



# Brimmer, Burek & Keelan LLP

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## Certified Public Accountants

5601 Mariner Street, Suite 200 • Tampa, Florida 33609  
(813) 282-3400 • Fax (813) 287-8369

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110233-GU

Terry R. Brimmer, CPA  
Brian B. Burek, CPA  
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Richard M. Herman, CPA  
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John F. Keelan, CPA  
Donald T. Keyes, CPA  
Kara K. Keyes, CPA  
Frank D. Lagor, CPA  
Gemma Thomas  
(License in Colorado)

July 21, 2011

Ms. Ann Cole, Commission Clerk  
Office of the Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

A Firm Registered  
with PCAOB

Re: Petition for Approval of 2011 Depreciation Study

Members of:  
Center for  
Public Company  
Audit Firms

Dear Ms. Cole

Enclosed for the filing, please find the original and 5 copies of the Petition for Approval of 2011 Depreciation Study, which is submitted for approval today via FedEx Delivery by Sebring Gas Systems, Inc.

American Institute of  
Certified Public Accountants

Please note the Analysis of the Plant in Service Accounts reports for December 31, 2007, 2008 and 2009 were restated for certain depreciation data to match the Commission's last depreciation order for the Company.

Florida Institute of Certified  
Public Accountants

Please do not hesitate to let me know if you have any questions or concerns.

Sincerely,

Cong Nguyen, CPA  
Brimmer, Burek and Keelan LLP  
5601 Mariner Street, Suite 200  
Tampa, FL 33609  
(813) 282-3400  
[congng@bbkm.com](mailto:congng@bbkm.com)

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# Brimmer, Burek & Keelan LLP

## Certified Public Accountants

5601 Mariner Street, Suite 200 • Tampa, Florida 33609  
(813) 282-3400 • Fax (813) 287-8369

### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for Approval of Sebring )  
Gas Systems, Inc depreciation study )  
for five-year period 2006 through )  
2010. )

Docket No. 110233-GU  
Filed: July 20, 2011

### FLORIDA PUBLIC UTILITIES COMPANY'S PETITION FOR APPROVAL OF 2011 DEPRECIATION STUDY

As required by Rule 25-7.045(8)(a), Florida Administrative Code, attached is the depreciation study as of December 31, 2010. In support of this Petition, the Company states as follows:

1. Name and mailing address of the Company:

Sebring Gas Systems, Inc  
3515 US Highway 27 South  
Sebring, FL 33870-5449

2. Names and mailing addresses of the persons authorized to receive notices and communications with respect to this Petition are:

Cong Nguyen, CPA	Jerry Melendy Jr.
Brimmer, Burek and Keelan LLP	Vice President
5601 Mariner Street, Suite 200	Sebring Gas Systems
Tampa, FL 33609	3515 US Highway 27 South
Sebring, FL 33870-5449	

3. The Company has implemented the purchases of major infrastructure investments and these assets are being depreciated at approved rate per PSC order PSC-07-0482-PAA-GU issued on June 7, 2007. Assets still in service are expected to have continued useful life as noted in the depreciation study proposed depreciation rates based on management's best estimate of the salvage value and the remaining useful life of the assets. Management's assessment of salvage value is based on prior experience in deposition of similar assets, while the assessment of useful life is based on the asset's performance actual operating environment.

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Gemma Thomas  
(License in Colorado)

■  
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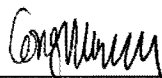
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4. Management propose adjustment to the following assets useful life:
  - a. 376.1 Mains- Steel
  - b. 376.2 Mains- Plastic
  - c. 378 Measuring and Regulating Ept. Gen.
  - d. 378.1 Measuring and Regulating Ept - New
  - e. 380.1 Services- Steel
  - f. 380.2 Services- Plastic
  - g. 382 Meter Installations
  - h. 390 Leasehold Improvements
  - i. 391.1 Office Furniture
  - j. 391.2 Office Equipment
  - k. 392.1 Transportation- Trucks
  - l. 394 Tools, Shop & Garage Equipment
  - m. 397 Communication Equipment
5. The Company respectfully asks that the Commission approve these adjustments as proposed.
6. As of the filing date, the Company is not aware of any disputed issues of material fact regarding this filing
7. Sebring Gas is requesting the effective date of the determined depreciation rates to be on January 1, 2011.

Respectfully submitted this 20<sup>th</sup> day of July, 2011



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Cong Nguyen, CPA  
Brimmer, Burek and Keelan LLP  
5601 Mariner Street, Suite 200  
Tampa, FL 33609  
(813) 282-3400  
[congng@bbkm.com](mailto:congng@bbkm.com)

Accountants for Sebring Gas Systems, Inc

**COMPARISON OF CURRENT AND PROPOSED INPUTS  
FOR EACH DEPRECIABLE ACCOUNT**

Account	Current Approved			Company Proposed		
	Age	Curve Shape	Average Service Life	Age	Curve Shape	Average Service Life
	(Yrs.)	(e.g., L-2.5)	(Yrs.)	(Yrs.)	(e.g., L-2.5)	(Yrs.)
<b>DISTRIBUTION PLANT</b>						
Account number and description, as applicable:						
376.1 - Mains - Steel	30.10		45.00	40.00		45.00
376.2 - Mains - Plastic	11.00		45.00	15.00		45.00
378 - Measuring and Regulating Ept. Gen - Embedded	16.80		33.00	16.80		33.00
378.1 - Measuring and Regulating Ept. - new	0.00		33.00	0.00		33.00
379 - Measuring and Regulating Ept. - City Gate	15.00		32.00	15.00		32.00
380.1 - Services - Steel	29.50		40.00	39.00		40.00
380.2 - Services - Plastic	6.60		40.00	10.00		40.00
381 - Meters	15.70		25.00	15.70		25.00
382 - Meter Installations	17.30		34.00	22.00		34.00
383 - House Regulations	16.90		30.00	18.00		30.00
384 - House Regulator Installations	19.20		34.00	20.50		34.00
386 - Property on Customers' Premises	12.20		20.00	13.50		20.00
387 - Other Equipment	10.00		25.00	13.00		25.00
<b>GENERAL PLANT</b>						
Account number and description						
390.0 - Leasehold Improvements	15.50		40.00	20.00		40.00
391.1 - Office Furniture	12.40		18.00	17.00		18.00
391.2 - Office Equipment	7.40		12.00	8.00		12.00
392.1 - Transportation - Trucks	4.80		8.00	3.00		8.00
392.3 - Transportation - Other	20.00		20.00	20.00		20.00
394 - Tools, Shop & Garage Equipment	2.30		15.00	2.30		15.00
396 - Power Operated Equipment - Embedded	15.00		15.00	15.00		15.00
396 - Power Operated Equipment - New	1.50		15.00	1.50		15.00
397 - Communication Equipment	9.00		12.00	11.00		12.00

PSC/ECR/028-D pursuant to Rule 25-7.045 (4) &amp; (6)(a), Florida Administrative Code

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## COMPARISON OF CURRENT AND PROPOSED COMPONENTS AND RATES

Account	Current Approved			Company Proposed			
	Average Remaining Life	Net Salvage	Remaining Life Rate	Average Remaining Life	Net Salvage	Reserve	Remaining Life Rate
	(Yrs.)	(%)	(%)	(Yrs.)	(%)	(%)	(%)
<b>DISTRIBUTION</b>							
Account number and description, as applicable							
376.1 - Mains - Steel	14.90	-30.00%	2.900%	5.00	-30.00%	88.556	2.229%
376.2 - Mains - Plastic	34.00	-30.00%	2.900%	30.00	-30.00%	32.833	2.229%
378 - Measuring and Regulating Ept. Gen - Embedded	16.20	-2.00%	3.100%	16.20	-2.00%	50.879	3.030%
378.1 - Measuring and Regulating Ept. - new	33.00	-2.00%	3.100%	33.00	-2.00%	-0.040	3.030%
379 - Measuring and Regulating Ept. - City Gate	17.00	-2.00%	3.200%	17.00	-2.00%	46.844	3.120%
380.1 - Services - Steel	10.50	-30.00%	3.300%	1.00	-30.00%	97.193	2.508%
380.2 - Services - Plastic	33.40	-30.00%	3.000%	30.00	-30.00%	24.475	2.508%
381 - Meters	9.30	0.00%	4.000%	9.30	0.00%	62.800	4.000%
382 - Meter Installations	16.70	-5.00%	3.100%	12.00	-5.00%	64.638	2.950%
383 - House Regulations	13.10	0.00%	3.300%	12.00	0.00%	60.000	3.330%
384 - House Regulator Installations	14.80	-3.00%	3.000%	13.50	-3.00%	60.252	2.940%
386 - Property on Customers' Premises	7.80	0.00%	5.000%	6.50	0.00%	67.500	5.000%
387 - Other Equipment	15.00	0.00%	4.000%	12.00	0.00%	52.000	4.000%
<b>GENERAL PLANT</b>							
Account number and description							
390.0 - Leasehold Improvements	24.50	0.00%	2.200%	20.00	0.00%	50.00	2.500%
391.1 - Office Furniture	5.60	0.00%	5.600%	1.00	0.00%	94.44	5.550%
391.2 - Office Equipment	4.60	0.00%	3.300%	4.00	0.00%	66.67	8.330%
392.1 - Transportation - Trucks	3.20	15.00%	6.100%	5.00	15.00%	37.74	12.480%
392.3 - Transportation - Other	0.00	0.00%	5.000%	0.00	0.00%	N/A	5.000%
394 - Tools, Shop & Garage Equipment	12.70	0.00%	6.300%	12.70	0.00%	15.33	6.700%
396 - Power Operated Equipment - Embedded	0.00	0.00%	N/A	0.00	0.00%	N/A	N/A
396 - Power Operated Equipment - New	13.50	0.00%	6.700%	13.50	0.00%	10.00	6.700%
397 - Communication Equipment	3.00	0.00%	7.700%	1.00	0.00%	91.67	8.300%
<b>CAPITAL RECOVERY SCHEDULES, as applicable</b>							

## COMPARISON OF EXPENSES

ACCOUNT	INVESTMENT AS OF 12/31/10 (\$)	RESERVE AS OF 12/31/10 (\$)	CURRENT RATES		PROPOSED RATES		CHANGE IN EXPENSES (\$)
			DEPRECIATION		DEPRECIATION		
			RATE (%)	EXPENSES (\$)	RATE (%)	EXPENSES (\$)	
(a)	(b)	(c)	(d) = (c)*(a)	(e)	(f) = (e)*(a)	(g) = (f)-(d)	
<b>DISTRIBUTION PLANT</b>							
Account number and description, as applicable:							
376.1 - Mains - Steel	\$ 144,104	\$ 135,837	2.900%	4,179	2.2%	3,212	(967)
376.2 - Mains - Plastic	1,379,199	443,149	2.900%	39,997	2.2%	30,742	(9,254)
378 - Measuring and Regulating Ept. Gen - Embedded	10,419	4,001	3.100%	323	3.0%	316	(7)
378.1 - Measuring and Regulating Ept. - new	0	0	3.100%	-	3.0%	-	-
379 - Measuring and Regulating Ept. - City Gate	65,221	27,912	3.200%	2,087	3.1%	2,035	(52)
380.1 - Services - Steel	357,144	383,968	3.300%	11,786	2.5%	8,955	(2,830)
380.2 - Services - Plastic	413,307	145,745	3.000%	12,399	2.5%	10,364	(2,036)
381 - Meters	226,965	105,700	4.000%	9,079	4.0%	9,079	-
382 - Meter Installations	66,036	34,186	3.100%	2,047	3.0%	1,948	(99)
383 - House Regulations	29,194	17,020	3.300%	963	3.3%	972	9
384 - House Regulator Installations	45,098	28,015	3.000%	1,353	2.9%	1,326	(27)
386 - Property on Customers' Premises	34,650	25,422	5.000%	1,732	5.0%	1,732	-
387 - Other Equipment	9,762	4,984	4.000%	390	4.0%	390	-
<b>TOTAL DISTRIBUTION PLAN</b>	<b>\$ 2,781,099</b>	<b>\$ 1,355,940</b>		<b>\$86,336</b>		<b>\$71,072</b>	<b>\$ (15,264)</b>
<b>GENERAL PLANT</b>							
Account number and description, as applicable:							
390.0 - Leasehold Improvements	13,278	1,505	2.200%	292	2.5%	332	40
391.1 - Office Furniture	482	407	5.600%	27	5.6%	27	(0)
391.2 - Office Equipment	24,838	19,662	3.300%	820	8.3%	2,069	1,249
392.1 - Transportation - Trucks	101,216	37,128	6.100%	6,174	12.5%	12,632	6,458
392.3 - Transportation - Other	0	0	5.000%	-	5.0%	-	-
394 - Tools, Shop & Garage Equipment	9,826	3,610	6.300%	619	6.7%	658	39
396 - Power Operated Equipment - Embedded	0		N/A	-	6.7%	-	-
396 - Power Operated Equipment - New	14,185	4,992	6.700%	950	6.7%	950	-
397 - Communication Equipment	1,079	1,053	7.700%	83	8.3%	90	6
<b>TOTAL GENERAL PLANT</b>	<b>\$ 164,902</b>	<b>\$ 68,357</b>		<b>8,965</b>		<b>16,758</b>	<b>7,792</b>
<b>CAPITAL RECOVERY SCHEDULES, as applicable</b>							
<b>TOTAL PLANT</b>	<b>\$ 2,946,001</b>	<b>\$ 1,424,298</b>		<b>\$ 95,301</b>		<b>\$87,829</b>	<b>\$ (7,472)</b>

## THEORETICAL RESERVE

ACCOUNT	INVESTMENT AS OF 12/31/10 (a)	RESERVE AS OF 12/31/10 (b)	Average Service Life (c)	Net Salvage (d)	Whole Life Rate (e) = (100-d)/c	Average Remaining Life (f)	Theoretical Reserve Percentage (g) = (100-(e*f-d))	Theoretical Reserve Dollars (h) = g * a	Reserve Imbalance (i) = b-h
<b>DISTRIBUTION PLANT</b>									
Account number and description, as applicable:									
376.1 - Mains - Steel	\$ 144,103.97	\$ 135,836.91	45.0	-30%	2.2	5.0	88.6	127,612.07	8,224.84
376.2 - Mains - Plastic	1,379,199	443,149	45.0	-30%	2.2	30.0	32.8	452,836.90	(9,688.12)
378 - Measuring and Regulating Ept. Gen - Embedded	10,419	4,001	33.0	-2%	3.0	16.2	50.9	5,301.36	(1,299.93)
378.1 - Measuring and Regulating Ept. - new	0	0	33.0	-2%	3.0	33.0	0.0	0.00	0.00
379 - Measuring and Regulating Ept. - City Gate	65,221	27,912	32.0	-2%	3.1	17.0	46.8	30,552.29	(2,640.10)
380.1 - Services - Steel	357,144	383,968	40.0	-30%	2.5	1.0	97.2	347,117.04	36,850.62
380.2 - Services - Plastic	413,307	145,745	40.0	-30%	2.5	30.0	24.5	101,156.86	44,587.83
381 - Meters	226,965	105,700	25.0	0%	4.0	9.3	62.8	142,533.99	(36,833.50)
382 - Meter Installations	66,036	34,186	34.0	-5%	2.9	12.0	64.6	42,684.72	(8,498.42)
383 - House Regulations	29,194	17,020	30.0	0%	3.3	12.0	60.0	17,516.45	(496.30)
384 - House Regulator Installations	45,098	28,015	34.0	-3%	2.9	13.5	60.3	27,172.40	842.69
386 - Property on Customers' Premises	34,650	25,422	20.0	0%	5.0	6.5	67.5	23,388.53	2,033.71
387 - Other Equipment	9,762	4,984	25.0	0%	4.0	12.0	52.0	5,076.45	(92.05)
<b>TOTAL DISTRIBUTION PLANT</b>	<b>\$ 2,781,099</b>	<b>\$ 1,355,940</b>						<b>\$ 1,322,949</b>	<b>\$32,991.28</b>
<b>GENERAL PLANT</b>									
Account number and description									
390.0 - Leasehold Improvements	13,278	1,505	40.0	0%	2.5	20.0	50.0	6,638.82	(5,133.51)
391.1 - Office Furniture	482	407	18.0	0%	5.6	1.0	94.4	454.75	(47.47)
391.2 - Office Equipment	24,838	19,662	12.0	0%	8.3	4.0	66.7	16,558.43	3,103.49
392.1 - Transportation - Trucks	101,216	37,128	8.0	15%	12.5	5.0	37.7	38,202.80	(1,074.86)
392.3 - Transportation - Other	0	0	20.0	0%	5.0	0.0	100.0	0.00	0.00
394 - Tools, Shop & Garage Equipment	9,826	3,610	15.0	0%	6.7	12.7	15.3	1,506.59	2,103.20
396 - Power Operated Equipment - Embedded	0	0	15.0	0%	6.7	0.0	100.0	0.00	0.00
396 - Power Operated Equipment - New	14,185	4,992	15.0	0%	6.7	13.5	10.0	1,418.47	3,573.24
397 - Communication Equipment	1,079	1,053	12.0	0%	8.3	1.0	91.7	988.83	64.51
<b>TOTAL GENERAL PLANT</b>	<b>\$ 164,902</b>	<b>\$ 68,357</b>						<b>\$ 65,769</b>	<b>\$2,588.61</b>
<b>TOTAL PROPERTY</b>									
<b>CAPITAL RECOVERY SCHEDULES</b>									

## Annual Status Report Analysis of Plant in Service Accounts

Company: Sebring Gas System, Inc.

For the Year Ended December 31, 2010

Page 1 of 2

Acct. No.	Account Description	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass.	Adjustments	Transfers	Ending Balance*
374	Land and Land Rights		\$ 15,625						\$ 15,625
<b>Amortizable General Plant Assets:</b>									
301	Organization Costs	0.033	113,772						113,772
<b>Depreciable Assets: This schedule should identify each account/subaccount for which a separate depreciation rate has been approved by the FPSC.</b>									
376	Mains - Steel	0.029	\$ 144,105	\$ -	\$ -		\$ -	\$ -	\$ 144,105
376	Mains - Plastic	0.029	1,275,964	103,236	-		-	-	1,379,200
378	M&R Station Equipment -General	0.031	10,419	-	-		-	-	10,419
379	M&R Station Equipment - Gate	0.032	54,007	11,214	-		-	-	65,221
380	Services - Steel	0.033	355,849	1,295	-		-	-	357,144
380	Services - Plastic	0.030	380,300	33,236	(230)		-	-	413,306
381	Meters	0.040	180,667	48,122	(1,824)		-	-	226,965
382	Meter Installations	0.031	63,314	2,822	(99)		-	-	66,037
383	Regulators	0.033	28,084	1,110	-		-	-	29,194
384	Regulator Installations	0.030	43,555	1,544	-		-	-	45,099
386	Customer Conversion Cost	0.050	34,650	-	-		-	-	34,650
387	Other Equipment	0.040	9,762	-	-		-	-	9,762
390	Leasehold Improvements	0.022	13,278	-	-		-	-	13,278
391	Office Furniture	0.056	482	-	-		-	-	482
391	Office Equipment	0.033	23,851	986	-		-	-	24,837
392	Transportaion Equip - Light Trucks	0.061	131,999	-	(30,783)		-	-	101,216
392	Trans. Equipment - Other Vehicles	0.050	0	-	-		-	-	0
394	Tools/Shop/Garage Equipment	0.063	9,825	-	-		-	-	9,825
396	Power Operated Equipment	0.067	14,185	107	-		-	-	14,292
397	Communication Equipment	0.077	972	-	-		-	-	972



## Annual Status Report Analysis of Plant in Service Accounts

Company: Sebring Gas System, Inc.

For the Year Ended:

December 31, 2010

Page 2 of 23

Acct. No.	Account Description	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass.	Adjustments	Transfers	Ending Balance*
(Continued)									
Capital Recovery Schedules:									
<b>Total Account 101*</b>			2,904,665	203,672	(32,936)	-	-	-	3,075,401
<b>Amortizable Assets:</b>									
114	Acquisition Adjustment								
118	Other Utility Plant								
	Other								
<b>Total Utility Plant</b>			\$ 2,904,665	\$ 203,672	\$ (32,936)	\$ -	\$ -	\$ -	\$ 3,075,401

Note: \* The total beginning and ending balances must agree to acct. 101, Plant in Service, Line 3, Page 12.

**Annual Status Report**  
**Analysis of Entries in Accumulated Depreciation & Amortization**

Company: Sebring Gas System, Inc.

For the Year Ended December 31, 2010

Page 1 of 2

Acct. No.	Account Description	Beginning Balance*	Accruals	Reclass.	Retirements	Gross Salvage	Cost of Removal	Rounding and Adjustments	Transfers	Ending Balance*
<b>Amortizable General Plant Assets:</b>										
301	Organization Costs	\$ 65,403	\$ 4,800					\$ -		\$ 70,203
<b>This schedule should identify each account/subaccount for which a separate depreciation rate has been approved by the FPSC.</b>										
376	Mains - Steel	\$ 131,656	\$ 4,181		\$ -	\$ -	\$ -	\$ -		\$ 135,837
376	Mains - Plastic	404,188	38,961		-	-	-	-		443,149
378	M&R Station Equipment -General	3,679	323		-	-	-	-		4,002
379	M&R Station Equipment - Gate	26,169	1,743		-	-	-	-		27,912
380	Services - Steel	372,225	11,743		-	-	-	-		383,968
380	Services - Plastic	133,858	11,887		-	-	-	-		145,745
381	Meters	97,594	8,106		-	-	-	-		105,700
382	Meter Installations	32,200	1,986		-	-	-	-		34,186
383	Regulators	16,073	947		-	-	-	-		17,020
384	Regulator Installations	26,699	1,316		-	-	-	-		28,015
386	Customer Conversion Cost	23,690	1,732		-	-	-	-		25,422
387	Other Equipment	4,594	390		-	-	-	-		4,984
390	Leasehold Improvements	1,213	292		-	-	-	-		1,505
391	Office Furniture	380	27		-	-	-	-		407
391	Office Equipment	18,871	791		-	-	-	-		19,662
392	Transportaion Equip - Light Trucks	59,915	7,817		(30,783)	-	-	-		36,949
392	Trans. Equipment - Other Vehicles	180	-		-	-	-	-		180
394	Tools/Shop/Garage Equipment	3,007	603		-	-	-	-		3,610
396	Power Operated Equipment	4,041	951		-	-	-	-		4,992
397	Communication Equipment	972	81		-	-	-	-		1,053
399	Prior period adjustment	9,788	-		-	-	-	-		9,788
	<b>Total</b>	<b>1,370,990</b>	<b>93,879</b>							<b>1,434,086</b>



## Annual Status Report Analysis of Plant in Service Accounts

Company: Sebring Gas System, Inc.  
For the Year Ended December 31, 2009

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Acct. No.	Account Description	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass.	Adjustments	Transfers	Ending Balance*
374	Land and Land Rights		\$ 15,625						\$ 15,625
<b>Amortizable General Plant Assets:</b>									
301	Organization Costs	0.033	113,772						113,772
<b>Depreciable Assets: This schedule should identify each account/subaccount for which a separate depreciation rate has been approved by the FPSC.</b>									
376	Mains - Steel	0.029	\$ 143,989	\$ 116					\$ 144,105
376	Mains - Plastic	0.029	1,215,379	60,613	(28)				1,275,964
378	M&R Station Equipment -General	0.031	10,419						10,419
379	M&R Station Equipment - Gate	0.032	54,007						54,007
380	Services - Steel	0.033	355,849						355,849
380	Services - Plastic	0.030	365,217	15,083					380,300
381	Meters	0.040	158,233	22,434					180,667
382	Meter Installations	0.031	58,157	5,209	(52)				63,314
383	Regulators	0.033	28,084						28,084
384	Regulator Installations	0.030	42,530	1,025					43,555
386	Customer Conversion Cost	0.050	34,650						34,650
387	Other Equipment	0.040	6,273	3,489					9,762
390	Leasehold Improvements	0.022	2,800	10,478					13,278
391	Office Furniture	0.056	482						482
391	Office Equipment	0.033	20,119	3,732					23,851
392	Transportation Equip - Light Trucks	0.061	69,468	64,825	(2,294)				131,999
392	Trans. Equipment - Other Vehicles	0.050	0						0
394	Tools/Shop/Garage Equipment	0.063	9,825						9,825
396	Power Operated Equipment	0.067	14,185						14,185
397	Communication Equipment	0.077	972						972

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

Company: Sebring Gas System, Inc.

For the Year Ended: December 31, 2009

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Acct. Account No. Description (Continued)	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass.	Adjustments	Transfers	Ending Balance*
<b>Capital Recovery Schedules:</b>								
<b>Total Account 101*</b>		2,720,035	187,004	(2,374)				2,904,665
<b>Amortizable Assets:</b>								
114 Acquisition Adjustment								
118 Other Utility Plant								
Other								
<b>Total Utility Plant</b>		\$ 2,720,035	\$ 187,004	\$ (2,374)	\$ -	\$ -	\$ -	\$ 2,904,665

Note: \* The total beginning and ending balances must agree to acct. 101, Plant in Service, Line 3, Page 12.

**Annual Status Report  
Analysis of Entries in Accumulated Depreciation & Amortization**

Company: Sebring Gas System, Inc.

For the Year Ended December 31, 2009

Page 1 of 2

Acct. No.	Description	Beginning Balance*	Accruals	Reclass.	Retirements	Gross Salvage	Cost of Removal	Rounding and Adjustments	Transfers	Ending Balance*
<b>Amortizable General Plant Assets:</b>										
301	Organization Costs	\$ 60,603	\$ 4,800					\$ -		\$ 65,403
This schedule should identify each account/subaccount for which a separate depreciation rate has been approved by the FPSC.										
376	Mains - Steel	\$ 127,479	\$ 4,177		\$ -	\$ -	\$ -	\$ -		\$ 131,656
376	Mains - Plastic	367,928	36,260		-	-	-	-		404,188
378	M&R Station Equipment - General	3,356	323		-	-	-	-		3,679
379	M&R Station Equipment - Gate	24,441	1,728		-	-	-	-		26,169
380	Services - Steel	360,482	11,743		-	-	-	-		372,225
380	Services - Plastic	122,715	11,143		-	-	-	-		133,858
381	Meters	91,197	6,397		-	-	-	-		97,594
382	Meter Installations	30,368	1,832		-	-	-	-		32,200
383	Regulators	15,146	927		-	-	-	-		16,073
384	Regulator Installations	25,407	1,292		-	-	-	-		26,699
386	Customer Conversion Cost	21,957	1,733		-	-	-	-		23,690
387	Other Equipment	4,311	283		-	-	-	-		4,594
390	Leasehold Improvements	1,039	174		-	-	-	-		1,213
391	Office Furniture	353	27		-	-	-	-		380
391	Office Equipment	18,147	724		-	-	-	-		18,871
392	Transportation Equip - Light Trucks	54,125	5,790		-	-	-	-		59,915
392	Trans. Equipment - Other Vehicles	180	-		-	-	-	-		180
394	Tools/Shop/Garage Equipment	2,388	619		-	-	-	-		3,007
396	Power Operated Equipment	3,091	950		-	-	-	-		4,041
397	Communication Equipment	897	75		-	-	-	-		972
399	Prior period adjustment	9,788	-		-	-	-	-		9,788
	<b>Total</b>	<b>1,284,795</b>	<b>86,197</b>							<b>1,370,992</b>

## Annual Status Report Analysis of Entries in Accumulated Depreciation & Amortization

Company: Sebring Gas System, Inc.

For the Year Ended: December 31, 2009

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Acct. No. (Continued)	Account Description	Beginning Balance*	Accruals	Reclass.	Retirements	Gross Salvage	Cost of Removal	Adjustments	Transfers	Ending Balance*	
Capital Recovery Schedules:		This schedule should identify each approved capital recovery schedule.									
<b>Subtotal</b>		-	-	-	-	-	-	-	-	-	
Subtotal		-	-	-	-	-	-	-	-	-	
<b>Grand Total</b>		\$ 1,345,398	\$ 90,997	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,436,395	

List any other items necessary to reconcile the total depreciation and amortization accrual amount to Acct. 403, Depreciation Expense, shown on page 8.

Note: \* The grand total of beginning and ending balances must agree to Line 17, Page 12.

## Annual Status Report Analysis of Plant in Service Accounts

Company: Sebring Gas System, Inc.      December 31, 2008  
For the Year Ended

Acct. No.	Description	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass.	Adjustments	Transfers	Ending Balance*
374	Land and Land Rights		\$ 15,625						\$ 15,625
<b>Amortizable General Plant Assets:</b>									
301	Organization Costs	0.033	113,772						113,772
<b>Depreciable Assets:      This schedule should identify each account/subaccount for which a separate depreciation rate has been approved by the FPSC.</b>									
376	Mains - Steel	0.029	\$ 143,989	-	-		\$	-	143,989
376	Mains - Plastic	0.029	1,005,640	209,739					1,215,379
378	M&R Station Equipment -General	0.031	10,419						10,419
379	M&R Station Equipment - Gate	0.032	54,007						54,007
380	Services - Steel	0.033	355,849						355,849
380	Services - Plastic	0.030	302,064	63,153					365,217
381	Meters	0.040	151,622	6,611					158,233
382	Meter Installations	0.031	53,675	4,482					58,157
383	Regulators	0.033	28,084						28,084
384	Regulator Installations	0.030	41,761	769					42,530
386	Customer Conversion Cost	0.050	34,650						34,650
387	Other Equipment	0.040	6,273						6,273
390	Leasehold Improvements	0.022	2,800						2,800
391	Office Furniture	0.056	482						482
391	Office Equipment	0.033	20,119						20,119
392	Transportation Equip - Light Trucks	0.061	69,468						69,468
392	Trans. Equipment - Other Vehicles	0.050	0	2,451					2,451
394	Tools/Shop/Garage Equipment	0.063	7,374	4,942					12,316
396	Power Operated Equipment	0.067	9,243						9,243
397	Communication Equipment	0.077	972						972



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

Company: Sebring Gas System, Inc.

For the Year Ended: December 31, 2008

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Acct. No.	Account Description	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass.	Adjustments	Transfers	Ending Balance*
	(Continued)								
	Capital Recovery Schedules:								
	Total Account 101*		2,427,888	292,147	-	-	-	-	2,720,035
	<b>Amortizable Assets:</b>								
114	Acquisition Adjustment								
118	Other Utility Plant								
	Other								
	<b>Total Utility Plant</b>		\$ 2,427,888	\$ 292,147	\$ -	\$ -	\$ -	\$ -	\$ 2,720,035

Note: \* The total beginning and ending balances must agree to acct. 101, Plant in Service, Line 3, Page 12.

**Annual Status Report  
Analysis of Entries in Accumulated Depreciation & Amortization**

Company: Sebring Gas System, Inc.

For the Year Ended December 31, 2008

Page 1 of 2

Acct. Account No. Description	Beginning Balance*	Accruals	Reclass.	Retirements	Gross Salvage	Cost of Removal	Rounding and Adjustments	Transfers	Ending Balance*
Amortizable General Plant Assets:									
301 Organization Costs	\$ 55,804	\$ 4,799					\$ -		\$ 60,603
This schedule should identify each account/subaccount for which a separate depreciation rate has been approved by the FPSC.									
376 Mains - Steel	\$ 123,302	\$ 4,177		\$ -	\$ -	\$ -	\$ -		\$ 127,479
376 Mains - Plastic	337,739	30,189		-	-	-	-		367,928
378 M&R Station Equipment -General	3,033	323		-	-	-	-		3,356
379 M&R Station Equipment - Gate	22,713	1,728		-	-	-	-		24,441
380 Services - Steel	348,659	11,823		-	-	-	-		360,482
380 Services - Plastic	112,429	10,286		-	-	-	-		122,715
381 Meters	84,909	6,288		-	-	-	-		91,197
382 Meter Installations	28,614	1,754		-	-	-	-		30,368
383 Regulators	14,219	927		-	-	-	-		15,146
384 Regulator Installations	24,138	1,269		-	-	-	-		25,407
386 Customer Conversion Cost	20,225	1,732		-	-	-	-		21,957
387 Other Equipment	4,060	251		-	-	-	-		4,311
390 Leasehold Improvements	1,039	-		-	-	-	-		1,039
391 Office Furniture	326	27		-	-	-	-		353
391 Office Equipment	17,483	664		-	-	-	-		18,147
392 Transportaion Equip - Light Trucks	49,887	4,238		-	-	-	-		54,125
392 Trans. Equipment - Other Vehicles	180	-		-	-	-	-		180
394 Tools/Shop/Garage Equipment	1,801	587		-	-	-	-		2,388
396 Power Operated Equipment	2,154	937		-	-	-	-		3,091
397 Communication Equipment	822	75		-	-	-	-		897
399 Prior period adjustment	9,788	-		-	-	-	-		9,788
Total	1,207,520	77,275							1,284,795

**Annual Status Report**  
**Analysis of Entries in Accumulated Depreciation & Amortization**

Company: Sebring Gas System, Inc.

For the Year Ended: December 31, 2008

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Acct. No.	Account Description	Beginning Balance*	Accruals	Reclass.	Retirements	Gross Salvage	Cost of Removal	Adjustments	Transfers	Ending Balance*	
	(Continued)										
	Capital Recovery Schedules:	This schedule should identify each approved capital recovery schedule.									
	Subtotal	-	-	-	-	-	-	-	-	-	
List any other items necessary to reconcile the total depreciation and amortization accrual amount to Acct. 403, Depreciation Expense, shown on page 8.											
	Subtotal	-	-	-	-	-	-	-	-	-	
	<b>Grand Total</b>	\$ 1,263,324	\$ 82,074	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,345,398	

Note: \* The grand total of beginning and ending balances must agree to Line 17, Page 12.

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

Company: Sebring Gas System, Inc.  
For the Year Ended December 31, 2007

Acct. No.	Description	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass.	Adjustments	Transfers	Ending Balance*
374	Land and Land Rights		\$ 15,625						\$ 15,625
<b>Amortizable General Plant Assets:</b>									
301	Organization Costs	0.033	113,772						113,772
<b>Depreciable Assets:</b> This schedule should identify each account/subaccount for which a separate depreciation rate has been approved by the FPSC.									
376	Mains - Steel	0.029	\$ 144,754	\$ -	\$ (765)		\$ -	\$ -	\$ 143,989
376	Mains - Plastic	0.029	952,934	88,706	(36,000)		-	-	1,005,640
378	M&R Station Equipment -General	0.031	10,419	-	-		-	-	10,419
379	M&R Station Equipment - Gate	0.032	53,994	13	-		-	-	54,007
380	Services - Steel	0.033	355,849	-	-		-	-	355,849
380	Services - Plastic	0.030	287,297	14,767	-		-	-	302,064
381	Meters	0.040	143,570	8,052	-		-	-	151,622
382	Meter Installations	0.031	52,153	1,574	(52)		-	-	53,675
383	Regulators	0.033	28,084	-	-		-	-	28,084
384	Regulator Installations	0.030	40,989	772	-		-	-	41,761
386	Customer Conversion Cost	0.050	34,650	-	-		-	-	34,650
387	Other Equipment	0.040	6,273	-	-		-	-	6,273
390	Leasehold Improvements	0.022	2,800	-	-		-	-	2,800
391	Office Furniture	0.056	482	-	-		-	-	482
391	Office Equipment	0.033	19,800	319	-		-	-	20,119
392	Transportation Equip - Light Trucks	0.061	69,468	2,294	(2,294)		-	-	69,468
392	Trans. Equipment - Other Vehicles	0.050	-	-	-		-	-	0
394	Tools/Shop/Garage Equipment	0.063	6,896	478	-		-	-	7,374
396	Power Operated Equipment	0.067	9,243	-	-		-	-	9,243
397	Communication Equipment	0.077	972	-	-		-	-	972

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

Company: Sebring Gas System, Inc.

For the Year Ended: December 31, 2007

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Acct. Account No. Description (Continued)	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass.	Adjustments	Transfers	Ending Balance*
<b>Capital Recovery Schedules:</b>								
Total Account 101*		2,350,024	116,975	(39,111)			-	2,427,888
<b>Amortizable Assets:</b>								
114 Acquisition Adjustment								
118 Other Utility Plant								
Other								
<b>Total Utility Plant</b>		\$ 2,350,024	\$ 116,975	\$ (39,111)	\$ -	\$ -	\$ -	\$ 2,427,888

Note: \* The total beginning and ending balances must agree to acct. 101, Plant in Service, Line 3, Page 12.

## Annual Status Report Analysis of Entries in Accumulated Depreciation & Amortization

Company: Sebring Gas System, Inc.

For the Year Ended December 31, 2007

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Acct. Account	Beginning Balance*	Accruals	Reclass.	Retirements	Gross Salvage	Cost of Removal	Rounding and Adjustments	Transfers	Ending Balance*
<b>Amortizable General Plant Assets:</b>									
301 Organization Costs	\$ 51,004	\$ 4,800					\$ -		\$ 55,804
<b>This schedule should identify each account/subaccount for which a separate depreciation rate has been approved by the FPSC.</b>									
376 Mains - Steel	\$ 119,113	\$ 4,189		\$ -	\$ -	\$ -	\$ -		\$ 123,302
376 Mains - Plastic	309,448	28,291		-	-	-	-		337,739
378 M&R Station Equipment -General	2,710	323		-	-	-	-		3,033
379 M&R Station Equipment - Gate	20,985	1,728		-	-	-	-		22,713
380 Services - Steel	336,908	11,751		-	-	-	-		348,659
380 Services - Plastic	103,577	8,852		-	-	-	-		112,429
381 Meters	79,015	5,894		-	-	-	-		84,909
382 Meter Installations	26,985	1,629		-	-	-	-		28,614
383 Regulators	13,293	926		-	-	-	-		14,219
384 Regulator Installations	22,899	1,239		-	-	-	-		24,138
386 Customer Conversion Cost	18,492	1,733		-	-	-	-		20,225
387 Other Equipment	3,809	251		-	-	-	-		4,060
390 Leasehold Improvements	1,039	-		-	-	-	-		1,039
391 Office Furniture	299	27		-	-	-	-		326
391 Office Equipment	16,820	663		-	-	-	-		17,483
392 Transportation Equip - Light Trucks	45,650	4,237		-	-	-	-		49,887
392 Trans. Equipment - Other Vehicles	180	-		-	-	-	-		180
394 Tools/Shop/Garage Equipment	1,350	451		-	-	-	-		1,801
396 Power Operated Equipment	1,535	619		-	-	-	-		2,154
397 Communication Equipment	747	75		-	-	-	-		822
399 Prior period adjustment	9,788	-		-	-	-	-		9,788
<b>Total</b>	<b>1,134,642</b>	<b>72,878</b>							<b>1,207,520</b>

# Annual Status Report Analysis of Entries in Accumulated Depreciation & Amortization

Company: Sebring Gas System, Inc.

For the Year Ended: December 31, 2007

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Acct. No.	Account Description	Beginning Balance*	Accruals	Reclass.	Retirements	Gross Salvage	Cost of Removal	Adjustments	Transfers	Ending Balance*
(Continued)										
Capital Recovery Schedules: This schedule should identify each approved capital recovery schedule.										
Subtotal										
List any other items necessary to reconcile the total depreciation and amortization accrual amount to Acct. 403, Depreciation Expense, shown on page 8.										
		\$ 1,185,646	\$ 77,678	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,263,324
		<b>Subtotal</b>								
		<b>Grand Total</b>								<b>\$ 1,263,324</b>

Note: \* The grand total of beginning and ending balances must agree to Line 17, Page 12.

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

Company: Sebring Gas System, Inc.  
For the Year Ended December 31, 2006

Acct. No.	Account Description	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass.	Adjustments	Transfers	Ending Balance*
374	Land and Land Rights		\$ 15,625						\$ 15,625
<b>Amortizable General Plant Assets:</b>									
301	Organization Costs	0.033	113,772						113,772
<b>Depreciable Assets: This schedule should identify each account/subaccount for which a separate depreciation rate has been approved by the FPSC.</b>									
376	Mains - Steel	0.029	\$ 143,704	\$ 1,050					\$ 144,754
376	Mains - Plastic	0.030	833,113	119,056					952,169
378	M&R Station Equipment - General	0.011	10,419						10,419
379	M&R Station Equipment - Gate	0.026	53,994						53,994
380	Services - Steel	0.030	355,849						355,849
380	Services - Plastic	0.029	279,884	7,413					287,297
381	Meters	0.033	138,923	4,646					143,569
382	Meter Installations	0.021	51,816	336					52,152
383	Regulators	0.027	28,084						28,084
384	Regulator Installations	0.019	40,638	350					40,988
386	Customer Conversion Cost	0.047	34,650						34,650
387	Other Equipment	0.033	6,273						6,273
390	Leasehold Improvements		2,800						2,800
391	Office Furniture	0.057	482						482
391	Office Equipment	0.158	18,532	1,268					19,800
392	Transportation Equip - Light Trucks	0.097	41,897	27,571					69,468
392	Trans. Equipment - Other Vehicles	0.097	0						0
394	Tools/Shop/Garage Equipment	0.068	6,897						6,897
396	Power Operated Equipment	0.021	9,243						9,243
397	Communication Equipment	0.021	972						972



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

Company: Sebring Gas System, Inc.

December 31, 2006

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For the Year Ended:

Acct. No.	Account Description	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass.	Adjustments	Transfers	Ending Balance*
	(Continued)								
	Capital Recovery Schedules:								
	Total Account 101*		2,187,567	161,690	-	-	-	-	2,349,257
	<b>Amortizable Assets:</b>								
114	Acquisition Adjustment								
118	Other Utility Plant								
	Other								
	<b>Total Utility Plant</b>		\$ 2,187,567	\$ 161,690	\$ -	\$ -	\$ -	\$ -	\$ 2,349,257

Note: \* The total beginning and ending balances must agree to acct. 101, Plant in Service, Line 3, Page 12.

## Annual Status Report Analysis of Entries in Accumulated Depreciation & Amortization

Company: Sebring Gas System, Inc.  
For the Year Ended December 31, 2006

Page 1 of 2

Acct. Account No. Description	Beginning Balance*	Accruals	Reclass.	Retirements	Gross Salvage	Cost of Removal	Adjustments	Transfers	Ending Balance*
<b>Amortizable General Plant Assets:</b>									
301 Organization Costs	\$ 46,204	\$ 4,800					\$ -		\$ 51,004
This schedule should identify each account/subaccount for which a separate depreciation rate has been approved by the FPSC.									
376 Mains - Steel	\$ 116,091	\$ 3,022							\$ 119,113
376 Mains - Plastic	286,783	22,665							309,448
378 M&R Station Equipment - General	2,647	63							2,710
379 M&R Station Equipment - Gate	19,635	1,350							20,985
380 Services - Steel	331,570	5,338							336,908
380 Services - Plastic	95,308	8,268							103,576
381 Meters	74,315	4,700							79,015
382 Meter Installations	25,789	1,196							26,985
383 Regulators	12,534	758							13,292
384 Regulator Installations	22,123	775							22,898
386 Customer Conversion Cost	16,794	1,698							18,492
387 Other Equipment	3,564	245							3,809
390 Leasehold Improvements	1,039	-							1,039
391 Office Furniture	242	57							299
391 Office Equipment	16,123	697							16,820
392 Transportation Equip - Light Trucks	37,395	8,253							45,648
392 Trans. Equipment - Other Vehicles	180	-							180
394 Tools/Shop/Garage Equipment	495	855							1,350
396 Power Operated Equipment	1,342	113							1,455
397 Communication Equipment	655	172							827
399 Prior year adjustment	9,788	0							9,788
<b>Total</b>	<b>1,074,412</b>	<b>60,225</b>						<b>T</b>	<b>1,134,637</b>

## Annual Status Report Analysis of Entries in Accumulated Depreciation & Amortization

Company: Sebring Gas System, Inc.  
For the Year Ended: December 31, 2006

Acct. No.	Account Description	Beginning Balance*	Accruals	Reclass.	Retirements	Gross Salvage	Cost of Removal	Adjustments	Transfers	Ending Balance*	
		Capital Recovery Schedules: This schedule should identify each approved capital recovery schedule.									
		-	-	-	-	-	-	-	-	-	
<b>Subtotal</b>		-	-	-	-	-	-	-	-	-	
List any other items necessary to reconcile the total depreciation and amortization accrual amount to Acct. 403, Depreciation Expense, shown on page 8.											
		-	-	-	-	-	-	-	-	-	
<b>Subtotal</b>		-	-	-	-	-	-	-	-	-	
<b>Grand Total</b>		\$ 1,120,616	\$ 65,025	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,185,641	

Note: \* The grand total of beginning and ending balances must agree to Line 17, Page 12.