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ORIGINAL

October 1, 2002

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BY HAND DELIVERY

Ms. Blanca Bayó, Director
The Commission Clerk and Administrative Services
Room 110, Easley Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

021014 - GU

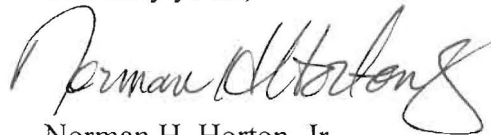
Dear Ms. Bayó:

Enclosed for filing on behalf of Florida Public Utilities Company are an original and fifteen copies of Florida Public Utilities Company's Petition for Approval to Amortize Gain on Sale of Property.

Please acknowledge receipt of this letter by stamping the extra copy of this letter "filed" and returning the same to me.

Thank you for your assistance with this filing.

Sincerely yours,



Norman H. Horton, Jr.

NHH/amb
Enclosures

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FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Florida Public Utilities)
Company for approval of 5 year)
amortization on gain of sale of property)
_____)

Docket No.: 021014-60
Dated: October 1, 2002

PETITION FOR APPROVAL TO AMORTIZE GAIN ON SALE OF PROPERTY

Comes now Florida Public Utilities Company ("FPUC") through undersigned counsel and herewith requests approval to amortize gain on the sale of property over a five year period. As basis FPUC would state:

- 1. The name and address of Petitioner is:

Florida Public Utilities Company
401 South Dixie Highway
West Palm Beach, FL 33401

- 2. The name and address of the person authorized to receive notices and communications with respect to this Petition are:

Norman H. Horton, Jr.,
Messer, Caparello & Self, P. A.
Suite 701, First Florida Bank Building
Post Office Box 1876
Tallahassee, FL 32302-1876

- 3. On July 11, 2002, FPUC sold property located in Deland, Florida, consisting of land, an office building and outbuilding. The property was used primarily as a customer service location and as a general base for propane and natural gas operations.

- 4. The sales price of the property was \$325,000.00. The cost of sales was \$37,595.11 and the net book value of the land and buildings was \$101,294.55 which results in a net gain on the

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FPSC-COMMISSION CLERK

sale of the property of \$186,110.34. Details of these calculations are shown on Attachment "A" hereto.

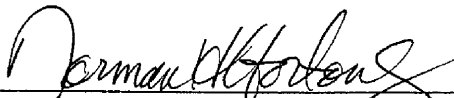
5. The property was used for both nonregulated propane gas and regulated natural gas operations while owned and used by FPUC. The ratio of regulated to nonregulated customers is 85/15 and the gain is being allocated on the basis of that ratio resulting in \$158,193.79 being allocated to the regulated natural gas operations.

6. In order to recognize this gain, FPUC intends to amortize the gain over five (5) years as a credit to depreciation expense beginning in August 2002. This results in an amortization of \$2,636.56 per month as a credit to depreciation expense. This treatment is consistent with prior decisions of the Commission and is in the best interests of the Company and its customers.

For the reasons stated, FPUC requests that the Commission approve the amortization of the gain on the sale of the Deland property over five (5) years commencing August 2002.

Dated this 1st day of October, 2002.

MESSER, CAPARELLO & SELF, P.A.
215 S. Monroe Street, Suite 701
Post Office Box 1876
Tallahassee, FL 32302-1876
(850) 222-0720



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

Attorneys for Florida Public Utilities Company

Florida Public Utilities Company
DeLand Office Property Sold
Basis of Property Sold
Sale Date July 11, 2002

Sales Price			325,000.00
Cost of Sales			(37,595.11)
Net Proceeds			<u>287,404.89</u>
Less:			
Cost of Land		3,771.00	
Net Unrecovered Cost of Building:			
Book Value	178,963.62		
Related			
Reserve ⁽²⁾	(81,440.07)		
Net Building		<u>97,523.55</u>	
Basis of Property Sold			<u>101,294.55</u>
Net Gain			<u><u>186,110.34</u></u>
Allocation Basis - Customers			
Central Florida Natural Gain	85%		158,193.79
Central Florida Propane Gain	15%		27,916.55
Net Gain			<u><u>186,110.34</u></u>

(2) Related Reserve	\$\$	Age - TO 7/31/02	Rate %	Depr. Taken through 7/02
1967 Building & Improvements	8,387.28	35.58	2.50%	7,460.49
1976 Building & Improvements	1,091.68	26.58	2.50%	725.42
1985 Building & Improvements	165,543.66	17.58	2.50%	72,756.44
1995 Building & Improvements	1,450.00	7.58	2.50%	274.78
1999 Building & Improvements	2,491.00	3.58	2.50%	222.94
	<u>178,963.62</u>			<u>81,440.07</u>

ATTACHMENT "A"