495	1,289
2 Delta Natural Gas	\$35,233	44%	182	28,687	2,166
3 Essex County Gas	\$43,810	43%	120	36,179	1,343
4 Fall River Gas	\$27,671	42%	177	45,557	1,219
5 Mobile Gas Service	\$46,015	57%	251	84,932	1,712
6 Roanoke Gas	\$27,012	47%	179	42,462	912
7 Wisconsin Southern Gas	\$20,997	55%	147	43,101	1,289
8					
9 Average	\$37,513	49%	197	44,059	1,419
10 Median	\$35,233	47%	179	42,462	1,289
11					
12 Florida Public Utilities	\$34,471	41%	294	41,989	965
13					

14 Source: Edward D. Jones & Co:

15 a. Financial & Common Stock Information, Month Ended Nov 30/90

16 b. 1989 Natural Gas Industry Review

Docket No. 900151-GU

Witness: Jackson

Late Filed Exhibit 4

**FLORIDA PUBLIC UTILITIES COMPANY
NATURAL GAS DIVISION**

An information sheet for each of the comparison companies showing subsidiaries and activities is contained in the "1989 Natural Gas Industry Review" published by Edward D. Jones & Co. Copies are attached.



COMPANY: Chesapeake Utilities Corporation
HOME OFFICE: 801 Silver Lake Boulevard
 Cannon Building
 Dover, DE 19901

PHONE NO.: 302-734-6755

OFFICERS: John W. Jardine, Jr., Chmn. & CEO
 Ralph J. Adkins, Pres. & COO
 Terrence D. Davis, VP
 John R. Schinkaitis, VP, Tres. & Asst. Secy.
 Wayne L. Hart, Corp. Secy. & Asst. Tres.

STATES SERVED: DE, FL & MD

MAJOR CITIES SERVED: Dover, DE; Winter Haven, FL; Salisbury, MD

ACCOUNTANTS: Coopers & Lybrand
NO. OF EMPLOYEES: 320

STOCK LISTING/SYMBOL: OTC/CHPK
NO. OF STOCKHOLDERS: 1,289
% OF SHARES HELD BY INSTITUTIONS: 15.5%
INSIDERS: 9.3%
ANNUAL TRADING VOLUME: 549,000
AS % OF SHARES O/S: 16.1%
BOND RATINGS: -/-

SUBSIDIARIES/ACTIVITIES: (See page 65 for additional subs)
 Eastern Shore Natural Gas Co.-Gas transmission.
 Dover Exploration Co.-Gas & oil exploration; sub of Eastern Shore.
 Sharp Energy, Inc.-Propane & oil products distribution.
 Sharpgas, Inc.-Propane distribution; sub of Sharp Energy.
 Sharpoil, Inc.-Propane distribution; sub of Sharp Energy.
 Hillsborough Propane Gas Co.-Propane distribution; sub of Sharp Energy.

GAS SUPPLY: Transco, Columbia Gas Transmission & Florida Gas Transmission

OPERATING REVENUES:

	1989		1988	
	Dollars (000)	% of Rev.	Dollars (000)	% of Rev.
Natural Gas	\$57,069	71.1%	\$51,657	87.4%
Propane	14,554	18.2	5,360	9.1
Oil Products	6,590	8.2	653	1.1
Other	2,025	2.5	1,395	2.4
	\$80,238	100.0%	\$59,065	100.0%

FINANCIAL AND OPERATING SUMMARY

Fiscal Year 12-31	1989	1988	1987	1986	1985	Compound Growth Rate
Assets (000)	\$84,784	\$75,228	\$46,301	\$42,363	\$39,573	21.0 %
Net Plant & Equip. (000)	\$57,635	\$50,846	\$34,061	\$31,038	\$26,186	21.8 %
Total Capitalization (000)	\$60,749	\$49,917	\$29,826	\$28,377	\$25,161	24.7 %
Common Equity (000)	\$32,216	\$20,305	\$18,911	\$17,417	\$16,679	17.9 %
Shares O/S (000)	3,405	2,576	2,371	2,368	2,363	
Total Operating Rev. (000)	\$80,238	\$59,065	\$56,087	\$49,881	\$46,020	14.9 %
Gas Sales (000)	\$56,612	\$51,219	\$52,149	\$45,828	\$42,027	7.7 %
Transportation Rev. (000)	\$457	\$438	\$492	\$994	\$1,091	-19.6 %
Gross Margin from Gas Sales (000)	\$7,339	\$14,120	\$14,546	\$11,958	\$9,304	-5.8 %
Net Income (000)	\$3,605	\$2,755	\$3,338	\$2,507	\$2,889	5.7 %
Income for Common (000)	\$3,605	\$2,755	\$3,338	\$2,507	\$2,889	5.7 %
Return on Equity (year-end)	11.2 %	13.6 %	17.7 %	14.4 %	17.3 %	
Return on Equity (average)	13.7 %	14.1 %	18.4 %	14.7 %	18.0 %	
EPS	\$1.10	\$1.07	\$1.41	\$1.06	\$1.22	-2.6 %
DPS	\$0.84	\$0.82	\$0.76	\$0.76	\$0.71	4.3 %
Dividend Payout	76 %	77 %	55 %	72 %	58 %	
Book Value per Share	\$9.46	\$7.88	\$7.98	\$7.36	\$7.06	7.6 %
Stock Price Range (Calendar Year)	High \$16.375 Low \$12.250	High \$16.625 Low \$13.125	High \$17.625 Low \$12.625	High \$17.250 Low \$9.750	High \$12.000 Low \$9.375	
Total Volume (MBCF)	18,072	17,821	17,554	17,211	14,996	4.8 %
Number of Customers (Gas)	27,495	26,274	24,232	23,130	20,378	7.8 %
Degree Days (Dover Base)	5,124	5,037	4,608	4,628	4,368	
% of Normal	107.5 %	105.7 %	95.4 %	94.9 %	88.6 %	

All figures have been adjusted to reflect the 3/2 stock splits of 4-4-89 & 10-3-86.



SUBSIDIARIES/ACTIVITIES:
 Delta Resources, Inc.-Buys & sells gas.
 Delgasco, Inc.-Buys & sells gas.
 Deltran, Inc.-Engages in pipeline projects.
 Enpro, Inc.-Oil & gas production.

COMPANY: Delta Natural Gas Company, Inc.
HOME OFFICE: 3617 Lexington Road
 Winchester, KY 40391

PHONE NO.: 606-744-6171

OFFICERS: Harrison D. Peet, Chmn.
 Glenn R. Jennings, Pres. & CEO
 Alan L. Heath, VP-Oper. & Eng.
 Jane W. Hylton, VP-Hum. Res. & Secy.
 Thomas A. Kohnle, VP-Cont.
 John F. Hall, VP-Reg. Matters & Tres.
 Robert C. Hazelrigg, VP-Mkt. & P.R.

GAS SUPPLY: Columbia Gas Transmission,
 Tennessee Gas Pipeline, Miser Oil & Enpro (sub)

STATES SERVED: KY
MAJOR CITIES SERVED: Barbourville, Berea,
 Corbin & Nicholasville, KY

1989 REVENUES FROM GAS OPERATIONS: \$23,084,000
AS % OF TOTAL OPERATING REVENUES: 89.9%

ACCOUNTANTS: Arthur Andersen & Co.
NO. OF EMPLOYEES: 182

	Dollars (000)	%	MCF	%
Residential	\$12,492	54.1%	2,200	27.4%
Commercial	6,189	26.8	1,170	14.6
Industrial	1,817	7.9	373	4.7
Total Gas Sales	20,498	88.8	3,743	46.7
Transportation	2,586	11.2	4,269	53.3
	\$23,084	100.0%	8,012	100.0%

STOCK LISTING/SYMBOL: OTC/DGAS
NO. OF STOCKHOLDERS: 2,166
% OF SHARES HELD BY INSTITUTIONS: 4.4%
INSIDERS: 9.4%
ANNUAL TRADING VOLUME: 702,000
AS % OF SHARES O/S: 45.1%
BOND RATINGS: -/-

FINANCIAL AND OPERATING SUMMARY

	1989	1988	1987	1986	1985	Compound Growth Rate
Fiscal Year 6-30						
Assets (000)	\$40,234	\$36,259	\$34,094	\$27,735	\$26,675	10.8 %
Net Plant & Equip. (000)	\$36,038	\$32,626	\$30,443	\$24,860	\$23,380	11.4 %
Total Capitalization (000)	\$32,258	\$28,486	\$26,941	\$20,550	\$19,325	13.7 %
Common Equity (000)	\$15,663	\$10,468	\$10,113	\$9,962	\$9,841	12.3 %
Shares O/S (000)	1,557	1,149	1,143	1,138	1,132	
Total Operating Rev. (000)	\$25,684	\$23,502	\$24,651	\$26,605	\$29,695	-3.6 %
Gas Sales (000)	\$20,498	\$19,371	\$21,383	\$24,191	\$28,011	-7.5 %
Transportation Rev. (000)	\$2,586	\$2,321	\$1,854	\$1,254	\$794	34.3 %
Gross Margin from Gas Sales (000)	\$10,071	\$10,610	\$10,386	\$9,694	\$9,237	2.2 %
Net Income (000)	\$1,535	\$1,476	\$1,382	\$1,352	\$1,108	8.5 %
Income for Common (000)	\$1,535	\$1,476	\$1,271	\$1,240	\$997	11.4 %
Return on Equity (year-end)	9.8 %	14.1 %	12.6 %	12.4 %	10.1 %	
Return on Equity (average)	11.7 %	14.3 %	12.7 %	12.5 %	12.6 %	
EPS	\$1.07	\$1.29	\$1.11	\$1.09	\$1.01	1.5 %
DPS	\$1.07	\$1.04	\$1.04	\$1.04	\$1.04	0.7 %
Dividend Payout	100 %	81 %	94 %	95 %	103 %	
Book Value per Share	\$10.06	\$9.11	\$8.85	\$8.75	\$8.69	3.7 %
Stock Price Range	High	\$16.375	\$14.375	\$14.625	\$11.750	
(Calendar Year)	Low	\$13.500	\$11.375	\$10.750	\$10.000	
Total Volume (MCF)	8,012	7,234	6,531	5,984	5,768	8.6 %
Number of Customers	28,687	28,182	27,739	27,480	27,476	1.1 %
Degree Days (Lexington)	4,681	4,709	4,482	4,332	4,521	
% of Normal	98.0 %	98.6 %	93.8 %	90.7 %	94.7 %	

Essex County Gas Company

SUBSIDIARIES/ACTIVITIES:
LNG Storage, Inc.-Storage of liquefied natural gas.

COMPANY: Essex County Gas Company
HOME OFFICE: 7 North Hunt Road
P.O. Box 500
Amesbury, MA 01913

PHONE NO.: 508-388-4000

OFFICERS: Charles E. Billups, Chmn.
L. David Vincola, Pres. & CEO
Wayne I. Brooks, VP
Allen R. Neale, VP
John W. Purdy, Jr., VP
James H. Hastings, Tres.
Cathy E. Brown, Clerk

STATES SERVED: MA

MAJOR CITIES SERVED: Amesbury, Haverhill,
Ipswich & Newburyport, MA

ACCOUNTANTS: Arthur Andersen & Co.
NO. OF EMPLOYEES: 120

STOCK LISTING/SYMBOL: OTC/ECGC
NO. OF STOCKHOLDERS: 1,343

% OF SHARES HELD BY
INSTITUTIONS: 2.9%
INSIDERS: 17.8%

ANNUAL TRADING VOLUME: 187,000

AS % OF SHARES O/S: 15.1%

BOND RATINGS: -/-

GAS SUPPLY: Tennessee Gas Pipeline, Distrigas of
Massachusetts (LNG) & Bay State Gas (LNG)

1989 REVENUES FROM U.S. OPERATIONS: \$33,515,000
AS % OF TOTAL OPERATING REVENUES: 97.8%

	Dollars (000)	%	MFCF	%
Residential	\$21,574	64.4%	2,994	55.6%
Commercial & Industrial	10,320	30.8	1,709	31.8
Interruptible	1,621	4.8	680	12.6
Total Gas Sales	33,515	100.0	5,383	100.0
Transportation	0	0.0	0	0.0
	\$33,515	100.0%	5,383	100.0%

FINANCIAL AND OPERATING SUMMARY

Fiscal Year 8-31	1989	1988	1987	1986	1985	Compound Growth Rate
Assets (000)	\$58,069	\$51,764	\$48,111	\$47,090	\$42,152	8.3 %
Net Plant & Equip. (000)	\$48,149	\$49,920	\$38,563	\$35,408	\$32,408	10.4 %
Total Capitalization (000)	\$42,415	\$34,863	\$31,401	\$29,816	\$26,957	12.0 %
Common Equity (000)	\$17,383	\$15,915	\$14,526	\$13,516	\$11,286	11.4 %
Shares O/S (000)	1,241	1,215	1,186	1,075	954	
Total Operating Rev. (000)	\$34,253	\$33,878	\$31,164	\$33,023	\$35,814	-1.1 %
Gas Sales (000)	\$33,515	\$33,214	\$30,433	\$32,361	\$35,263	-1.3 %
Transportation Rev. (000)	\$0	\$0	\$0	\$0	\$0	0.0 %
Gross Margin from Gas Sales (000)	\$15,295	\$14,650	\$11,776	\$13,297	\$12,185	5.8 %
Net Income (000)	\$2,404	\$2,192	\$1,846	\$1,607	\$1,551	11.6 %
Income for Common (000)	\$2,380	\$2,167	\$1,821	\$1,581	\$1,524	11.8 %
Return on Equity (year-end)	13.7 %	13.6 %	12.5 %	11.7 %	13.5 %	
Return on Equity (average)	14.3 %	14.2 %	13.0 %	12.7 %	14.0 %	
EPS	\$1.94	\$1.80	\$1.56	\$1.61	\$1.63	4.4 %
DPS	\$1.24	\$1.19	\$1.16	\$1.16	\$1.16	1.7 %
Dividend Payout	64 %	66 %	74 %	72 %	71 %	
Book Value per Share	\$14.01	\$13.10	\$12.25	\$12.57	\$11.83	4.3 %
Stock Price Range	High					
(Calendar Year)	Low					
	\$18.750	\$18.250	\$19.500	\$19.125	\$13.875	
	\$16.750	\$14.000	\$13.750	\$12.250	\$10.875	
Total Volume (MFCF)	5,383	5,145	4,963	4,418	4,753	3.2 %
Number of Customers	36,179	34,949	33,605	32,237	31,179	3.8 %
Degree Days	6,662	6,698	6,827	6,735	6,679	
% of Normal	97.0 %	97.5 %	98.8 %	97.3 %	96.5 %	

All figures have been adjusted to reflect the 2/1 stock split of 4-1-87.



FALL RIVER GAS COMPANY

COMPANY: Fall River Gas Company
HOME OFFICE: 155 North Main Street
 P.O. Box 911
 Fall River, MA 02722

PHONE NO.: 508-675-7811

OFFICERS: Raymond H. Faxon, Chmn.
 Bradford J. Faxon, Pres.
 Herbert Boothman, Jr., Ex. VP
 Peter H. Thanas, Finl. VP & Tres.
 A. Newell Robb, VP
 Thomas L. Stanton, VP
 Robert J. Pollock, Clerk

STATES SERVED: MA

MAJOR CITIES SERVED: Fall River, Somerset,
 Swansea & Westport, MA

ACCOUNTANTS: Arthur Andersen & Co.
NO. OF EMPLOYEES: 177

STOCK LISTING/SYMBOL: OTC/-
NO. OF STOCKHOLDERS: 1,219
% OF SHARES HELD BY INSTITUTIONS: N/A
INSIDERS: 16.9%
ANNUAL TRADING VOLUME: N/A
% OF SHARES O/S: N/A
BOND RATINGS: -/-

SUBSIDIARIES/ACTIVITIES:
 Fall River Gas Appliance Co., Inc.-Marketing of household appliances, rental water heaters & conversion burners.

GAS SUPPLY: Algonquin Gas Transmission

1989 REVENUES FROM GAS OPERATIONS: \$36,412,000
AS % OF TOTAL OPERATING REVENUES: 100.0%

	Dollars (000)	%	MFCF	%
Residential	\$22,533	61.9%	3,898	55.6%
Commercial & Industrial	10,925	30.0	2,284	32.6
Housing Authority	843	2.3	174	2.5
Interruptible	1,944	5.3	650	9.3
Other	167	0.5	0	0.0
Total Gas Sales	36,412	100.0	7,006	100.0
Transportation	0	0.0	0	0.0
	\$36,412	100.0%	7,006	100.0%

FINANCIAL AND OPERATING SUMMARY

<u>Fiscal Year 12-31</u>	<u>1989</u>	<u>1988</u>	<u>1987</u>	<u>1986</u>	<u>1985</u>	<u>Compound Growth Rate</u>	
Assets (000)	\$40,287	\$32,965	\$30,183	\$26,591	\$27,000	10.5 %	
Net Plant & Equip. (000)	\$26,474	\$23,849	\$21,632	\$19,645	\$18,659	9.1 %	
Total Capitalization (000)	\$28,439	\$22,744	\$20,809	\$17,458	\$17,629	12.7 %	
Common Equity (000)	\$12,489	\$12,299	\$11,649	\$10,933	\$10,189	5.2 %	
Shares O/S (000)	890	890	890	890	890		
Total Operating Rev. (000)	\$36,412	\$34,758	\$33,686	\$35,355	\$38,797	-1.6 %	
Gas Sales (000)	\$36,412	\$34,758	\$33,686	\$35,355	\$38,797	-1.6 %	
Transportation Rev. (000)	\$0	\$0	\$0	\$0	\$0	0.0 %	
Gross Margin from Gas Sales (000)	\$12,454	\$12,209	\$11,971	\$11,664	\$10,955	3.3 %	
Net Income (000)	\$1,961	\$2,164	\$2,140	\$2,068	\$1,945	0.2 %	
Income for Common (000)	\$1,961	\$2,164	\$2,140	\$2,068	\$1,945	0.2 %	
Return on Equity (year-end)	15.7 %	17.6 %	18.4 %	18.9 %	19.1 %		
Return on Equity (average)	15.8 %	18.1 %	19.0 %	19.6 %	19.8 %		
EPS	\$2.20	\$2.43	\$2.40	\$2.32	\$2.18	0.2 %	
DPS	\$1.99(a)	\$1.70	\$1.60	\$1.49	\$1.38	9.6 %	
Dividend Payout	90 %	70 %	67 %	64 %	63 %		
Book Value per Share	\$14.03	\$13.82	\$13.09	\$12.28	\$11.45	5.2 %	
Stock Price Range	High	\$38.000	\$35.500	\$25.000	\$18.125	\$14.875	
(Calendar Year)	Low	\$34.500	\$28.000	\$20.000	\$15.000	\$13.000	
Total Volume (MFCF)	7,006	6,729	6,540	5,918	6,081	3.6 %	
Number of Customers	45,557	44,730	44,089	43,076	42,410	1.8 %	
Degree Days	6,085	6,202	6,085	6,145	5,928		
% of Normal	103.0 %	102.5 %	100.1 %	101.2 %	97.5 %		

(a) Includes extra dividend of \$.15.

All figures have been adjusted to reflect the 3/1 stock split of 1-15-88.



MOBILE GAS

SERVICE CORPORATION

COMPANY: Mobile Gas Service Corporation
 HOME OFFICE: 2828 Dauphin Street
 Mobile, AL 36606

PHONE NO.: 205-476-2720

OFFICERS: William J. Hearin, Chmn.
 Walter L. Howell, Pres. & CEO
 Wendell D. Cleaver, Ex. VP & COO
 John D. McAlister, VP & Tres.
 W.G. Coffeen, III, VP-Mkt.
 Frederick R. Crawford, VP-Rates
 Sam M. Johnston, Jr., Secy.

STATES SERVED: AL

MAJOR CITIES SERVED: Mobile, AL

ACCOUNTANTS: Deloitte & Touche
 NO. OF EMPLOYEES: 251

STOCK LISTING/SYMBOL: OTC/MBLE
 NO. OF STOCKHOLDERS: 1,712

% OF SHARES HELD BY
 INSTITUTIONS: 14.9%
 INSIDERS: 10.9%
 ANNUAL TRADING VOLUME: 340,000
 AS % OF SHARES O/S: 12.6%
 BOND RATINGS: -/-

SUBSIDIARIES/ACTIVITIES:
 MGS Energy Services, Inc.-Contract work.

GAS SUPPLY: United Gas Pipe Line & UER Marketing

1989 REVENUES FROM GAS OPERATIONS: \$43,248,000
 AS % OF TOTAL OPERATING REVENUES: 93.8%

	Dollars (000)	%	MWCF	%
Residential	\$29,220	67.6%	4,206	21.6%
Commercial	7,413	17.1	1,391	7.1
Industrial-Firm	738	1.7	212	1.1
Industrial-Interruptible	2,344	5.4	870	4.5
Total Gas Sales	39,715	91.8	6,679	34.2
Transportation	3,533	8.2	12,826	65.7
	\$43,248	100.0%	19,505	100.0%

FINANCIAL AND OPERATING SUMMARY

Fiscal Year 9-30	1989	1988	1987	1986	1985	Compound Growth Rate
Assets (000)	\$58,748	\$51,211	\$49,569	\$48,617	\$44,195	7.4 %
Net Plant & Equip. (000)	\$47,193	\$41,408	\$38,517	\$37,750	\$36,643	6.5 %
Total Capitalization (000)	\$45,046	\$35,100	\$34,326	\$35,129	\$30,939	9.8 %
Common Equity (000)	\$24,961	\$23,663	\$21,700	\$20,436	\$20,081	5.6 %
Shares O/S (000)	2,705	2,697	2,688	2,680	2,666	
Total Operating Rev. (000)	\$46,094	\$58,119	\$62,226	\$55,314	\$64,176	-7.9 %
Gas Sales (000)	\$39,715	\$52,331	\$57,118	\$51,831	\$60,752	-10.1 %
Transportation Rev. (000)	\$3,533	\$3,286	\$2,450	\$663	\$691	50.4 %
Gross Margin from Gas Sales (000)	\$22,098	\$24,108	\$24,425	\$19,647	\$21,692	0.5 %
Net Income (000)	\$3,316	\$3,866	\$3,070	\$2,048	\$2,347	9.0 %
Income for Common (000)	\$3,286	\$3,837	\$3,041	\$2,018	\$2,318	9.1 %
Return on Equity (year-end)	13.2 %	16.2 %	14.0 %	9.9 %	11.5 %	
Return on Equity (average)	13.5 %	16.9 %	14.4 %	10.0 %	11.8 %	
EPS	\$1.22	\$1.42	\$1.13	\$0.75	\$0.87	8.8 %
DPS	\$0.78	\$0.74	\$0.71	\$0.67	\$0.65	4.7 %
Dividend Payout	64 %	52 %	63 %	89 %	75 %	
Book Value per Share	\$9.23	\$8.77	\$8.07	\$7.63	\$7.53	5.2 %
Stock Price Range (Calendar Year)	High Low	\$18.000 \$11.750	\$17.250 \$11.000	\$14.625 \$11.000	\$14.375 \$8.125	
Total Volume (MWCF)	19,505	9,372	9,381	9,223	11,496	14.1 %
Number of Customers	84,932	85,643	85,875	86,047	85,887	-0.3 %
Degree Days	1,386	1,818	1,692	1,542	1,657	
% of Normal	81.8 %	107.3 %	99.8 %	91.0 %	97.8 %	

All figures have been adjusted to reflect the 3/2 stock split of 7-10-87.



COMPANY: Roanoke Gas Company
HOME OFFICE: 519 Kimball Avenue, N.E.
 Roanoke, VA 24016

PHONE NO.: 703-344-6651

OFFICERS: Edward C. Dunbar, Pres. & CEO
 Frank A. Farmer, Jr., Sr. VP-Oper. & Planning
 Roger L. Baumgardner, VP-Secy. & Tres.
 Wilbur L. Hazlegrove, VP & Genl. Cnsl.
 Howard D. Farmer, VP-Sales

STATES SERVED: VA & WV

MAJOR CITIES SERVED: Roanoke, Salem & Vinton, VA
 Bluefield, WV

ACCOUNTANTS: Deloitte & Touche
NO. OF EMPLOYEES: 179

STOCK LISTING/SYMBOL: OTC/-
NO. OF STOCKHOLDERS: 912
% OF SHARES HELD BY INSTITUTIONS: N/A
INSIDERS: 31.2%
ANNUAL TRADING VOLUME: 142,000
% OF SHARES O/S: 25.1%
BOND RATINGS: -/-

SUBSIDIARIES/ACTIVITIES:
 Bluefield Gas Co.-Natural gas distribution.
 Highland Propane Co.-Propane distribution.

GAS SUPPLY: Columbia Gas Transmission & East Tennessee Natural Gas

1989 REVENUES FROM GAS OPERATIONS: \$44,274,000
AS % OF TOTAL OPERATING REVENUES: 100.0%

	Dollars (000)	%	MWCF	%
Residential	\$22,637	51.1%	4,057	43.5%
Commercial	11,796	26.6	2,392	25.7
Interruptible	9,512	21.5	2,868	30.8
Late Payment				
Charges	23	0.1	0	0.0
Miscellaneous	306	0.7	0	0.0
Total Gas Sales	44,274	100.0	9,317	100.0
Transportation	0	0.0	0	0.0
	\$44,274	100.0%	9,317	100.0%

FINANCIAL AND OPERATING SUMMARY

Fiscal Year 9-30	1989	1988	1987	1986	1985	Compound Growth Rate	
Assets (000)	\$36,611	\$33,748	\$31,787	\$25,381	\$24,875	10.1 %	
Net Plant & Equip. (000)	\$25,134	\$22,278	\$20,693	\$18,193	\$17,126	10.1 %	
Total Capitalization (000)	\$26,438	\$25,046	\$22,231	\$19,003	\$19,143	8.4 %	
Common Equity (000)	\$11,619	\$11,478	\$11,313	\$9,415	\$10,592	2.3 %	
Shares O/S (000)	565	565	565	496	496		
Total Operating Rev. (000)	\$44,274	\$41,956	\$37,589	\$40,102	\$43,188	0.6 %	
Gas Sales (000)	\$44,274	\$41,956	\$37,589	\$40,102	\$43,188	0.6 %	
Transportation Rev. (000)	\$0	\$0	\$0	\$0	\$0	0.0 %	
Gross Margin from Gas Sales (000)	\$13,584	\$13,418	\$11,533	\$11,743	\$10,044	7.8 %	
Net Income (000)	\$1,269	\$1,368	\$1,002(a)	\$829	\$1,063	4.5 %	
Income for Common (000)	\$1,269	\$1,368	\$1,002(a)	\$829	\$1,063	4.5 %	
Return on Equity (year-end)	10.9 %	11.9 %	8.9 %	8.8 %	10.0 %		
Return on Equity (average)	11.0 %	12.0 %	9.7 %	8.3 %	10.4 %		
EPS	\$2.25	\$2.42	\$1.92(a)	\$1.67	\$2.14	1.3 %	
DPS	\$2.00	\$1.91	\$1.88	\$1.80	\$1.75	3.4 %	
Dividend Payout	89 %	79 %	98 %	108 %	82 %		
Book Value per Share	\$20.56	\$20.32	\$20.02	\$18.98	\$21.35	-0.9 %	
Stock Price Range	High	\$34.000	\$32.500	\$31.500	\$27.500	\$24.125	
(Calendar Year)	Low	\$32.500	\$30.500	\$27.500	\$24.125	\$19.000	
Total Volume (MWCF)	9,317	9,212	7,823	7,513	7,483	5.6 %	
Number of Customers	42,462	41,149	39,454	34,279	33,390	6.2 %	
Degree Days	4,312	4,448	4,282	3,943	3,715		
% of Normal	101.4 %	102.7 %	99.2 %	91.4 %	86.1 %		

(a) Excludes \$89,957 (cr.) cumulative effect of a change in accounting method (\$.17 per share).



WISCONSIN SOUTHERN GAS COMPANY

SUBSIDIARIES/ACTIVITIES:
None.

COMPANY: Wisconsin Southern Gas Co., Inc.
HOME OFFICE: 120 East Sheridan Springs Road
Lake Geneva, WI 53147

PHONE NO.: 414-248-8861

OFFICERS: Willard L. Decker, Pres. & CEO
Charles O. Larson, Sr. VP-Mkt.
Richard E. Johnson, VP & Tres.
John A. Kilsdonk, VP-Eng. & Oper.
Judith A. Gialmo, Asst. Secy. & Asst. Tres.

GAS SUPPLY: Natural Gas Pipeline of America,
Northern Natural Gas & ANR Pipeline

STATES SERVED: WI
MAJOR CITIES SERVED: Walworth, Racine, Rock,
Crawford & Kenosha counties, WI

1989 REVENUES FROM GAS OPERATIONS: \$38,615,000
AS % OF TOTAL OPERATING REVENUES: 100.0%

ACCOUNTANTS: Arthur Andersen & Co.
NO. OF EMPLOYEES: 147

	Dollars (000)	%	MFCF	%
Residential	\$24,193	62.7%	4,541	47.0%
Commercial	9,435	24.4	2,216	23.0
Industrial	2,430	6.3	773	8.0
Other	203	0.5	0	0.0
Total Gas Sales	36,261	93.9	7,530	78.0
Transportation	2,354	6.1	2,127	22.0
	\$38,615	100.0%	9,657	100.0%

STOCK LISTING/SYMBOL: OTC/MISC
NO. OF STOCKHOLDERS: 1,289
% OF SHARES HELD BY INSTITUTIONS: 4.3%
INSIDERS: 35.5%
ANNUAL TRADING VOLUME: 71,000
AS % OF SHARES O/S: 7.5%
BOND RATINGS: -/-

FINANCIAL AND OPERATING SUMMARY

<u>Fiscal Year 12-31</u>	<u>1989</u>	<u>1988</u>	<u>1987</u>	<u>1986</u>	<u>1985</u>	<u>Compound Growth Rate</u>	
Assets (000)	\$32,455	\$29,662	\$27,470	\$29,264	\$29,531	2.4 %	
Net Plant & Equip. (000)	\$20,505	\$18,892	\$17,623	\$17,335	\$16,664	5.3 %	
Total Capitalization (000)	\$20,236	\$18,618	\$17,500	\$17,139	\$16,136	5.8 %	
Common Equity (000)	\$11,688	\$10,318	\$9,186	\$8,516	\$8,148	9.4 %	
Shares O/S (000)	945	938	928	921	912		
Total Operating Rev. (000)	\$38,615	\$36,511	\$32,264	\$38,144	\$43,519	-2.9 %	
Gas Sales (000)	\$36,261	\$34,599	\$30,396	\$37,766	\$43,519	-4.5 %	
Transportation Rev. (000)	\$2,354	\$1,912	\$1,868	\$378	\$0	NMF	
Gross Margin from Gas Sales (000)	\$15,201	\$14,559	\$13,246	\$12,678	\$12,861	4.3 %	
Net Income (000)	\$1,940(a)	\$1,901	\$1,420	\$1,067	\$1,754	2.6 %	
Income for Common (000)	\$1,940(a)	\$1,878	\$1,383	\$1,026	\$1,710	3.2 %	
Return on Equity (year-end)	16.6 %	18.2 %	15.1 %	12.0 %	21.0 %		
Return on Equity (average)	17.6 %	19.3 %	15.6 %	12.3 %	22.5 %		
EPS	\$2.06(a)	\$2.01	\$1.50	\$1.12	\$1.89	2.2 %	
DPS	\$1.14	\$1.01	\$0.93	\$0.90	\$0.83	8.3 %	
Dividend Payout	55 %	50 %	62 %	80 %	44 %		
Book Value per Share	\$12.37	\$11.00	\$9.90	\$9.25	\$8.93	8.5 %	
Stock Price Range (Calendar Year)	High Low	\$34.500 \$16.375	\$27.625 \$15.625	\$20.875 \$15.625	\$25.125 \$12.125	\$19.250	
Total Volume (MMCF)	9,657	9,033	8,033	8,282	8,747	2.5 %	
Number of Customers	43,101	42,023	40,781	39,891	39,145	2.4 %	
Degree Days	7,134	7,420	6,658	7,132	7,790		
% of Normal	99.8 %	100.4 %	93.7 %	100.3 %	109.8 %		

(a) Excludes \$307,065 (cr.) cumulative effect of a change in accounting method (\$.32 per share).

All figures have been adjusted to reflect the 5% stock dividends of 7-3-89, 7-1-88 & 4-23-87.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for a rate increase)
in natural gas operations by)
FLORIDA PUBLIC UTILITIES COMPANY)


Docket No. 900151-GU

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on the 3rd day of January, 1991, a correct copy of the Company's Late Filed Exhibits Numbers 1 through 4 were sent by U. S. Mail to the individuals listed below:

FREDERICK M. BRYANT, of
Moore, Williams, Bryant,
Peebles & Gautier, P.A.
306 East College Avenue
Tallahassee, FL 32302

Robert Elias, Staff Attorney
Florida Public Service Commission
101 East Gaines Street
Tallahassee, FL 32301



William E. Eaton, Jr.
Attorney at Law
Suite 301 Flagler Court Building
215 Fifth Street
West Palm Beach, FL 33401