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FERC Form No. 1

ANNUAL REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHERS

This report is mandatory under the Federal Power Act, Sections 3, 4(a) and 309, and 18 CFR 141.1. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider this report to be of a confidential nature.

Exact Legal Name of Respondent (Company)

Florida Public Utilities Company

Year of Report

Dec. 31, _____



Independent Auditors' Report

Board of Directors
Chesapeake Utilities Corporation and Florida Public Utilities

We have audited the balance sheets of Florida Public Utilities Company – Electric Division as of December 31, 2011 and 2010, and the accompanying statements of income for each of the two years in the period ended December 31, 2011, and statements of retained earnings, and cash flows for the year ended December 31, 2011 included on pages 110 through 122 of the accompanying Annual Report of Major Electric Utilities, Licensees and Other, as filed with 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 audits.

We conducted our audits 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 audits provide a reasonable basis for our opinion.

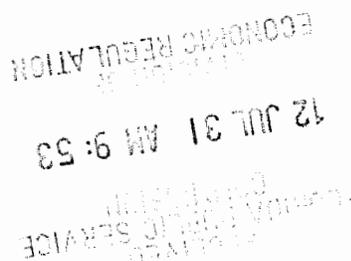
As described in Note 1, these financial statements were prepared in accordance with the accounting requirements of the Florida Public Service Commission, which is substantially equivalent to the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America.

In our opinion, the 2011 financial statements referred to above present fairly, in all material respects, the financial position of Florida Public Utilities Company – Electric Division as of December 31, 2011 and 2010 and the results of its operations and cash flows for the years then ended, in accordance with 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 the applicable Uniform System of Accounts and published accounting releases.

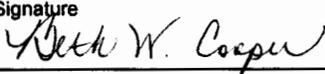
This report is intended solely for the information and use of the boards of directors of Chesapeake Utilities Corporation and management of Chesapeake Utilities Corporation and Florida Public Utilities and for filing with the Florida Public Service Commission and should not be used for any other purpose.

ParenteBeard LLC

Philadelphia, Pennsylvania
July 30, 2012



**FERC FORM NO. 1:
ANNUAL REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER**

IDENTIFICATION			
01 Exact Legal Name of Respondent	02 Year of Report		
FLORIDA PUBLIC UTILITIES COMPANY		December 31, 2011	
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)			
1641 Worthington Road, Suite 220, West Palm Beach, FL, 33409			
05 Name of Contact Person	06 Title of Contact Person		
Cheryl Martin	Director, Regulatory Affairs		
07 Address of Contact Person (Street, City, State, Zip Code)			
Same as above			
08 Telephone of Contact Person Including Area Code	09 This Report Is	10 Date of Report (Mo, Da, Yr)	
(561) 838-1725	(1) <input checked="" type="checkbox"/> An Original	December 31, 2011	
	(2) <input type="checkbox"/> A Resubmission		
ATTESTATION			
<p>The undersigned officer certifies that he/she has examined the accompanying report; that to the best of his/her knowledge, information, and belief, all statements of fact contained in the accompanying report are true and the accompanying 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 and including January 1 to and including December 31 of the year of the report.</p>			
01 Name		02 Title	
Beth W. Cooper		Chief Financial Officer	
03 Signature		04 Date Signed (Mo, Da, Yr)	
		7-30-2012	
Title 18, U.S.C. 1001, makes it a crime for any person knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.			

Name of Respondent	This Report is:	Date of Report	Year of Report
Florida Public Utilities Company Electric Division	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) December 31, 2011	December 31, 2011

LIST OF SCHEDULES (Electric Utility)

Enter in Column (d) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for

certain pages. Omit pages where the responses are "none," not applicable," or "NA."

Title of Schedule (A)	Reference Page No. (B)	Date Revised (C)	Remarks (D)
GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS			
General Information.....	101	Ed. 12-87	
Control Over Respondent.....	102	Ed. 12-87	None
Corporations Controlled by Respondent.....	103	Ed. 12-95	
Officers.....	104	Ed. 12-87	
Directors.....	105	Ed. 12-95	
Security Holders and Voting Powers.....	106-107	Ed. 12-87	pg. 107 - None
Important Changes During the Year.....	108-109	Ed. 12-90	
Comparative Balance Sheet.....	110-113	Rev. 12-94	
Statement of Income for the Year.....	114-117	Rev. 12-95	Pg. 116-None
Statement of Retained Earnings for the Year.....	118-119	Ed. 12-94	
Statement of Cash Flows.....	120-121	Rev. 12-94	
Notes to Financial Statements.....	122-123	Ed. 12-88	Pg. 123-None
BALANCE SHEET SUPPORTING SCHEDULES (Assets and Other Debits)			
Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization, and Depletion.....			
Nuclear Fuel Materials.....	200-201	Ed. 12-89	
Electric Plant in Service.....	202-203	Ed. 12-89	None
Electric Plant Leased to Others.....	204-207	Rev. 12-95	
Electric Plant Held for Future Use.....	213	Rev. 12-95	None
Construction Work in Progress-Electric.....	214	Ed. 12-89	None
Construction Overheads-Electric.....	216	Ed. 12-87	
General Description of Construction Overhead Procedure.....	217	Ed. 12-89	None
Accumulated Provision for Depreciation of Electric Utility Plant..	218	Ed. 12-88	None
Nonutility Property.....	219	Ed. 12-88	
Investment in Subsidiary Companies.....	221	Ed. 12-95	See page 461
Materials and Supplies.....	224-225	Ed. 12-89	
Allowances.....	227	Ed. 12-89	
Extraordinary Property Losses.....	228-229	Ed. 12-95	None
Unrecovered Plant and Regulatory Study Costs.....	230	Ed. 12-93	None
Other Regulatory Assets.....	230	Ed. 12-93	None
Miscellaneous Deferred Debits.....	232	New 12-93	
Accumulated Deferred Income Taxes (Account 190).....	233	Ed. 12-94	
	234	Ed. 12-88	
BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other credits)			
Capital Stock.....	250-251	Ed. 12-90	
Capital Stock Subscribed, Capital Stock Liability for Conversion, Premium on Capital Stock, and Installments Received on Capital Stock.....	252	Rev. 12-95	None
Other Paid-in Capital.....	253	Ed. 12-87	
Discount on Capital Stock.....	254	Ed. 12-87	None
Capital Stock Expense.....	254	Ed. 12-86	None
Long-Term Debt.....	256-257	Ed. 12-91	

Name of Respondent Florida Public Utilities Company Electric Division	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2011	Year of Report December 31, 2011
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LIST OF SCHEDULES (Electric Utility)(Continued)

Enter in Column (d) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none," not applicable," or "NA."

Title of Schedule (A)	Reference Page No. (B)	Date Revised (C)	Remarks (D)
BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other Credits) (Continued)			
Reconciliation of Reporting Net Income with Taxable Income for Federal Income Taxes.....	261	Ed. 12-88	
Taxes Accrued, Prepaid and Changed During Year.....	262-263	Rev. 12-95	
Accumulated Deferred Investment Tax Credits.....	266-267	Ed. 12-89	
Other Deferred Credits.....	269	Ed. 12-88	
Accumulated Deferred Income Taxes-Accelerated Amortization Property.....	272-273	Ed. 12-94	None
Accumulated Deferred Income Taxes-Other Property.....	274-275	Ed. 12-94	
Accumulated Deferred Income Taxes-Other.....	276-277	Ed. 12-94	
Other Regulatory Liabilities.....	278	Ed. 12-94	
INCOME ACCOUNT SUPPORTING SCHEDULES			
Electric Operating Revenues.....	300-301	Ed. 12-90	
Sales of Electricity by Rate Schedules.....	304	Ed. 12-95	
Sales for Resale.....	310-311	Ed. 12-88	None
Electric Operation and Maintenance Expenses.....	320-323	Ed. 12-95	
Number of Electric Department Employees.....	323	Ed. 12-93	See page 462
Purchase Power.....	326-327	Ed. 12-95	
Transmission of Electricity for Others.....	328-330	Ed. 12-90	None
Transmission of Electricity by Others.....	332	Ed. 12-90	None
Miscellaneous General Expenses-Electric.....	335	Ed. 12-94	
Depreciation and Amortization of Electric Plant.....	336-337	Ed. 12-95	
Particulars Concerning Certain Income Deduction and Interest Charges Accounts.....	340	Ed. 12-87	See page 463
COMMON SECTION			
Regulatory Commission Expenses.....	350-351	Ed. 12-90	
Research, Development and Demonstration Activities.....	352-353	Ed. 12-87	None
Distribution of Salaries and Wages.....	354-355	Ed. 12-88	
Common Utility Plant and Expenses.....	356	Ed. 12-87	
ELECTRIC PLANT STATISTICAL DATA			
Electric Energy Account.....	401	Rev. 12-90	
Monthly Peaks and Output.....	401	Rev. 12-90	
Steam -Electric Generating Plant Statistics (Large Plants).....	402-403	Ed. 12-89	None
Hydroelectric Generating Plant Statistics (Large Plants).....	406-407	Ed. 12-89	None
Pumped Storage Generating Plant Statistics (Large Plants).....	408-409	Ed. 12-88	None
Generating Plant Statistics (Small Plant).....	410-411	Ed. 12-87	None

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.

Beth W. Cooper
Chief Financial Officer
909 Silver Lake Boulevard
Dover, Delaware 19904

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 classes of utility and other services furnished by respondent during the year in each State in which the respondent operated.

Distribution of electricity and gas 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
- (2) X NO

CORPORATIONS CONTROLLED BY RESPONDENT

- | | |
|--|--|
| <p>1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.</p> | <p>2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.</p> <p>3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.</p> |
|--|--|

DEFINITIONS

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

Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
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.

2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and date the change in incumbency was made.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	Chief Executive Officer	Michael P. McMasters	\$23,310
2	Chief Financial Officer	Beth W. Cooper	\$13,888
3	Chief Operating Officer	Stephen C. Thompson	
4	Vice President	Elaine B. Bittner	\$12,529
5	President	Jeffry M. Householder	\$76,687
6	Vice President	Jeffrey S. Sylvester	\$44,311
7	Vice President	Kevin J. Webber	\$44,734
8			
9			
10	Note - the above list includes the officers of Florida Public Utilities Company as of December 31, 2011.		
11	The salary information contains only the portion charged to the Electric Division of Florida Public		
12	Utilities Company.		
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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)
Michael P. McMasters, Chairman of Board	909 Silver Lake Blvd., Dover Delaware 19901
Ralph J. Adkins, Director	909 Silver Lake Blvd., Dover Delaware 19901
John R. Schimkaitis, Director	909 Silver Lake Blvd., Dover Delaware 19901
Eugene H. Bayard, Director	909 Silver Lake Blvd., Dover Delaware 19901
Richard Bernstein, Director	909 Silver Lake Blvd., Dover Delaware 19901
Thomas J. Bresnan, Director	909 Silver Lake Blvd., Dover Delaware 19901
Thomas P. Hill, Jr., Director	909 Silver Lake Blvd., Dover Delaware 19901
Dennis S. Hudson, III, Director	909 Silver Lake Blvd., Dover Delaware 19901
Paul L. Maddock, Jr., Director	909 Silver Lake Blvd., Dover Delaware 19901
J. Peter Martin, Director	909 Silver Lake Blvd., Dover Delaware 19901
Joseph E. Moore, Esq., Director	909 Silver Lake Blvd., Dover Delaware 19901
Calvert A. Morgan, Jr., Director	909 Silver Lake Blvd., Dover Delaware 19901
Dianna F. Morgan, Director	909 Silver Lake Blvd., Dover Delaware 19901

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 others 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.

VOTING SECURITIES

Name (Title) and Address of Security Holder (a)	Number of votes as of (date):			
	Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
TOTAL votes of all voting securities				
TOTAL number of security holders				
TOTAL votes of security holders listed below				
Effective October 28, 2009 FPU became a wholly-owned subsidiary of Chesapeake Utilities Corporation.				

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 106, 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. (Reserved)
 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 included on this page.

PAGE 108 INTENTIONALLY LEFT BLANK
SEE PAGE 109 FOR REQUIRED INFORMATION

IMPORTANT CHANGES DURING THE YEAR

1 None

2 None

3 None

4 None

6 None

7 None

8 None

9 We are currently involved in a legal dispute over alleged breaches of the Franchise Agreement by FPU. The alleging City seeks a declaratory judgment that the City has the right to exercise its option to purchase FPU's electric distribution property in the City. FPU intends to vigorously contest this litigation and intends to oppose the adoption of any proposed referendum to approve the purchase of the FPU property in the City. FPU serves approximately 3,000 customers in the City. In 2011, we incurred approximately \$537,000 in legal costs associated with this electric franchise dispute.

10 None

11 None

12 None

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account	Ref. Page No.	Balance at Beginning of Year	Balance at End of Year
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	86,975,437	90,015,218
3	Construction Work in Progress (107)	200-201	23,236	924,044
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		86,998,673	90,939,262
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 111, 115)	200-201	(42,914,871)	(46,112,671)
6	Net Utility Plant (Enter Total of line 4 less 5)		44,083,802	44,826,591
7	Nuclear Fuel (120.1-102.4, 120.6)	202-203		
8	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203		
9	Net Nuclear Fuel (Enter Total of line 7 less 8)		-	-
10	Net Utility Plant (Enter Total of lines 6 and 9)		44,083,802	44,826,591
11	Utility Plant Adjustments (116)	122		
12	Gas Stored Underground-Noncurrent (117)			
13	OTHER PROPERTY AND INVESTMENTS			
14	Nonutility Property (121)	461		
15	(Less) Accum. Prov. for Depr. and Amort. (122)			
16	Investments in Associated Company (123)	224-225		
17	Investment in Subsidiary Companies (123.1)	224-225		
18	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
19	Noncurrent Portion of Allowances	228-229		
20	Other Investments (124-128, 171)		4,684	4,684
21	Special Funds			
22	TOTAL Other Property and Investments (Total of lines 14 through 20)		4,684	4,684
23	CURRENT AND ACCRUED ASSETS			
24	Cash (131)		231,501	531,946
25	Special Deposits (132-133)			
26	Working Funds (135)		8,155	8,155
27	Temporary Cash Investments (136)			
28	Notes Receivable (141)			
29	Customer Accounts Receivable (142)		6,625,222	6,150,939
30	Other Accounts Receivable (143)		150,075	186,671
31	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		(88,434)	(115,028)
32	Notes Receivable from Associated Companies (145)			
33	Accounts Receivable from Assoc. Companies (146)		19,007,706	16,048,276
34	Fuel Stock (151)	227		
35	Fuel Stock Expense Undistributed (152)	227		
36	Residuals (Elec) and Extracted Products (Gas) (153)	227		
37	Plant Material and Operating Supplies (154)	227	978,569	986,534
38	Merchandise (155)	227		
39	Other Material and Supplies (156)	227		
40	Nuclear Materials Held for Sale (157)	202-203/227		
41	Allowances (158.1 and 158.2)	228-229		
42	(Less) Noncurrent Portion of Allowances	228-229		
43	Stores Expenses Undistributed (163)			
44	Gas Stored Underground - Current (164.1)			
45	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)			
46	Prepayments (165)		113,750	137,305
47	Advances for Gas (166-167)			
48	Interest and Dividends Receivable			
49	Rents Receivable (172)			
50	Accrued Utility Revenues (173)		3,160,036	2,461,998
51	Miscellaneous Current and Accrued Assets (174)			
52	TOTAL Current and Accrued Assets (Enter Total of lines 24 through 51)		30,186,580	26,396,796

FLORIDA PUBLIC UTILITIES COMPANY Electric Division		An Original		For the Year Ended December 31, 2011
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS, cont.)				
Line No.	Title of Account	Ref. Page No.	Balance at Beginning of Year	Balance at End of Year
53	DEFERRED DEBITS			
54	Unamortized Debt Expense (181)			
55	Extraordinary Property Losses (182.1)			
56	Unrecovered Plant and Regulatory Study Costs (182.2)			
57	Other Regulatory Assets (182.3)		3,228,027	5,716,500
58	Prelim. Survey and Investigation Charges (Electric) (183)			
59	Prelim. Survey and Investigation Charges (Gas) (183.1, 183.2)			
60	Clearing Accounts (184)		242	10,000
61	Temporary Facilities (185)		1,589	2,195
62	Miscellaneous Deferred Debits (186)	233	207,806	307,636
63	Def. Losses from Disposition of Utility Plant. (187)			
64	Research, Devel. and Demonstration Expend. (188)	352-353		
65	Unamortized Loss on Reacquired Debt (189)			
66	Accumulated Deferred Income Taxes (190)	234	862,198	1,455,183
67	Unrecovered Purchased Gas Costs (191)		(4,424,480)	(3,758,609)
68				
69	TOTAL Deferred Debits (Enter Total of lines 54 through 67)		(124,618)	3,732,905
70	TOTAL Assets and other Debits (Enter Total of lines 10, 11, 12, 22, 52, and 68)		74,150,448	74,960,976

COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

Line No.	Title of Account	Ref. Page No.	Balance at Beginning of Year	Balance at End of Year
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251		
3	Preferred Stock Issued (204)	250-251		
4	Capital Stock Subscribed (202, 205)			
5	Stock Liability for Conversion (203, 206)			
6	Premium on Capital Stock (207)			
7	Other Paid-In Capital (208-211)	253		
8	Installments Received on Capital Stock (212)			
9	(Less) Discount on Capital Stock (213)			
10	(Less) Capital Stock Expense (214)			
11	Retained Earnings (215, 215.1, 216)	118-119	42,711,832	43,341,705
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119		
13	(Less) Reacquired Capital Stock (217)	250-251		
14	TOTAL Proprietary Capital (Enter Total of lines 2 through 13)		<u>42,711,832</u>	<u>43,341,705</u>
15	LONG-TERM DEBT			
16	Bonds (221)	256-257		
17	(Less) Reacquired Bonds (222)	256-257		
18	Advances from Associated Companies (223)	256-257		
19	Other Long-Term Debt (224)	256-257		
20	Unamortized Premium on Long-Term Debt (225)			
21	(Less) Unamortized Discount on Long-Term Debt-Dr. (226)			
22	TOTAL Long-Term Debt (Enter Total of lines 16 through 21)		-	-
23	OTHER NONCURRENT LIABILITIES			
24	Obligations Under Capital Leases - Noncurrent (227)			
25	Accumulated Provision for Property Insurance (228.1)		1,883,893	2,005,513
26	Accumulated Provision for Injuries and Damages (228.2)		72,635	62,917
27	Accumulated Provision for Pensions and Benefits (228.3)		4,516,785	7,098,838
28	Accumulated Miscellaneous Operating Provisions (228.4)			
29	Accumulated Provision for Rate Refunds (229)			
30	TOTAL Other Noncurrent Liabilities (Enter Total of lines 24 through 29)		<u>6,473,313</u>	<u>9,167,268</u>
31	CURRENT AND ACCRUED LIABILITIES			
32	Notes Payable (231)			
33	Accounts Payable (232)		8,796,241	6,335,067
34	Notes Payable to Associated Companies (233)			
35	Accounts Payable to Associated Companies (234)			
36	Customer Deposits (235)		3,677,956	3,623,851
37	Taxes Accrued (236)	262-263	1,555,233	1,252,230
38	Interest Accrued (237)		222,132	215,261
39	Dividends Declared (238)			
40	Long-Term Debt Current(239)			
41	Matured Interest (240)			
42	Tax Collections Payable (241)		1,015,833	663,108
43	Miscellaneous Current and Accrued Liabilities (242)		664,046	715,472
44	Obligations Under Capital Leases-Current (243)			
45	TOTAL Current and Accrued Liabilities (Enter Total of lines 32 through 44)		<u>15,931,441</u>	<u>12,804,989</u>

FLORIDA PUBLIC UTILITIES COMPANY		An Original	For the Year Ended December 31, 2011	
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS, continued)				
Line No.	Title of Account	Ref. Page No.	Balance at Beginning of Year	Balance at End of Year
46	DEFERRED CREDITS			
47	Customer Advances for Construction (252)		621,332	381,334
48	Accumulated Deferred Investment Tax Credits (255)	266-267	25,241	12,316
49	Deferred Gains from Disposition of Utility Plant (256)			
50	Other Deferred Credits (253)	269		
51	Other Regulatory Liabilities (254)			
52	Unamortized Gain on Reacquired Debt (257)	269		
53	Accumulated Deferred Income Taxes (281-283)	274-277	8,387,289	9,253,364
54	TOTAL Deferred Credits (Enter Total of lines 47 through 53)		9,033,862	9,647,014
55	TOTAL Liabilities and Other Credits (Enter Total of lines 14,22,30 45 and 53)		74,150,448	74,960,976

STATEMENT OF INCOME FOR THE YEAR

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 02 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 122-123 for important notes regarding the statement of income or any account thereof.

5. Give concise explanations 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 concerning significant amounts of any refunds made or received during the year

Line No.	Account (a)	Ref. Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	94,927,749	100,585,302
3	Operating Expenses			
4	Operation Expenses (401)		79,696,171	82,449,056
5	Maintenance Expenses (402)		2,545,594	2,721,011
6	Depreciation Expense (403)		3,450,677	3,473,186
7	Amort. & Depl. of Utility Plant (404-405)		-	-
8	Amort. of Utility Plant Acq. Adj. (406)		-	-
9	Amort. of Property Losses, Unrecovered Plant and Regulatory Study Costs (407)		-	-
10	Amort. of Conversion Expenses (407)		-	-
11	Regulatory Debits (407.3)		-	-
12	(Less) Regulatory Credits (407.4)		-	-
13	Taxes Other Than Income Taxes (408.1)		6,863,971	7,467,431
14	Income Taxes - Federal (409.1)		5,094	2,222,982
15	- Other (409.1)		168,109	488,629
16	Provision for Deferred Inc. Taxes (410.1) *		895,517	1,432,233
17	(Less) Provision for Deferred Income Taxes-Cr.(411.1)		(655,134)	(2,900,430)
18	Investment Tax Credit Adj. - Net (411.4)		(12,926)	(18,416)
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)		92,957,073	97,335,682
24	Net Utility Operating Income (Total of line 2 less 23) (Carry forward to page 117, line 25)		1,970,676	3,249,620

STATEMENT OF INCOME FOR THE YEAR (Continued)

resulting from settlement of any rate proceeding affecting allocations and apportionments from those used in the pre-revenues received or costs incurred for power or gas preceding year. Also give the approximate dollar effect of such changes, 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 be attached at page 122.

8. Enter on page 122 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

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 1 to 19, and report the information in the blank space on page 122 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
94,927,749	100,585,302	-	-	-	-	2
						3
79,696,171	82,449,056	-	-	-	-	4
2,545,594	2,721,011	-	-	-	-	5
3,450,677	3,473,186	-	-	-	-	6
-	-	-	-	-	-	7
-	-	-	-	-	-	8
-	-	-	-	-	-	9
-	-	-	-	-	-	10
-	-	-	-	-	-	11
-	-	-	-	-	-	12
6,863,971	7,467,431	-	-	-	-	13
5,094	2,222,982	-	-	-	-	14
168,109	488,629	-	-	-	-	15
895,517	1,432,233	-	-	-	-	16
(655,134)	(2,900,430)	-	-	-	-	17
(12,926)	(18,416)	-	-	-	-	18
-	-	-	-	-	-	19
-	-	-	-	-	-	20
-	-	-	-	-	-	21
-	-	-	-	-	-	22
92,957,073	97,335,682	-	-	-	-	23
1,970,675	3,249,620	-	-	-	-	24

STATEMENT OF INCOME FOR THE YEAR (Continued)

Line No.	Account	Ref. Page No.	TOTAL	
			Current Year	Previous Year
25	Net Utility Operating Income (Carried forward from page 114)	--	1,970,675	3,249,620
26	Other Income and Deductions	--		
27	Other Income	--		
28	Nonutility Operating Income	--		
29	Revenues From Merchandising, Jobbing and Contract Work (415)	--	-	-
30	(Less) Costs and Exp. of Merchandising, Job & Contract Work (416)	--	-	-
31	Revenues From Nonutility Operations (417)	--	-	-
32	(Less) Expenses of Nonutility Operations (417.1)	--	-	-
33	Nonoperating Rental Income (418)	--	-	-
34	Equity in Earnings of Subsidiary Companies (418.1)	119	-	-
35	Interest and Dividend Income (419)	--	-	-
36	Allowance for Other Funds Used During Construction (419.1)	--	-	-
37	Miscellaneous Nonoperating Income (421)	*	-	-
38	Gain on Disposition of Property (421.1)	--	-	22,003
39	TOTAL Other Income (Enter Total of lines 29 through 38)	--	-	22,003
40	Other Income Deductions	--		
41	Loss on Disposition of Property (421.2)	--	-	-
42	Miscellaneous Amortization (425)	340	-	-
43	Miscellaneous Income Deductions (426.1-426.5)	463	26,345	2,000
44	TOTAL Other Income Deductions (Total of lines 41 through 43)	--	26,345	2,000
45	Taxes Applic. to Other Income and Deductions	--		
46	Taxes Other Than Income Taxes (408.2)	262-263	-	-
47	Income Taxes - Federal (409.2)	262-263	(6,625)	(42,455)
48	Income Taxes - Other (409.2)	262-263	(24,151)	(8,764)
49	Provision for Deferred Income Taxes (410.2)	234,272-277	159,224	68,602
50	(Less) Provision for Deferred Income Taxes - Cr. (411.2)	234,272-277	(138,610)	
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)	--	(10,162)	17,383
54	Net Other Income and Deductions (Enter Total of lines 39,44,53)	--	(16,183)	2,620
55	Interest Charges	--		
56	Interest on Long-Term Debt (427)	--	957,496	741,836
57	Amortization of Debt Disc. and Expense (428)	--	4,925	6,694
58	Amortization of Loss on Reacquired Debt (428.1)	--	34,034	31,762
59	(Less) Amort. of Premium on Debt - Credit (429)	--		
60	(Less) Amortization of Gain on Reacquired Debt - Credit (429.1)	--		
61	Interest on Debt to Assoc. Companies (430)	463	(19,236)	(41,359)
62	Other Interest Expense (431)	-	347,398	474,479
63	(Less) Allow. for Borrowed Funds Used During Const. - Cr. (432)	--		
64	Net Interest Charges (Total of lines 56 through 63)	--	1,324,618	1,213,412
65	Income Before Extraordinary Items (Enter Total of lines 25, 54 and 64)	--	629,874	2,038,826
66	Extraordinary Items	--		
67	Extraordinary Income (434) Cum.	--		
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)	262-263		
71	Extraordinary Items After Taxes (Enter Total of line 69 less line 70)	--		
72	Net Income (Enter Total of lines 65 and 71)	--	629,874	2,038,826

STATEMENT OF RETAINED EARNINGS FOR THE YEAR

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 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance - Beginning of Year		42,711,832
2	Changes (Identify by prescribed retained earnings accounts)		
3	Adjustments to Retained Earnings (Account 439)		
4	Credit:		-
5	Credit:		-
6	Credit:		-
7	Credit:		-
8	Credit:		-
9	TOTAL Credits to Retained Earnings (Account 439) (Enter Total of lines 4 through 8)		-
10	Debit: Chesapeake Utilities Corporations Acquisition of FPU		-
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)		629,873
17	Appropriations of Retained Earnings (Account 436)		
18			
19			
20			
21	TOTAL Appropriations of Retained Earnings (Account 436) (Enter Total of lines 18 through 21)		-
22			
23	Dividends Declared - Preferred Stock (Account 437)		
24	Preferred	2380	
25			
26			
27			
28	TOTAL Dividends Declared - Preferred Stock (Account 437) (Enter Total of lines 24 through 28)		0
29			
30	Dividends Declared - Common Stock (Account 438)		
31	Common - Cash	2380	
32			
33			
34			
35	TOTAL Dividends Declared - Common Stock (Account 438) (Enter Total of lines 31 through 35)		0
36			
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)		<u>43,341,705</u>

STATEMENT OF RETAINED EARNINGS FOR THE YEAR (Continued)

Line No.	Item (a)	Amount (b)
	<p align="center">APPROPRIATED RETAINED EARNINGS (Account 215)</p>	
	<p>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.</p>	
<p>39 40 41 42 43 44</p>		
45	<p>TOTAL Appropriated Retained Earnings (Account 215)</p>	
	<p align="center">APPROPRIATED RETAINED EARNINGS - Amortization , Reserve, Federal</p>	
	<p>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.</p>	
<p>46 47 48</p>	<p>TOTAL Appropriated Retained Earnings - Amortization Reserve, Federal (Account 215.1) TOTAL Appropriated Retained Earnings (Accounts 215, 215.1) TOTAL Retained Earnings (Account 215, 215.1, 216)</p>	<p align="right">43,341,705</p>
	<p align="center">UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)</p>	
<p>49 50 51 52 53</p>	<p>Balance - Beginning of Year (Debit or Credit) Equity in Earnings for Year (Credit) (Account 418.1) (Less) Dividends Received (Debit) Other Changes (Explain) Cost of shares issued for employee stock plan Balance - End of year (Total of Lines 49 Thru 52)</p>	<p align="right">42,711,832 629,873 - - 43,341,705</p>

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 122-123. Information about noncash investing and financing activities should be provided on page 122-123. Provide also on page 122-123 a reconciliation between "Cash and Cash Equivalents at end of Year" with related amounts on the balance sheet.

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

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 122-123 the amounts of interest paid (net of amounts capitalized) and income taxes paid.

Line No.	Description (See Instruction No.5 for Explanation of Codes) (a)	Amounts (b)
1	Operating Activities	In thousands
2	Net Income - Electric	\$ 629.9
3	Adjustments to reconcile net income to net operating cash:	
4	Depreciation and amortization	2,868.2
5	Depreciation and accretion included in other costs	738.2
6	Deferred income taxes, net	273.1
7	Other, net	(12.9)
8	Changes in assets and liabilities:	
9	Accounts receivable and accrued revenue	1,162.8
10	Propane inventory, storage gas and other inventory	(8.0)
11	Regulatory assets	176.9
12	Prepaid expenses and other current assets	(5.4)
13	Other deferred charges	(10.6)
14	Accounts payable and other accrued liabilities	(2,524.3)
15	Income taxes receivable	142.8
16	Accrued interest	(1.4)
17	Customer deposits and refunds	(425.7)
18	Regulatory liabilities	(544.3)
19	Other liabilities	131.6
20	Net cash provided by operating activities	<u>\$ 2,590.9</u>
21		
22	Investing Activities	
23	Property, plant and equipment expenditures	(4,265.2)
24	Net cash used by investing activities	<u>\$ (4,265.2)</u>
25		
26	Financing Activities	
27	Inter-company receivable (payable)	1,974.7
28	Net cash provided by financing activities	<u>\$ 1,974.7</u>
29		
30	Net Increase (Decrease) in Cash and Cash Equivalents	300.4
31	Cash and Cash Equivalents — Beginning of Period	231.5
32	Cash and Cash Equivalents — End of Period	<u>\$ 531.9</u>

CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

4. Investing Activities

Include at other (line 31) net cash outflows to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed on page 122-123.
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 122-123.

5. Codes used:

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

6. Enter on page 122-123 clarifications and explanations.

Line No.	Description (See Instruction No.5 for Explanation of Codes) (a)	Amounts (b)

Florida Public Utilities Company	An Original		For the Year Ended
Electric Division			December 31, 2011
NOTES TO FINANCIAL STATEMENTS			

1. Summary of Accounting Policies

Nature of Business

Florida Public Utilities Company ("FPU") is a utility engaged in the natural gas and electric distribution business in Florida. The electric division of FPU ("we," "our" or "us") is engaged in the distribution of electricity. We deliver electricity to approximately 31,000 residential, commercial and industrial customers located in Jackson, Liberty, Calhoun and Nassau counties in Florida. Our rates and services are subject to regulation by the Florida Public Service Commission ("FPSC"). FPU is a wholly owned subsidiary of Chesapeake Utilities Corporation ("Chesapeake").

Basis of Presentation

Our financial statements are prepared in conformity with the accounting requirements of the FPSC, which are substantially equivalent to the accounting requirements of the Federal Energy Regulatory Commission ("FERC") as set forth in the applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America ("US GAAP"). The accounting requirements of the FERC and the FPSC applied by us in these financial statements are consistent with US GAAP, except for:

- lack of reclassification of certain negative balances on the balance sheets;
- the presentation of deferred income tax assets and liabilities separately rather than as a single amount;
- the presentation of cost of removal as a component of accumulated depreciation rather than as a regulatory liability;
- lack of detail property, plant and equipment component costs disclosure;
- lack of detail regulatory assets and liability disclosure;
- the omission of the statement of cash flows for prior year for a comparative presentation; and
- the omission of the statement of retained earnings for prior year for a comparative presentation.

The merger with Chesapeake was accounted for under the acquisition method of accounting, with Chesapeake treated as the acquirer. Our assets acquired and liabilities assumed by Chesapeake in the merger were adjusted to their respective fair values at the completion of the merger. In estimating the fair value of those assets and liabilities, we considered the nature of the assets and liabilities and the regulatory mechanisms for recovery, to which the assets and liabilities are subject, as a factor in determining the appropriate fair value. Due to the regulatory nature of our operation, to which our assets and liabilities are subject, the application of the acquisition method of accounting did not result in significant changes to the carrying value of our assets and liabilities.

Use of Estimates

Our financial statements are prepared based on the accounting requirements of the FPSC, which are substantially equivalent to the accounting requirements of the FERC, which require management to make estimate in measuring assets and liabilities and related revenues and expenses. These estimates involve judgments with respect to, among other things, various future economic factors that are difficult to predict and are beyond our control; therefore, actual results could differ from those estimates.

Utility Plant

Property, plant and equipment are stated at original cost less accumulated depreciation or fair value if impaired. Costs include direct labor, materials and third-party construction contractor costs, allowance for capitalized interest and certain indirect costs related to equipment and employees engaged in construction. The costs of repairs and minor replacements are charged against income as incurred, and the costs of major renewals and betterments are capitalized. Upon retirement or disposition of utility plant, the gain or loss, net of salvage value, is charged to accumulated depreciation or deferred as a regulatory asset or liability.

Included in net utility plant at December 31, 2011 was approximately \$515,000 associated with the office building located in West Palm Beach, which was subsequently sold in February 2012. We treated this asset as an asset held for sale at December 31, 2011.

Florida Public Utilities Company	An Original		For the Year Ended
Electric Division			December 31, 2011
NOTES TO FINANCIAL STATEMENTS			

The allowance for funds used during construction ("AFUDC") is an accounting procedure whereby the cost of borrowed and other funds used to finance construction projects is capitalized as part of utility plant on the balance sheet and is credited as non-cash items on the income statement. The costs of borrowed and equity funds are segregated between interest expense and other income, respectively. We did not capitalize AFUDC on utility plant for the years ended December 31, 2011 and 2010, respectively.

Depreciation

The provision for depreciation is computed using the straight-line method at rates that amortize the unrecovered cost of depreciable property over the estimated remaining useful life of the asset, as approved by the FPSC. Depreciation and amortization expenses are provided at an annual rate averaging 4.2 percent for both 2011 and 2010.

In accordance with the accounting requirements of the FERC, we include the accretion of the cost of removal for future retirements of utility assets as depreciation expense. For the years ended December 31, 2011 and 2010, \$582,443 and \$532,825 respectively, of such accretion was included in depreciation expense. We also report certain depreciation expense, mainly related to vehicle, computer software and hardware, in operations expense rather than depreciation expense to comply with the accounting requirements of the FERC. For the years ended December 31, 2011 and 2010, \$155,711 and \$120,441, respectively, of such depreciation was reported as operations expense.

Cash and Cash Equivalents

Our policy is to invest cash in excess of operating requirements in overnight income-producing accounts. Such amounts are stated at cost, which approximates market value. Investments with an original maturity of three months or less when purchased are considered cash equivalents. Some of our excess cash may be transferred to and invested in Chesapeake's overnight income-producing accounts.

Inventories

We use the average cost method to value, materials and supplies inventory. If market prices drop below cost, inventory balances that are subject to price risk are adjusted to market values.

Pension and Other Postretirement Plans

Pension and other postretirement plan costs and liabilities are determined on an actuarial basis and are affected by numerous assumptions and estimates including the market value of plan assets, estimates of the expected returns on plan assets, assumed discount rates, the level of contributions made to the plans, and current demographic and actuarial mortality data. Management annually reviews the estimates and assumptions underlying pension and other postretirement plan costs and liabilities with the assistance of third-party actuarial firm. The assumed discount rates and the expected returns on plan assets are the assumptions that generally have the most significant impact on pension costs and liabilities. The assumed discount rates, health care cost trend rates and rates of retirement generally have the most significant impact on other postretirement plan costs and liabilities.

Income Taxes and Investment Tax Credit Adjustments

Deferred tax assets and liabilities are recorded for the tax effect of temporary differences between the financial statement bases and tax bases of assets and liabilities and are measured using the enacted tax rates in effect in the years in which the differences are expected to reverse. The portions of our deferred tax liabilities, which have not been reflected in current service rates, represent income taxes recoverable through future rates. Deferred tax assets are recorded net of any valuation allowance when it is more likely than not that such tax benefits will be realized. Investment tax credits on utility property have been deferred and are allocated to income ratably over the lives of the subject property.

We account for uncertainty in income taxes in the financial statements only if it is more likely than not that an uncertain tax position is sustainable based on technical merits. Recognizable tax positions are then measured to determine the amount of benefit recognized in the financial statements. We recognize penalties and interest related to unrecognized tax benefits as a component of other income.

Financial Instruments

We have entered into agreements with suppliers to purchase electricity for resale to our customers. Purchases under these contracts either do not meet the definition of derivatives or are considered "normal purchases" and are accounted for on an accrual basis.

Florida Public Utilities Company	An Original		For the Year Ended
Electric Division			December 31, 2011
NOTES TO FINANCIAL STATEMENTS			

Financial assets and liabilities with carrying values approximating fair value include cash and cash equivalents, accounts receivable, accounts payable and other accrued liabilities. The fair value of cash and cash equivalents is measured using the comparable value in the active market and approximates its carrying value (Level 1 measurement).

Operating Revenues

Our operating revenues are based on rates approved by the FPSC. We read meters and bill customers on monthly cycles that do not coincide with the accounting periods used for financial reporting purposes. We accrue unbilled revenues for the charges associated with electricity delivered, but not yet billed, at the end of an accounting period to the extent that they do not coincide.

We have a purchased fuel cost recovery mechanism. This mechanism provides a method of adjusting the billing rates to reflect changes in the cost of purchased fuel. The difference between the current cost of fuel purchased and the cost of fuel recovered in billed rates is deferred and accounted for as either unrecovered purchased fuel costs or amounts payable to customers. Generally, these deferred amounts are recovered or refunded within one year.

Allowance for Doubtful Accounts

An allowance for doubtful accounts is recorded against amounts due to reduce the net receivables balance to the amount we reasonably expect to collect based upon our collection experiences and management’s assessment of our customers’ inability or reluctance to pay. If circumstances change, our estimates of recoverable accounts receivable may also change. Circumstances that could affect such estimates include, but are not limited to, customer credit issues, the level of electricity prices and general economic conditions. Accounts are written off when they are deemed to be uncollectible.

Taxes Collected from Customers and Remitted to Governmental Authorities

We remit to governmental authorities various taxes collected from customers throughout the year including gross receipts and franchise taxes. These taxes are pass through items and do not impact our results of operations. The amount of gross receipts and franchise taxes for the years ending December 31, 2011 and 2010 were \$5,856,707 and \$6,502,447, respectively. Pursuant to the accounting requirements of the FPSC, these taxes are included in taxes other than income taxes with the corresponding collection in operating revenues in the accompanying statements of income.

Regulatory Assets, Liabilities and Expenditures

We account for our regulated operations in accordance with Accounting Standards Codification (“ASC”) Topic 980, “Regulated Operations.” This Topic includes accounting principles for companies whose rates are determined by independent third-party regulators. When setting rates, regulators often make decisions, the economics of which require companies to defer costs or revenues in different periods than may be appropriate for unregulated enterprises. When this situation occurs, a regulated company defers the associated costs as regulatory assets on the balance sheet and records them as expense on the income statement as it collects revenues. Further, regulators can also impose liabilities upon a regulated company for amounts previously collected from customers, and for recovery of costs that are expected to be incurred in the future as regulatory liabilities. If we were required to terminate the application of these provisions to our regulated operations, all such deferred amounts would be recognized in the income statement at that time. This would result in a charge to earnings, net of applicable income taxes, which could be material.

We monitor our regulatory and competitive environment to determine whether the recovery of our regulatory assets continues to be probable. If we were to determine that recovery of these assets is no longer probable, we would write off the assets against earnings. We believe that provisions of ASC Topic 980, “Regulated Operations,” continue to apply to our operations and that the recovery of our regulatory assets is probable.

Subsequent Events

We have assessed and reported on subsequent events through July 30, 2012, the date these financial statements are available to be issued.

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2. Transactions with affiliates

Cash Arrangements, Short-term Debt and Long-term Debt

We do not maintain separate bank accounts specific to our operation. Cash generated from and spent in our operations is maintained in various accounts held by FPU. The excess cash generated above our operating cash requirement may also be held in Chesapeake's name. We are allocated a portion of interest income generated from those accounts.

We utilize Chesapeake's short-term borrowing facility and long-term debt to finance our capital requirements. Prior to Chesapeake's acquisition, we also utilized FPU's long-term debt. We are allocated a portion of interest expense on Chesapeake's short-term borrowing facility and long-term debt and a portion of interest on FPU's long-term debt.

We were allocated a net interest expense of \$1,086,354 and \$944,491 for the years ended December 31, 2011 and 2010, respectively.

Allocated Costs to and from Affiliates

Chesapeake provides us with payroll and treasury services. Chesapeake also provides certain managerial, accounting and information technology oversight functions. For the years ended December 31, 2011 and 2010, Chesapeake charged us \$2,287,988 and \$2,104,931, respectively, for these services.

Advances from Affiliates

As of December 31, 2011 and 2010, we had advances to Chesapeake and its subsidiaries in the amount of \$16,048,276 and \$19,007,706, respectively. These amounts are reflected as accounts receivable from associated companies in the accompanying financial statements.

3. Income Taxes

Prior to the merger with Chesapeake, FPU filed a separate federal income tax return. After the merger, FPU is included in the Chesapeake consolidated federal tax return, along with all of Chesapeake's other subsidiaries. FPU files a separate state income tax return in the state of Florida. Income taxes are allocated to us as if we were a separate taxpayer.

In January 2012, the Internal Revenue Service ("IRS") informed Chesapeake that its 2009 consolidated federal tax return has been selected for examination. Our results from October 29, 2009 to December 31, 2009 (the post-merger period) are included in Chesapeake's consolidated federal tax return for 2009. The examination is currently ongoing and we cannot predict the outcome at this time.

During 2011, the IRS performed its examination of FPU's consolidated federal returns for 2008 and for the period from January 1, 2009 to October 28, 2009 (the pre-merger period in 2009, during which FPU was required to file a separate federal tax return) and proposed a disallowance of approximately \$135,000 and \$256,000, respectively, of the environmental expenditure deductions taken by FPU related to one of the environmental remediation sites. FPU disagreed with the IRS finding and filed an appeal, which is currently underway. The IRS finding is based on FPU's failure to follow a technical requirement to label these environmental expenditures in a specific way on the returns. FPU requested a letter ruling to obtain relief, which allowed FPU to correctly label these environmental expenditures, and the IRS issued a ruling in June 2012 granting this relief to FPU. With this relief, FPU believes that those deductions will likely be sustained during the appeal process. Accordingly, we did not record any accrual as of December 31, 2011, related to the examination by the IRS of its returns.

As of December 31, 2011, we recorded a deferred tax asset of \$355,172 related to our portion of Chesapeake's 2011 federal net operating loss carryforwards, which expire in 2026. We did not record a valuation allowance to reduce the future benefit of the tax net operating losses because we believe they will be fully utilized. For the year ended December 31, 2010, we utilized \$304,418 of Chesapeake's consolidated net operating loss carryforwards to offset our income tax expense.

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The components of federal and state income tax expense are:

	<u>2011</u>	<u>2010</u>
Current	\$142,427	\$2,660,392
Deferred	260,997	(1,399,595)
Investment tax credits, net	<u>(12,926)</u>	<u>(18,416)</u>
	\$390,498	\$1,242,381

Deferred tax expense results primarily from the use of accelerated depreciation for tax purposes.

Total income tax expense results primarily from applying the federal income tax statutory rate to book income before tax.

	<u>2011</u>	<u>2010</u>
Federal income tax expense, 35% in 2011 and 2010	\$357,130	\$1,148,423
State income taxes, net of federal tax benefit	36,478	117,303
Other	<u>(3,110)</u>	<u>(23,345)</u>
	\$390,498	\$1,242,381

Deferred tax assets and liabilities at December 31, 2011 were \$1,455,183 and \$9,253,364, respectively. Deferred tax assets and liabilities at December 31, 2010 were \$862,198 and \$8,387,290, respectively. Deferred tax assets are primarily the result of the net operating loss carryforward and timing difference associated with the storm reserve. Deferred tax liabilities are primarily the result of depreciation-related timing differences.

4. Customer Concentration

We operate primarily in the electricity distribution business. Our operations include the transportation of electricity in intra-state commerce. We did not have any customer that accounted for more than 10 percent of our revenues for the years ended December 31, 2011 and 2010.

5. Lease Obligations

FPU has entered into operating lease arrangements for warehouse space. Rent expense for the years ended December 31, 2011 and 2010 allocated to us by FPU totaled \$8,019 and \$8,816 respectively, with no future minimum payments.

6. Employee Benefit Plans

Retirement Plans

Eligible FPU employees participate in various benefit plans sponsored by FPU. FPU allocates to us a portion of the benefit costs associated with these plans. Our share of the costs is based on a portion of the benefits related to providing services to us. For the years ended December 31, 2011 and 2010, we recorded the benefit costs of \$608,890 and \$618,469, respectively, related to these plans.

FPU continues to sponsor and maintain a separate defined benefit pension plan ("FPU Pension Plan") and a separate unfunded postretirement medical plan ("FPU Medical Plan") for eligible FPU employees after the merger.

FPU measures the assets and obligations of the defined benefit pension plan and other postretirement benefit plans to determine the plans' funded status as of the end of the year as an asset or a liability on its consolidated balance sheets. A portion of this asset or liability related to us is reflected on our balance sheet. At December 31, 2011 and 2010, \$7,098,838 and \$4,516,786, respectively, of the pension and postretirement benefit liabilities were assigned to us.

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FPU records as a component of other comprehensive income/loss or a regulatory asset the changes in funded status that occurred during the year that are not recognized as part of net periodic benefit costs. The following table presents the amounts not yet reflected in net periodic benefit cost and included in FPU's accumulated other comprehensive income/loss related to the above plans as of December 31, 2011:

<i>(in thousands)</i>	FPU Pension Plan	FPU Medical Plan	Total
Net loss	\$ 10,697	\$ 1,277	\$ 11,974
Total	\$ 10,697	\$ 1,277	\$ 11,974
Accumulated other comprehensive loss pre-tax ⁽¹⁾	\$ 2,032	\$ 243	\$ 2,275
Regulatory asset post merger	8,665	1,034	9,699
Subtotal	10,697	1,277	11,974
Regulatory asset pre-merger	5,870	70	5,940
Total unrecognized cost	\$ 16,567	\$ 1,347	\$ 17,914

⁽¹⁾The total amount of accumulated other comprehensive loss recorded on our consolidated balance sheet as of December 31, 2011 is net benefits of \$878,000.

The pre-merger regulatory asset of \$5.9 million at December 31, 2011 represents the portion attributable to FPU's natural gas and electric operations of the changes in the funded status in the FPU Pension Plan and FPU Medical Plan that occurred but were not recognized, as part of the net periodic benefit costs prior to the merger. FPU deferred this portion as a regulatory asset prior to the merger with Chesapeake pursuant to a previous order by the FPSC and continue to amortize it over the remaining service period of the participants at the time of the merger.

During the second half of 2011, FPU experienced a significant decline in interest and other corporate bond rates, and as a result, it used lower discount rates for its pension and other postretirement plans at December 31, 2011 to estimate the benefit obligations of those plans. FPU also experienced a decline in plan asset value during 2011, which, in conjunction with the higher benefit obligations, resulted in higher unrecognized costs at December 31, 2011. The total unrecognized cost of FPU's pension and postretirement benefits plans was \$17.9 million at December 31, 2011, compared to \$8.6 million at December 31, 2010.

The amounts in accumulated other comprehensive income/loss and regulatory asset for FPU's pension and postretirement benefits plans that are expected to be recognized as a component of net benefit cost in 2012 are set forth in the following table:

<i>(in thousands)</i>	FPU Pension Plan	FPU Medical Plan	Total
Net loss	\$ 175	\$ 91	\$ 266
Amortization of pre-merger regulatory asset	\$ 761	\$ 8	\$ 769

Defined Benefit Pension Plan

The FPU Pension Plan covers eligible FPU non-union employees hired before January 1, 2005 and union employees hired before the respective union contract expiration dates in 2005 and 2006.

In March 2009 and October 2009, FPU amended the FPU Pension Plan in an effort to reduce anticipated future pension expenses. As a result of these amendments, the FPU Pension Plan was frozen for all participants effective December 31, 2009. All future benefit accruals under the plan were ceased, including freezing salary rates at 2009 average compensation levels as of December 31, 2009. In addition to the freeze, the reduced early retirement eligibility was lowered from 30 years to 20 years and two additional service years were earned by active participants at the December 31, 2009 average compensation levels for the purposes of benefit accrual, vesting and retirement eligibility. Beyond December 31, 2011, active participants will continue to accrue service years for the purposes of vesting and retirement eligibility.

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FPU's funding policy provides that payments to the trustee shall be equal to the minimum funding requirements of the Employee Retirement Income Security Act of 1974. In 2011 and 2010, FPU contributed \$1.2 million in each year to the FPU Pension Plan as required by the Pension Protection Act funding rules.

The following schedule summarizes the assets of the FPU Pension Plan, by investment type, at December 31, 2011 and 2010:

At December 31,	2011	2010
Asset Category		
Equity securities	51.98%	60.00%
Debt securities	38.05%	35.00%
Other	9.97%	5.00%
Total	100.00%	100.00%

In December 2011, FPU changed the investments and investment asset allocation of the FPU Pension Plan assets to better align them with the investment goals and objectives. The investment policy of the FPU pension plan is designed to provide the capital assets necessary to meet the financial obligations of the plan. Investment assets are intended to provide a level of return generating sufficient capital to meet those obligations. The investment goals and objectives are to achieve investment returns that together with contributions will provide funds adequate to pay promised benefits to present and future beneficiaries of the plan, earn a long-term investment return in excess of the growth of the plan's retirement liabilities, minimize pension expense and cumulative contributions resulting from liability measurement and asset performance and maintain a diversified portfolio to reduce the risk of large losses.

The following allocation range of asset classes is intended to produce a rate of return sufficient to meet the plans' goals and objectives:

Asset Allocation Strategy

Asset Class	Minimum Allocation Percentage	Maximum Allocation Percentage
Domestic Equities (Large Cap, Mid Cap and Small Cap)	14%	32%
Foreign Equities (Developed and Emerging Markets)	13%	25%
Fixed Income (Inflation Bond and Taxable Fixed)	26%	40%
Alternative Strategies (Long/Short Equity and Hedge Fund of Funds)	6%	14%
Diversifying Assets (High Yield Fixed Income, Commodities, and Real Estate)	7%	19%
Cash	0%	5%

Due to periodic contributions and different asset classes producing different returns, the actual asset values may temporarily move outside of the intended ranges. The investments are monitored on a quarterly basis, at a minimum, for asset allocation and performance.

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At December 31, 2011, the asset of FPU Pension Plan was comprised of the following investments:

Asset Category <i>(in thousands)</i>	Fair Value Measurement Hierarchy			Total
	Level 1	Level 2	Level 3	
Equity securities				
Domestic equities	\$ 2,647	\$ 6,038	\$ -	\$ 8,685
Foreign equities	7,205	-	-	7,205
Alternative strategies	3,777	-	-	3,777
	<u>13,629</u>	<u>6,038</u>	<u>-</u>	<u>19,667</u>
Debt securities				
Fixed income	1,882	10,616	-	12,498
Diversifying assets	-	1,898	-	1,898
	<u>1,882</u>	<u>12,514</u>	<u>-</u>	<u>14,396</u>
Other				
Diversifying assets	3,018	-	-	3,018
Guaranteed deposit	-	-	755	755
	<u>3,018</u>	<u>-</u>	<u>755</u>	<u>3,773</u>
Total Pension Plan Assets	<u>\$ 18,529</u>	<u>\$ 18,552</u>	<u>\$ 755</u>	<u>\$ 37,836</u>

At December 31, 2011, all of the investments classified under Level 1 of the fair value measurement hierarchy were recorded at fair value based on unadjusted quoted prices in active markets for identical investments. The Level 2 investments were recorded at fair value based on net asset value per unit of the investments, which used significant observable inputs although those investments were not traded publicly and did not have quoted market prices in active markets. The level 3 investments were guaranteed deposit accounts, which were valued based on liquidation value of those accounts, including the effect of the balance and interest guarantee and liquidation restriction.

Prior to the change in the pension asset investments and investment allocation in December 2011, all of the assets held by the FPU Pension Plan were classified under Level 2 of the fair value hierarchy and were recorded at fair value based on net asset value per unit of those assets.

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The following schedule sets forth the funded status at December 31, 2011 and 2010:

At December 31,	2011	2010
<i>(in thousands)</i>		
Change in benefit obligation:		
Benefit obligation — beginning of year	\$ 52,478	\$ 45,420
Interest cost	2,695	2,729
Actuarial loss	5,403	6,326
Benefits paid	(2,577)	(1,997)
Benefit obligation — end of year	57,999	52,478
Change in plan assets:		
Fair value of plan assets — beginning of year	40,201	36,427
Actual return on plan assets	(1,101)	4,605
Employer contributions	1,313	1,166
Benefits paid	(2,577)	(1,997)
Fair value of plan assets — end of year	37,836	40,201
Reconciliation:		
Funded status	(20,163)	(12,277)
Accrued pension cost	\$ (20,163)	\$ (12,277)
Assumptions:		
Discount rate	4.50%	5.25%
Expected return on plan assets	7.00%	7.00%

Net periodic pension cost (benefit) for the FPU Pension Plan for 2011 and 2010 include the components shown below:

For the Years Ended December 31,	2011	2010
<i>(in thousands)</i>		
Components of net periodic pension cost:		
Interest cost	\$ 2,695	\$ 2,729
Expected return on assets	(2,783)	(2,532)
Net periodic pension cost	(88)	197
Amortization of pre-merger regulatory asset	761	888
Total periodic cost	\$ 673	\$ 1,085
Assumptions:		
Discount rate	5.25%	5.75%
Expected return on plan assets	7.00%	7.00%

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Other Postretirement Benefits Plan

The following schedule sets forth the status of the FPU Medical plan:

<u>At December 31,</u>	<u>2011</u>	<u>2010</u>
<i>(in thousands)</i>		
Change in benefit obligation:		
Benefit obligation — beginning of year	\$ 3,098	\$ 2,417
Service cost	125	76
Interest cost	176	122
Plan participants contributions	88	47
Actuarial loss	802	595
Benefits paid	(208)	(159)
Benefit obligation — end of year	4,081	3,098
Change in plan assets:		
Fair value of plan assets — beginning of year	-	-
Employer contributions ⁽¹⁾	120	112
Plan participants contributions	88	47
Benefits paid	(208)	(159)
Fair value of plan assets — end of year	-	-
Reconciliation:		
Funded status	(4,081)	(3,098)
Accrued postretirement cost	\$ (4,081)	\$ (3,098)
Assumptions:		
Discount rate	4.50%	5.25%

⁽¹⁾ The FPU Medical Plan did not receive a significant subsidy for 2010 and 2011.

Net periodic postretirement cost for 2011 and 2010 include the following components:

<u>For the Years Ended December 31,</u>	<u>2011</u>	<u>2010</u>
<i>(in thousands)</i>		
Components of net periodic postretirement cost:		
Service cost	\$ 125	\$ 76
Interest cost	176	123
Amortization of actuarial gain	55	(6)
Net periodic postretirement cost	\$ 356	\$ 193
Assumptions		
Discount rate	5.25%	5.75%

In addition, FPU recorded \$8,000 and \$9,000 in expense in 2011 and 2010, respectively, related to continued amortization of the postretirement benefit regulatory asset for the period prior to the merger with Chesapeake.

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Assumptions

The assumptions used for the discount rate to calculate the benefit obligation of all the plans were based on the interest rates of high-quality bonds in 2011, reflecting the expected life of the plans. In determining the average expected return on plan assets for the pension plan, various factors, such as historical long-term return experience, investment policy and current and expected allocation, were considered. Since the pension plan is frozen with respect to additional years of service and compensation, the rate of assumed compensation rate increases is not applicable.

The health care inflation rate for 2011 used to calculate the benefit obligation is 9.5 percent for the FPU Medical Plan. A one percentage point increase in the health care inflation rate from the assumed rate would increase the accumulated postretirement benefit obligation by approximately \$469,000 as of January 1, 2012, and would increase the aggregate of the service cost and interest cost components of the net periodic postretirement benefit cost for 2011 by approximately \$39,000. A one percentage point decrease in the health care inflation rate from the assumed rate would decrease the accumulated postretirement benefit obligation by approximately \$402,000 as of January 1, 2012, and would decrease the aggregate of the service cost and interest cost components of the net periodic postretirement benefit cost for 2011 by approximately \$33,000.

Estimated Future Benefit Payments

In 2012, FPU expects to contribute \$2.0 million and \$193,000 to the FPU Pension Plan and FPU Medical Plan, respectively. The schedule below shows the estimated future benefit payments for each of our plans previously described:

	FPU Pension Plan ⁽¹⁾	FPU Medical Plan ⁽²⁾⁽³⁾
<i>(in thousands)</i>		
2012	\$ 2,500	\$ 193
2013	\$ 2,677	\$ 215
2014	\$ 2,807	\$ 244
2015	\$ 2,935	\$ 269
2016	\$ 3,033	\$ 272
Years 2016 through 2020	\$ 16,295	\$ 1,759

⁽¹⁾ The pension plan is funded; therefore, benefit payments are expected to be paid out of the plan assets.

⁽²⁾ Benefit payments are expected to be paid out of FPU's general funds.

⁽³⁾ These amounts are shown net of estimated Medicare Part-D reimbursements of \$11,000, \$12,000, \$13,000, \$14,000 and \$14,000 for the years 2012 to 2016, respectively, and \$80,000 for the years 2017 through 2021.

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Retirement Savings Plan

Effective January 1, 2012, FPU employees are eligible to participate in the Chesapeake Utilities Corporation 401(k) Retirement Savings Plan, which is a plan sponsored by Chesapeake. The benefits offered under the Chesapeake 401(k) retirement savings plan effective January 1, 2012 are similar to the benefits previously offered by the FPU retirement savings plan. FPU offers the Chesapeake 401(k) plan to all eligible employees who have completed three months of service, except for employees represented by a collective bargaining agreement that does not specifically provide for participation in the plan, non-resident aliens with no U.S. source income and individuals classified as consultants, independent contractors or leased employees.

Prior to January 1, 2012, FPU maintained a separate 401(k) retirement savings plan. Effective January 1, 2011, FPU matched 100 percent of eligible non-union participants' pre-tax contributions to the FPU 401(k) plan up to a maximum of six percent of the eligible compensation. Eligible employees who had not opted out of the plan were automatically enrolled at the three-percent deferral rate and the automatic deferral would increase by one percent per year up to a maximum of six percent, unless an employee elected otherwise, with vesting of 100 percent after two years of service. Employees with one year of service were 20 percent vested and became 100 percent vested after two years of service. Participants were eligible for the employer contributions only if they have worked for a minimum number of hours as specified in our plan document during the plan year.

Prior to January 1, 2011, FPU's 401(k) plan provided a matching contribution of 50 percent of an employee's pre-tax contributions, up to six percent of the employee's salary, for a maximum company contribution of up to three percent. For non-union employees the plan provided a company match of 100 percent for the first two percent of an employee's contribution, and a match of 50 percent for the next four percent of an employee's contribution, for a total company match of up to four percent. Employees were automatically enrolled at the three percent contribution, with the option of opting out, and were eligible for the company match after six months of continuous service, with vesting of 100 percent after three years of continuous service.

Certain FPU executives participate in Chesapeake's non-qualified supplemental employee retirement savings plan ("401(k) SERP"). Participants receive a cash-only matching contribution percentage equivalent to their 401(k) match level. All contributions and matched funds can be invested among the mutual funds available for investment. All obligations arising under the 401(k) SERP are payable from Chesapeake's general assets, although Chesapeake has established a Rabbi Trust for the 401(k) SERP. The assets of the Rabbi Trust are at all times subject to the claims of Chesapeake's general creditors.

7. Rates and Other Regulatory Activities

Marianna Franchise: On July 7, 2009, the City Commission of Marianna, Florida (the "Marianna Commission") adopted an ordinance granting us a franchise effective February 1, 2010 for a period not to exceed 10 years for the operation and distribution and/or sale of electric energy (the "Franchise Agreement"). The Franchise Agreement provides that we will develop and implement new time-of-use ("TOU") and interruptible electric power rates, or other similar rates, mutually agreeable to us and the City of Marianna (the "City"). The Franchise Agreement further provides for the TOU and interruptible rates to be effective no later than February 17, 2011, and available to all customers within our northwest electric division, which includes the City. If the rates were not in effect by February 17, 2011, the City would have the right to give notice to us within 180 days thereafter of its intent to exercise an option in the Franchise Agreement to purchase our property (consisting of the electric distribution assets) within the City. Any such purchase would be subject to approval by the Marianna Commission, which would also need to approve the presentation of a referendum to voters in the City for the approval of the purchase and the operation by the City of an electric distribution facility. If the purchase is approved by the Marianna Commission and by the referendum, the closing of the purchase must occur within 12 months after the referendum is approved. If the City elects to purchase the Marianna property, the Franchise Agreement requires the City to pay us the fair market value for such property as determined by three qualified appraisers. Future financial results would be negatively affected by the loss of earnings generated from our approximately 3,000 customers in the City.

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In accordance with the terms of the Franchise Agreement, we developed TOU and interruptible rates and on December 14, 2010, we filed a petition with the FPSC for authority to implement such proposed TOU and interruptible rates on or before February 17, 2011. On February 11, 2011, the FPSC issued an order approving our petition for authority to implement the proposed TOU and interruptible rates, which became effective on February 8, 2011. The City objected to the proposed rates and filed a petition protesting the entry of the FPSC's order. On January 24, 2012, the FPSC dismissed with prejudice the protest by the City. The City filed an appeal with the Florida Supreme Court on March 7, 2012. This appeal was filed with the FPSC on March 19, 2012. At this time the Docket is in litigation status awaiting a decision by the Florida Supreme court on the administrative appeal. The case is currently scheduled for trial on October 29, 2012. FPU intends to continue its vigorous defense of the lawsuit filed by the City of Marianna and intends to oppose the adoption of any proposed referendum to approve the purchase of the FPU property in the City of Marianna.

On January 26, 2011, we filed a petition with the FPSC for approval of an amendment to our Generation Services Agreement entered into with Gulf Power. The amendment provides for a reduction in the capacity demand quantity, which generates the savings necessary to support the TOU and interruptible rates approved by the FPSC. The amendment also extends the current agreement by two years, with a new expiration date of December 31, 2019. By its order dated June 21, 2011, the FPSC approved the amendment. On July 12, 2011, the City filed a protest of this decision and requested a hearing on the amendment. On January 24, 2012, the FPSC dismissed with prejudice the protest by the City.

The City filed an appeal with the Florida Supreme Court on March 7, 2012 and with the FPSC on March 19, 2012. At this time, the City's appeal is pending before the Florida Supreme Court.

As disclosed in Note 8, "Other Commitments and Contingencies," the City, on March 2, 2011, filed a complaint against us in the Circuit Court of the Fourteenth Judicial Circuit in and for Jackson County, Florida, alleging breaches of the Franchise Agreement by us and seeking a declaratory judgment that the City has the right to exercise its option to purchase our property in the City in accordance with the terms of the Franchise Agreement. On March 28, 2011, we filed our answer to the declaratory action by the City, in which we denied the material allegations by the City and asserted affirmative defenses. The litigation remains pending.

On April 7, 2011, we filed a petition for approval of a mid-course reduction to our northwest electric division fuel rates based on two factors: (1) the previously discussed amendment to the Generation Services Agreement with Gulf Power, and (2) a weather-related increase in sales resulting in an accelerated collection of the prior year's under-recovered costs. Pursuant to its order dated July 5, 2011, the FPSC approved the petition, which reduced the fuel rates of our northwest electric division, which includes the fuel rates charged to customers in the City.

On February 24, 2012, we filed a revised petition for approval of a mid-course reduction to our northwest electric division fuel rates based on a reduction in our supplier's fuel rates, which would significantly lower purchased power costs for our northwest electric division in 2012. We filed for this mid-course reduction in order to ensure that our customers receive these savings in the most timely manner, and the FPSC issued an order on March 27, 2012, approving the mid-course correction reduction in fuel rates, effective April 1, 2012. This further reduced the fuel rates of our northwest electric division, which includes the fuel rates charged to customers in the City.

We also had developments in the following regulatory matters:

On June 21, 2011, we, in accordance with the FPSC rules, filed our 2011 depreciation study and request for new depreciation rates for our electric distribution operation, effective January 1, 2012. The FPSC approved the depreciation study at its January 24, 2012 Agenda Conference. The new approved depreciation rates are expected to reduce annual depreciation expense by approximately \$227,000.

On March 21, 2012 we filed a petition with the FPSC for approval of a Negotiated Contract for the purchase of renewable energy power between us and an unaffiliated company, which is constructing and installing a new Renewable Generating Facility within our service territory. If constructed and installed, this facility will be capable of interconnecting and selling power to our northeast electric division. Overall, this contract will provide a significant benefit to our northeast electric customers, while also promoting the State of Florida's goal of encouraging energy independence and the growth of renewable energy projects. If the contract is approved, savings will be passed on to customers through lower fuel costs. The FPSC is expected to rule on this contract in the third quarter of 2012.

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NOTES TO FINANCIAL STATEMENTS			

8. Other Commitments and Contingencies

On March 2, 2011, the City of Marianna (the "City") filed a complaint against us in the Circuit Court of the Fourteenth Judicial Circuit in and for Jackson County, Florida. In the complaint, the City alleged three breaches of the Franchise Agreement by us: (i) we failed to develop and implement TOU and interruptible rates that were mutually agreed to by the City and us; (ii) mutually agreed upon TOU and interruptible rates were not effective or in effect by February 17, 2011; and (iii) we did not have such rates available to all of our customers located within and without the corporate limits of the City. The City is seeking a declaratory judgment allowing it to exercise its option under the Franchise Agreement to purchase our property (consisting of the electric distribution assets) within the City. Any such purchase would be subject to approval by the Marianna Commission, which would also need to approve the presentation of a referendum to voters in the City related to the purchase and the operation by the City of an electric distribution facility. If the purchase is approved by the Marianna Commission and the referendum is approved by the voters, the closing of the purchase must occur within 12 months after the referendum is approved. On March 28, 2011, we filed our answer to the declaratory action by the City, in which we denied the material allegations by the City and asserted several affirmative defenses. On August 3, 2011, the City notified us that it was formally exercising its option to purchase our property. On August 31, 2011, we advised the City that it has no right to exercise the purchase option under the Franchise Agreement and that we would continue to oppose the effort by the City to purchase our property. In December 2011, the City filed a motion for summary judgment. We opposed the motion. On April 3, 2012, the court conducted a hearing on the City's motion for summary judgment. The court subsequently denied in part and granted in part the City of Marianna's motion after concluding that fact issues remained for trial with respect to each of the three alleged breaches of the Franchise Agreement. Mediation was conducted on May 11, 2012, and on July 6, 2012, but no resolution was reached. The parties will continue to conduct informal negotiations to explore a potential settlement. The case is currently scheduled for trial on October 29, 2012. Unless resolved through the informal negotiations, we anticipate that the case will be tried and intend to defend this lawsuit vigorously. We also intend to oppose the adoption of any proposed referendum to approve the purchase of the FPU property by the City of Marianna.

Our electric fuel supply contracts require us to maintain an acceptable standard of creditworthiness based on specific financial ratios. Our agreement with JEA (formerly known as Jacksonville Electric Authority) requires us to comply with the following ratios based on the results of the prior 12 months: (a) total liabilities to tangible net worth less than 3.75 times, and (b) fixed charge coverage ratio greater than 1.5 times. If either ratio is not met by us, we have 30 days to cure the default or provide an irrevocable letter of credit if the default is not cured. Our electric fuel supply agreement with Gulf Power requires us to meet the following ratios based on the average of the prior six quarters: (a) funds from operations interest coverage ratio (minimum of 2 times), and (b) total debt to total capital (maximum of 65 percent). If we fail to meet the requirements, we have to provide the supplier a written explanation of actions taken or proposed to be taken to become compliant. Failure to comply with the ratios specified in the Gulf Power agreement could result in us providing an irrevocable letter of credit. As of December 31, 2011, we were in compliance with all of the requirements of its fuel supply contracts.

We are involved in certain other legal actions and claims arising in the normal course of business. We are also involved in certain legal proceedings and administrative proceedings before various governmental agencies concerning rates. In the opinion of management, the ultimate disposition of these proceedings will not have a material effect on our consolidated financial position, results of operations or cash flows.

Florida Public Utilities Company Electric Division		An Original		For the Year Ended December 31, 2011	
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	Plant in Service (Classified)	90,011,527	90,011,527		
4	Property Under Capital Leases	-	-		
5	Plant Purchased or Sold	-	-		
6	Completed Construction not Classified	-	-		
7	Experimental Plant Unclassified	-	-		
8	TOTAL (Enter Total of lines 3 thru 7)	90,011,527	90,011,527		
9	Leased to Others	-	-		
10	Held for Future Use	-	-		
11	Construction Work in Progress	924,044	924,044		
12	Acquisition Adjustment	3,691	3,691		
13	TOTAL Utility Plant (Enter Total of lines 8 thru 12)	90,939,262	90,939,262		
14	Accum. Prov. for Depr., Amort., & Depl.	46,112,671	46,112,671		
15	Net Utility Plant (Enter total of line 13 less 14)	44,826,591	44,826,591		
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION				
17	In Service:				
18	Depreciation	46,108,980	46,108,980		
19	Amort. and Depl. of Producing Nat. Gas Land and Land Rights	-	-		
20	Amort. of Underground Storage Land and Land Rights	-	-		
21	Amort. of Other Utility Plant	-	-		
22	TOTAL in Service (Enter Total of lines 18 thru 21)	46,108,980	46,108,980		
23	Leased to Others				
24	Depreciation	-	-		
25	Amortization and Depletion	-	-		
26	TOTAL Leased to Others (Enter Total of lines 24 and 25)	-	-		
27	Held for Future Use				
28	Depreciation	-	-		
29	Amortization	-	-		
30	TOTAL Held for Future Use (Ent. Tot. of lines 28 and 29)	-	-		
31	Abandonment of Leases (Natural Gas)	-	-		
32	Amort. of Plant Acquisition Adjustment	3,691	3,691		
33	TOTAL Accumulated Provisions (Should agree with line 14 above)(Enter Total of lines 22, 26, 30, 31, and 32)	46,112,671	46,112,671		

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
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
					14
					15
					16
					17
					18
					19
					20
					21
-		-	-	0	22
					23
					24
-	-	-	-	-	25
					26
					27
					28
					29
-	-	-	-	-	30
					31
					32
0	0	0	0	0	33

ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106)

1. Report below the original cost of electric plant in service according to the prescribed accounts.
2. In addition to Account 101, Electric Plant in Service (Classified) this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Gas Plant Unclassified; and Account 106, Completed Construction Not Classified - Electric
3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for

reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements the end of the year, included in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior years of unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observation of the above instructions and the texts of accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization	-	
3	(302) Franchises and Consents	-	
4	(303) Miscellaneous Intangible Plant	1,193	-
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	1,193	-
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights	-	
9	(311) Structures and Improvements	-	
10	(312) Boiler Plant Equipment	-	
11	(313) Engines and Engine Driven Generators	-	
12	(314) Turbogenerator Units	-	
13	(315) Accessory Electric Equipment	-	
14	(316) Misc. Power Plant Equipment	-	
15	TOTAL Steam Production Plant (Enter Total of lines 8 through 14)	-	-
16	B. Nuclear Production Plant		
17	(320) Land and Land Rights	-	
18	(321) Structures and Improvements	-	
19	(322) Reactor Plant Equipment	-	
20	(323) Turbogenerator Units	-	
21	(324) Accessory Electric Equipment	-	
22	(325) Misc. Power Plant Equipment	-	
23	TOTAL Nuclear Production Plant (Enter Total of lines 17 through 22)	-	-
24	C. Hydraulic Production Plant		
25	(330) Land and Land Rights	-	
26	(331) Structures and Improvements	-	
27	(332) Reservoirs, Dams, and Waterways	-	
28	(333) Water Wheels, Turbines, and Generators	-	
29	(334) Accessory Electric Equipment	-	
30	(335) Misc. Power Plant Equipment	-	
31	(336) Roads, Railroads, and Bridges	-	
32	TOTAL Hydraulic Production Plant (Enter Total of lines 25 through 31)	-	-
33	D. Other Production Plant		
34	(340) Land and Land Rights	-	
35	(341) Structures and Improvements	-	
36	(342) Fuel Holders, Products and Accessories	-	
37	(343) Prime Movers	-	
38	(344) Generators	-	
39	(345) Accessory Electric Equipment	-	

ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)

6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

7. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement

showing subaccount classifications of such plant conforming to the requirements of these pages.

8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and the date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
			-	(301)	1
			-	(302)	2
-	-	-	1,193	(303)	3
-	-	-	1,193		4
					5
					6
					7
			-	(310)	8
			-	(311)	9
			-	(312)	10
			-	(313)	11
			-	(314)	12
			-	(315)	13
			-	(316)	14
-	-	-	-		15
					16
			-	(320)	17
			-	(321)	18
			-	(322)	19
			-	(323)	20
			-	(324)	21
			-	(325)	22
-	-	-	-		23
					24
			-	(330)	25
			-	(331)	26
			-	(332)	27
			-	(333)	28
			-	(334)	29
			-	(335)	30
			-	(336)	31
-	-	-	-		32
					33
			-	(340)	34
			-	(341)	35
			-	(342)	36
			-	(343)	37
			-	(344)	38
			-	(345)	39

ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106)

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
40	(346) Misc. Power Plant Equipment	-	-
41	TOTAL Other Production Plant (Enter Total of lines 34 through 40)	-	-
42	TOTAL Production Plant (Enter Total of lines 15, 23, 32, and 41)	-	-
43	3. TRANSMISSION PLANT		
44	(350) Land and Land Rights	41,471	-
45	(352) Structures and Improvements	22,007	-
46	(353) Station Equipment	2,588,490	36,502
47	(354) Towers and Fixtures	224,802	-
48	(355) Poles and Fixtures	2,720,874	67,232
49	(356) Overhead Conductors and Devices	2,012,475	7,500
50	(357) Underground Conduit	-	-
51	(358) Underground Conductors and Devices	-	-
52	(359) Roads and Trails	6,788	-
53	TOTAL Transmission Plant (Enter Total of lines 44 through 52)	7,616,907	111,234
54	4. DISTRIBUTION PLANT		
55	(360) Land and Land Rights	70,567	-
56	(361) Structures and Improvements	96,042	4,813
57	(362) Station Equipment	7,253,657	273,759
58	(363) Storage Battery Equipment	-	-
59	(364) Poles, Towers, and Fixtures	10,799,459	608,229
60	(365) Overhead Conductors and Devices	10,822,893	316,724
61	(366) Underground Conduit	3,806,650	163,021
62	(367) Underground Conductors and Devices	5,958,678	217,635
63	(368) Line Transformers	14,799,262	343,046
64	(369) Services	9,632,207	161,580
65	(370) Meters	3,660,999	151,707
66	(371) Installations on Customer Premises	2,594,781	120,692
67	(372) Leased Property on Customer Premises	-	-
68	(373) Street Lighting and Signal Systems	1,332,252	34,298
69	TOTAL Distribution Plant (Enter Total of lines 55 through 68)	70,827,447	2,395,504
70	5. GENERAL PLANT		
71	(389) Land and Land Rights	154,524	-
72	(390) Structures and Improvements	2,068,355	260,268
73	(391) Office Furniture and Equipment	2,044,899	79,476
74	(392) Transportation Equipment	3,358,877	333,220
75	(393) Stores Equipment	125,205	33,248
76	(394) Tools, Shop and Garage Equipment	171,226	10,765
77	(395) Laboratory Equipment	72,993	48,054
78	(396) Power Operated Equipment	190,165	-
79	(397) Communication Equipment	298,511	31,654
80	(398) Miscellaneous Equipment	25,451	-
81	SUBTOTAL (Enter Total of lines 71 through 80)	8,510,206	796,685
82	(399) Other Tangible Property	15,993	-
83	TOTAL General Plant (Enter Total of lines 81 and 82)	8,526,199	796,685
84	TOTAL (Accounts 101 and 106)	86,970,553	3,303,423
85	(102) Electric Plant Purchased	-	-
86	(Less) (102) Electric Plant Sold	-	-
87	(103) Experimental Plant Unclassified	-	-
88	TOTAL Electric Plant in Service	86,970,553	3,303,423

ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
			-	(346)	40
-	-	-	-		41
-	-	-	-		42
-	-	-	41,471	(350)	43
-	-	-	22,007	(352)	44
(5,035)	-	-	2,619,957	(353)	45
-	-	-	224,802	(354)	46
-	-	-	2,788,106	(355)	47
-	-	-	2,019,975	(356)	48
-	-	-	-	(357)	49
-	-	-	-	(358)	50
-	-	-	6,788	(359)	51
(5,035)	-	-	7,723,106		52
-	-	-	70,567	(360)	53
-	-	-	100,855	(361)	54
(6)	-	-	7,527,410	(362)	55
-	-	-	-	(363)	56
(35,944)	-	-	11,371,744	(364)	57
(35,349)	-	-	11,104,268	(365)	58
-	-	-	3,969,671	(366)	59
(4,319)	-	-	6,171,994	(367)	60
(76,745)	-	-	15,065,563	(368)	61
(2,372)	-	-	9,791,415	(369)	62
(85,240)	-	-	3,727,466	(370)	63
(15,737)	-	-	2,699,736	(371)	64
-	-	-	-	(372)	65
(2,895)	-	-	1,363,655	(373)	66
(258,607)	-	-	72,964,344		67
-	-	-	154,524	(389)	68
-	-	-	2,328,623	(390)	69
-	-	-	2,124,375	(391)	70
-	-	-	3,692,097	(392)	71
-	-	-	158,453	(393)	72
-	-	-	181,991	(394)	73
-	-	-	121,047	(395)	74
-	-	-	190,165	(396)	75
-	-	-	330,165	(397)	76
-	-	-	25,451	(398)	77
-	-	-	9,306,891		78
-	-	-	15,993	(399)	79
-	-	-	9,322,884		80
(263,642)	-	-	90,010,334		81
-	-	-	-	(102)	82
-	-	-	-		83
-	-	-	-	(103)	84
(263,642)	-	-	90,010,334		85

CONSTRUCTION WORK IN PROGRESS-ELECTRIC (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 (5% of the Balance End of the Year for Account 107 or \$100,000, whichever is less) may be grouped

Line No.	Description of Project	Construction Work in Progress-Electric (Acct. 107)
1	Land and Land Rights	752,627
2	Poles	
3	O/H Conductors	
4	U/G Conductors	
5	Station Equipment	
6	* Other	171,417
7		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
34		
35		
36	* Grouped Items	
37		
38		
39	TOTAL	924,044

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

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, line 11, column (c), and that reported for electric plant in service, pages 204-207, column (d), excluding retirements of non-depreciable property.
3. The provisions of Account 108 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service.

If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
	Item				
1.	Balance Beginning of Year	42,911,180	42,911,180		
2.	Depreciation Provisions for Year, Charged to				
3.	(403) Depreciation Expense	3,450,677	3,450,677		
4.	(413) Exp. of Elec. Plt. Leas. to Others				
5.	Transportation Expenses-Clearing	149,234	149,234		
6.	Other Clearing Accounts	(4,819)	(4,819)		
7.	Other Accounts (Specify):				
8.	Accrued Depreciation on Transfers	-			
9.	TOTAL Deprec. Prov. for Year (Enter Total of lines 3 thru 8)	3,595,092	3,595,092		
10.	Net Charges for Plant Retired:				
11.	Book Cost of Plant Retired	(257,424)	(257,424)		
12.	Cost of Removal	(254,070)	(254,070)		
13.	Salvage (Credit)	19,176	19,176		
14.	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 11 thru 13)	(492,318)	(492,318)		
15.	Other Debit or Credit Items (Describe)-Rounding	95,026	95,026		
16.	Balance End of Year (Enter Total of lines 1, 9, 14, 15, and 16)	46,108,980	46,108,980		

Section B. Balances at End of Year According to Functional Classifications

18.	0	-	-		
19.	Nuclear Production	-	-		
20.	Hydraulic Production - Conventional	-	-		
21.	Hydraulic Production - Pumped Storage	-	-		
22.	Other Production	-	-		
23.	Transmission	3,155,238	3,155,238		
24.	Distribution	37,840,563	37,840,563		
25.	General	5,113,179	5,113,179		-
26.	TOTAL (Enter Total of lines 18 thru 25)	46,108,980	46,108,980		-

INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1)

1. Report below investments in Account 123.1, Investments in Subsidiary Companies.
 2. Provide a subheading for each company and list thereunder the information called below. Subtotal by company and give a total in columns (e), (f) (g) and (h).
 (a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity and interest rate.
 (b) Investment Advances - Report separately the

amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
 3. Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column (e) should equal the amount entered for Account 418.1

Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity	Amount of Investment at Beginning of Year (d)
			(c)	
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
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	-

INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)

4. For any securities, notes, or accounts that were pledged, designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge.
 5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
 6. Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.

7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between the cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including interest adjustment includable in column (f).
 8. Report on Line 37, column (a) the total cost of Account 123.1.

Equity in Subsidiary Earnings for Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	
				12
				13
				14
				15
				16
				17
				18
				19
				20
				21
				22
				23
				24
				25
				26
				27
				28
				29
				30
				31
				32
				33
				34
				35
				36
				37

MATERIALS AND SUPPLIES

1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.
2. Give an explanation of important inventory adjustments during year (in a footnote) showing general classes of material and supplies and the various accounts (operating expense, clearing accounts, plant, etc.) Affected - debited or credited. Show separately debits or credits to stores expense-clearing, if applicable.

Line No.	Account	Balance Beginning of Year	Balance End of Year	Department or Departments Which Use Material
	(a)	(b)	(c)	(d)
1	Fuel Stock (Account 151)			
2	Fuel Stock Expenses Undistributed (Account 152)			
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials and Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)	733,927	739,901	Operations
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)			
8	Transmission Plant (Estimated)			
9	Distribution Plant (Estimated)	244,642	246,634	Operations
10	Assigned to - Other			
11	TOTAL Account 154 (Enter Total of lines 5 thru 10)	978,569	986,534	
12	Merchandise (Account 155)	-	-	
13	Other Materials and Supplies (Account 156)	-	-	
14	Nuclear Materials Held for Sale (Account 157) (Not applicable to Gas Utilities)			
15	Stores Expense Undistributed (Account 163)			
16				
17				
18				
19				
20	TOTAL Materials and Supplies (per Balance Sheet)	978,569	986,534	

Physical Inventories were taken and the appropriate adjustments recorded in the following:

	Amount	Account Debited	Account Credited
114 Northwest Electric Division - Materials & Supplies	87	154	107
115 Northeast Electric Materials & Supplies	(4,169)	107, 593, 571	154, 107
121 South Florida - Materials & Supplies	-		
South Florida Gas Division - Merchandise	-		
123 Central Florida - Materials & Supplies	-		
Central Florida Gas Division - Merchandise	-		
993 Central Florida Propane Division - Merchandise	-		
995 Northeast Florida Propane Division - Materials & Supplies	-		
Northeast Florida Propane Division - Merchandise	-		

OTHER REGULATORY ASSETS

1. Reporting below the particulars (details) called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts).
2. For regulatory assets being amortized, show period of amortization in column (a).

3. Minor items (5% of the Balance at End of Year for Account 182.3 or amounts less than \$50,000, whichever is less) may be grouped by classes.

	Description and Purpose of Other Regulatory Assets (a)	Credits			Balance End of Year (e)
		Debits (b)	Account Charged (c)	Amounts (d)	
1					
2	Regulatory Asset Retirement Plan			5,467,834	5,467,834
3	Regulatory Asset 35% Federal Tax				248,666
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
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21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41	TOTAL	\$ -	\$ -	\$ 5,467,834	\$ 5,716,500

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 (1% of the Balance at End of Year for Account 186 or amounts less than \$50,000, whichever is less) may be grouped by classes.

	Description of Miscellaneous Deferred Debit (a)	Balance at Beginning of Year (b)	Debits (c)	Account Charged (d)	Credit Amount (e)	Balance End of Year (f)
1	Unrecovered Conservation	-			249,767	249,767
2	Deferred Rate Case	207,806			(149,937)	57,869
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
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19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
1	TOTAL	207,806				307,636

ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.
3. If more space is needed, use separate pages as required.
4. In the space provided below, identify by amount and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts under Other.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Amounts Charged to 410 and 411 (c)	Adjustments (d)	Balance at End of Year (e)
1	Electric				
2	Customer based intangible asset for tax	-	29,570	(3,964)	25,606
3	Net operating loss carryforward	-	355,172		355,172
4	Bad debt provision	4,392	9,871	30,109	44,372
5	State decoupling asset	131,094	125,312		256,406
6	Storm reserve	726,712	46,915		773,627
7					-
8					-
9					-
10					-
11					-
12					-
13	TOTAL Electric (Lines 2 thru 13)	862,198	566,840	26,145	1,455,183
14	Gas				
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26	TOTAL Gas (Lines 15 thru 25)	-	-	-	-
27					
28	Other (Specify) Common				
29	TOTAL (Account 190)(Lines 12, 23 & 24)	862,198	566,840	26,145	1,455,183

Florida Public Utilities Company
Electric Division

An Original
CAPITAL STOCK (Accounts 201 and 204)

For the Year Ended
December 31, 2011

1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form fill

ing, a specific reference to 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. Entries in column (b) should represent the no. of shares authorized by the articles of incorp. as amended to end of year.
3. Give particulars (deatils) concerning sharesof any class and

Line No.	Class and Series of Stock and Name of Stock Exchange (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value Per Share (c)	Call Price at End of Year (d)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
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21				
22				
23				
24				
25				
26				
27				
28				
29				

Outstanding Per Balance Sheet		Held by Respondent As Reacquired Stock (Account 217)		In Sinking and Other Funds		Line No.
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
						1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
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						26
						27
						28
						29

Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the account entries effecting such change.

(a) Donations Received from Stockholders (Account 208) - State amount and give brief explanation of the origin and purpose of each donation.

(b) Reduction in Par or Stated Value of Capital Stock (Account 209) - State amount and give brief explanation of the capital changes which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.

(c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210) - Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.

(d) Miscellaneous Paid-In Capital (Account 211) - Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.

Line No.	Item (a)	Amount (b)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		-----
32 TOTAL		0
33		=====

1. Report by balance sheet the account 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.

2. In column (a), for new issues, give Commission authorization numbers and dates.

3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.

4. For advances from Associated Companies, report separately advances on note and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.

5. For receivers' certificates, show in column (a) the named of the court and date of court order under which such certificates were issued.

6. In column (b) show the principal amount of bonds or other long-term debt originally issued.

7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.

8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.

9. 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

Line No.	(a)	Principal Amount of Debt Issued (b)	Total Expense Premium or Discount (c)
1	Convertible Debentures - 8.25%	\$ 5,000,000	\$ 98,488
2	Senior Note 3 - 6.85%	\$ 10,000,000	\$ 41,645
3	Senior Note 4 - 7.83 %	\$ 20,000,000	\$ 84,896
4	Senior Note 5 - 6.64%	\$ 30,000,000	\$ 132,375
5	Senior Note 6 - 5.50%	\$ 20,000,000	\$ 79,566
6	Senior Note 7 - 5.93%	\$ 30,000,000	\$ 39,518
7	Senior Note 8 - 5.68%	\$ 29,000,000	\$ 34,794
8	Promissory Note	\$ 300,000	
9	FPU Bond - 9.57%	\$ 10,000,000	
10	FPU Bond - 10.03%	\$ 5,500,000	
11	FPU Bond - 9.08%	\$ 8,000,000	
12	Less Maturities		
13	Unamortized Issuance Costs		\$ 73,186
14			
15	Totals	<u>\$ 167,800,000</u>	<u>\$ 584,468</u>
16			
17			
18	Allocation to Florida Public Utilities - Electric Division	\$ 957,496	\$ 4,925
19	Allocation to Other Jurisdictions	\$ 6,686,249	\$ 35,191
20		<u>7,643,745</u>	<u>\$ 40,116</u>
21			
22			
23			
24			
25	Note: Schedule lists total long-term debt for Chesapeake Utilities Corporation.		
26	Line number 18 indicates the amount that is allocated to the Florida Public Utilities - Electric Division.		
27			
28			
29			
30			
31			

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

Uniform System of Accounts.

10. Identify separate undisclosed amounts applicable to issues which were redeemed in prior years.

11. 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.

12. 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.

13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote.

including name of pledgee and purpose of the pledge.

14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.

15. If interest expense was incurred during the year on any obligations retired or acquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, Interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.

16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
2/15/1989	3/1/2014	2/15/1989	3/1/2014	\$ 1,134,000	\$ 92,063	1
2/15/1997	1/1/2012	2/15/1997	1/1/2012	\$ -	\$ 68,500	2
2/29/2000	1/1/2015	2/29/2000	1/1/2015	\$ 6,000,000	\$ 626,400	3
10/31/2002	10/31/2017	10/31/2002	10/31/2017	\$ 16,363,000	\$ 1,237,455	4
10/12/2006	10/12/2020	10/12/2006	10/12/2020	\$ 18,000,000	\$ 1,072,500	5
10/31/2008	10/31/2023	10/31/2008	10/31/2023	\$ 30,000,000	\$ 1,779,000	6
6/24/2011	6/30/2026	6/24/2011	6/30/2026	\$ 29,000,000	\$ 855,628	7
2/1/2010	3/1/2015			\$ 186,000	\$ -	8
5/1/1988	5/1/2018			\$ 6,348,000	\$ 638,032	9
5/1/1988	5/1/2018			\$ 3,492,000	\$ 367,767	10
6/1/1992	6/1/2022			\$ 7,958,000	\$ 726,400	11
				\$ (8,196,000)		12
						13
						14
						15
						16
						17
						18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
				\$ 110,285,000	\$ 7,463,745	31

**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 *	629,874
2		
3	Taxable Income Not Reported on Books	
4	Taxable service contribution	251,816
5		
9	Deductions Recorded on Books Not Deducted for Return	
10	Federal income tax expense	(1,531)
11	Deferred income tax expense	260,997
12	Meals	22,495
13	Bad debt expense - timing difference	26,594
14	Rate case regulatory asset amortization	149,937
15	Storm reserve	121,620
16	Customer based intangible asset for tax	76,654
17		
18	Income Recorded on Books Not Included in Return	
19	Investment tax credit amortization	(12,926)
20		
21	Deductions On Return Not Recorded on Books	
22	Conservation - timing difference	(249,767)
23	Depreciation - timing difference	(1,894,712)
24	Insurance - timing difference	(1,994)
25	Cost of removal	(378,864)
26	Asset disposal gain/loss	(14,971)
27		
28	Federal Taxable Net Income	(1,014,778)
29		
30	Show Computation of Tax:	
31	Federal Income Tax @ 35%	(355,172)
32	Net Operating Loss Adjustment	355,172
33	Prior Period Adjustment	(1,531)
34		
35	Federal Income Tax Expense	(1,531)
36		
37		
38		
39		
40		
41		
42		
43		
44		

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by inclu-

sion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.
5. If any tax (exclude Federal and State income taxes)

Line No.	Kind of Tax (See Instruction 5) (a)	BALANCE AT BEGINNING OF YEAR			Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)	Taxes Charged During Year (d)		
1	Federal Taxes:					
2	Income Tax	(1,224,841)		1,531	0	22,636
3	Total Federal Taxes	(1,224,841)	-	1,531	0	22,636
4						
5	State of Florida:					
6	Income	(330,392)	0.00	(143,958)	0	422,794
7	Total State of Florida Taxes	(330,392)	0.00	(143,958)	0	422,794
8						
9						
10	Reclassified to Prepaid Taxes					
11	Federal Taxes:					
12	Income Tax					
13	State of Florida:					
14	Income					
15						
16						
17						
18	TOTAL	(1,555,233)	0	(142,427)	0	445,430

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

covers more than one year, show the required information separately for each tax year, identifying the year in column (a).

6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.

7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll footnote. Designate debit adjustments by parentheses. Deductions or otherwise pending transmittal of such taxes to the taxing authority.

8. Report in column (i) through (l) how the taxes were

distributed. Report in column (i) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (i) the amounts charged to Accounts 408.1 and 409.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also show in column (i) the taxes charged to utility plant or other balance sheet accounts.

9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
Taxes Accrued (Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	(Account 408.1, 409.1) (i)	Extraordinary Items (Account 408.2 & 409.2) (j)	Adjustment to Ret. Earnings (Account 439) (k)	Other Gas & Common (l)	
						1
(1,200,674)	0	5,094	(6,625)		0	2
(1,200,674)	0	5,094	(6,625)		0	3
						4
						5
(51,556)	0	168,109	(24,151)		0	6
(51,556)	0	168,109	(24,151)	0	0	7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
(1,252,230)	0	173,203	(30,776)		0	18

ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

Report below the information applicable to Account 255.
Where appropriate, segregate the balances and transactions
by utility and nonutility operations. Explain

by footnote any correction adjustment to the account
balance shown in column (g). Include in column (i) the
average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%	1,359			411.4	16	-
3	4%	-			411.4	-	-
4	8%	8,860				3,691	-
5	10%	14,278			411.4	9,219	-
6	Prior Period Adjustment	744				-	1
7							
8	TOTAL	25,241		-		12,926	1
12							
13	Gas Utility						
19							
20	TOTAL	-		-		-	-
21							
22							
23							
24							
25							
26							
27							
28							
29	TOTAL	-		-		-	-
30							
31	TOTAL UTILITIES	25,241		-		12,926	1
32							
33							
34							
35							
36							
37							
38							
39							
40							
41							
42							
43							
44							

ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (Continued)

Balance at End Year (h)	Average Period of Allocation to Income (i)	Adjustment Explanation	Line No.
1,343	28 YEARS		1
-	28 YEARS		2
5,169			3
5,059	28 YEARS		4
745			5
			6
			7
12,316			8
			12
			13
			19
			20
			21
			22
			23
			24
			25
			26
			27
			28
			29
			30
12,316			31
			32
			33
			34
			35
			36
			37
			38
			39
			40
			41
			42
			43
			44

1. Report below the particulars (details) called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.

3. Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$10,000, whichever is greater) may be grouped by classes.

Line No.	Description of Other Deferred Credit (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
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27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42	TOTAL					
43						
44						

ACCUMULATED DEFERRED INCOME TAXES-OTHER PROPERTY (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization.

Line No.	Account Subdivisions	CHANGES DURING YEAR		
		Balance at Beginning of Year	Amounts Debited (Account 410.1)	Amounts Credited (Account 411.1)
	(a)	(b)	(c)	(d)
1	Account 282			
2	Electric	8,091,081	730,885	(101,551)
3	Gas			
4	Other - Water			
5	Other - Common			
6	TOTAL (Lines 2 thru 4)	8,091,081	730,885	(101,551)
7	Other (Specify)			
8				
9				
10				
11	TOTAL Account 282 (Lines 5 thru 8)	8,091,081	730,885	(101,551)
12				
13	Classification of TOTAL			
14	Federal Income Tax	6,937,460	626,676	(87,072)
15	State Income Tax	1,153,621	104,209	(14,479)
16	Local Income Tax			
17	Total	8,091,081	730,885	(101,551)
18				
19				
20				
21				
22				
23	Total	8,091,081	730,885	(101,551)
24				
25				
26				
27				
28				

ACCUMULATED DEFERRED INCOME TAXES-OTHER PROPERTY (Account 282) (Continued)

- 2. For Other (Specify), include deferrals relating to other income and deductions.
- 3. Use footnotes as required.

CHANGES DURING YEAR			ADJUSTMENTS			Balance at End of Year	Line No.
Amounts Debited (Account 410.2)	Amounts Credited (Account 411.2)	Acct. Debited (g)	Credits Amount (h)	Acct. Credited (i)	Debits Amount (j)		
(e)	(f)	(g)	(h)	(i)	(j)	(k)	
159,224			-		-	8,879,639	1
						-	2
						-	3
						-	4
						-	5
159,224	-		-		-	8,879,639	6
							7
							8
							9
							10
159,224	-		-		-	8,879,639	11
							12
159,224			-		-	7,636,288	13
-			-		-	1,243,351	14
							15
159,224			-		-	8,879,639	16
							17
							18
							19
							20
							21
							22
159,224	-		-		-	8,879,639	23
							24
							25
							26
							27
							28

Florida Public Utilities Company Electric Division		An Original	For the Year Ended December 31, 2011	
ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)				
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.				
2. For Other (Specify), include deferrals relating to other income and deductions.				
Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING THE YEAR	
			Amounts Debited (Account 410.1) (c)	Amounts Credited (Account 411.1) (d)
1	Account 283			
2	Electric			
3	Tax Normalization for Tax Rate Increase	216,047	-	-
4	Insurance	-	769	-
5	Rate Case Costs	80,161	-	(57,838)
6	Conservation Cost	-	96,349	-
7	TOTAL Electric (Total Lines 3-9)	296,208	97,118	(57,838)
8				
9				
10	Gas			
11				
12	Other - Common			
13				
14	TOTAL Account 283 (Total lines 11,			
15	25 and 31)	296,208	97,118	(57,838)
16				
17	Classification of TOTAL			
18	Federal Income Tax	253,975	83,271	(49,591)
19	State Income Tax	42,233	13,847	(8,247)
20	Local Income Tax			
21	Total	296,208	97,118	(57,838)

ACCUMULATED DEFERRED INCOME TAXES-OTHER (Account 283)(Continued)

3. Provide in the space below explanations for pages 276 and 277. Include amounts relating to insignificant items under Other.
4. Use footnotes required.

Amounts Debited (Account 410.2) (e)	Amounts Credited (Account 411.2) (f)	Acct. Credited (g)	Debits		Credits		Balance at End of Year (k)	Line No.
			Amount (h)	Acct. Debited (i)	Amount (j)			
-	-	-	-	-	-	-	216,047	1
-	-	-	-	-	-	-	39,006	2
-	-	-	-	-	-	38,237	39,006	3
-	-	-	-	-	-	-	22,323	4
-	-	-	-	-	-	-	96,349	5
-	-	-	-	-	-	38,237	373,725	6
-	-	-	-	-	-	-	-	7
-	-	-	-	-	-	-	-	8
-	-	-	-	-	-	-	-	9
-	-	-	-	-	-	-	-	10
-	-	-	-	-	-	-	-	11
-	-	-	-	-	-	-	-	12
-	-	-	-	-	-	-	-	13
-	-	-	-	-	-	38,237	373,725	14
-	-	-	-	-	-	38,237	373,725	15
-	-	-	-	-	-	-	-	16
-	-	-	-	-	-	32,785	320,440	17
-	-	-	-	-	-	5,452	53,285	18
-	-	-	-	-	-	-	-	19
-	-	-	-	-	-	38,237	373,725	20
-	-	-	-	-	-	-	-	21

OTHER REGULATORY LIABILITIES (Account 254)

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

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance Beginning of Year (b)	DEBITS		Credits (d)	Balance End of Year (e)
			Account Credited (b)	Amount (c)		
1						
2						
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ELECTRIC OPERATING REVENUES (Account 400)

1. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
2. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; 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.
3. 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.

OPERATING REVENUES			
Line No.	Title of Account (a)	Amount for Year (b)	Amount for Previous Year (c)
1	Sales of Electricity		
2	(440) Residential Sales	45,944,650	51,489,330
3	(442) Commercial and Industrial Sales		
4	Small (or Commercial)	19,140,159	21,267,931
5	Large (or Industrial)	27,650,664	29,532,058
6	(443) Outdoor Lighting	1,534,427	1,608,851
7	(444) Public Street and Highway Lighting	544,710	563,658
8	(445) Other Sales to Public Authorities	-	-
10	(448) Interdepartmental Sales	69,162	74,403
9	(456.3) Unbilled Revenues	1,819,487	(23,520)
11		-----	-----
12	TOTAL Sales to Ultimate Consumers	96,703,259	104,512,711
13	(447) Sales for Resale		
14		-----	-----
15	TOTAL Sales of Electricity	96,703,259	104,512,711
16	(Less) (449.1) Provision for Rate Refunds		
17		-----	-----
18	TOTAL Revenue Net of Provision for Refunds	96,703,259	104,512,711
19	Other Operating Revenues		
20	(450) Forfeited Discounts	436,668	469,252
21	(451) Miscellaneous Service Revenues	201,490	253,112
22	(453) Sales of Water and Water Power		
23	(454) Rent from Electric Property	236,584	126,682
24	(455) Interdepartmental Rents		
25	(456.2) Other Electric Revenues	1,260	101,543
26	(456.1) Overrecoveries Purchase Electric	(2,651,509)	(4,878,000)
27	(456.6) Overrecoveries Conservation		
28			
29		-----	-----
30	TOTAL Other Operating Revenues	(1,775,507)	(3,927,411)
31		-----	-----
32	TOTAL Electric Operating Revenues	94,927,752	100,585,300
		=====	=====

ELECTRIC OPERATING REVENUES (Account 400) (Continued)

4. Commercial and Industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)

5. See page 108-109, Important Changes During Year, for important new territory added and important rate increases or decreases.

6. For lines 2,4,5, and 6, see page 304 for amounts relating to unbilled revenues by accounts.

7. Include unmetered sales. Provide details of such sales in a footnote.

MEGAWATT HOURS SOLD		AVERAGE NUMBER OF CUSTOMERS PER MONTH		
Amount for Year (d)	Amount for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	Line No.
318,064	347,040	23,598	23,589	1
				2
				3
318,628	324,046	4,346	4,333	4
52,440	66,580	2	2	5
5,261	5,307	2,993	2,997	6
2,136	2,281	35	31	7
				8
678	695	13	13	9
				10
-----	-----	-----	-----	11
697,208	745,948	30,987	30,965	12
				13
-----	-----	-----	-----	14
697,208	745,948	30,987	30,965	15
				16
-----	-----	-----	-----	17
697,208	745,948	30,987	30,965	18
				19
-----	-----	-----	-----	20
				21
				22
				23
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				33

1. Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customers, average KWh per customer, and average revenue per KWh, excluding data for Sales for Resale which is reported on pages 310-311.
2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," page 300-301. If the sales under any rate schedule are classified in more than one revenue account, list the rate schedule and sales data under each applicable revenue account subheading.
3. Where the same customers are served under more than one

rate schedule in the same revenues account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the (12 if all billings are made monthly).
5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWH of Sales per Customer (e)	Revenue (cents) per KWH Sold (f)
1	(440) Residential Sales	318,064	\$ 45,944,650	23,598	13,478	14.4
2	(442) Commercial and Industrial Sales					
3	Small (or Commercial)	318,628	\$ 19,140,159	4,346	73,315	6.0
4	Large (or Industrial)	52,440	\$ 27,650,664	2	26,220,000	52.7
5	(443) Outdoor Lighting	5,261	\$ 1,534,427	2,993		29.2
6	(444) Public Street and Highway Lighting	2,136	\$ 544,710	35	61,026	25.5
7	(445) Other Sales to Public Authorities	0	\$ -	0		
8	(448) Interdepartmental Sales	678	\$ 69,162	13	52,173	10.2
9						
10						
11						
12						
13						
14						
15						
16						
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19						
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32						
33						
34						
35						
36						
37						
38						
39						
40	Total Billed	697,208	\$ 94,883,772	30,987	22.5	13.6
41						
42	Rate Refund		0			
43	TOTAL	697,208	94,883,772	30,987	22.5	13.6

ELECTRIC OPERATION AND MAINTENANCE EXPENSES

Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1 (1) POWER PRODUCTION EXPENSES		
2 A. Steam Power Generation		
3 Operation		
4 (500) Operation Supervision and Engineering	-	-
5 (501) Fuel	-	-
6 (502) Steam Expenses	-	-
7 (503) Steam from Other Sources	-	-
8 (Less) (504) Steam Transferred-Cr.	-	-
9 (505) Electric Expenses	-	-
10 (506) Miscellaneous Steam Power Expenses	-	-
11 (507) Rents	-	-
12 TOTAL Operation	-	-
13 Maintenance		
14 (510) Maintenance Supervision and Engineering	-	-
15 (511) Maintenance of Structures	-	-
16 (512) Maintenance of Boiler Plant	-	-
17 (513) Maintenance of Electric Plant	-	-
18 (514) Maintenance of Miscellaneous Steam Plant	-	-
19 TOTAL Maintenance	-	-
20 TOTAL Power Production Expenses-Steam Plant	-	-
21 B. Nuclear Power Generation		
22 Operation		
23 (517) Operation Supervision and Engineering	-	-
24 (518) Fuel	-	-
25 (519) Coolants and Water	-	-
26 (520) Steam Expenses	-	-
27 (521) Steam from Other Sources	-	-
28 (Less) (522) Steam Transferred-Cr.	-	-
29 (523) Electric Expenses	-	-
30 (524) Miscellaneous Nuclear Power Expenses	-	-
31 (525) Rents	-	-
32 TOTAL Operation	-	-
33 Maintenance		
34 (528) Maintenance Supervision and Engineering	-	-
35 (529) Maintenance of Structures	-	-
36 (530) Maintenance of Reactor Plant Equipment	-	-
37 (531) Maintenance of Electric Plant	-	-
38 (532) Maintenance of Miscellaneous Nuclear Plant	-	-
39 TOTAL Maintenance	-	-
40 TOTAL Power Production Expenses-Nuclear Power	-	-
41 C. Hydraulic Power Generation		
42 Operation		
43 (535) Operation Supervision and Engineering	-	-
44 (536) Water for Power	-	-
45 (537) Hydraulic Expenses	-	-
46 (538) Electric Expenses	-	-
47 (539) Miscellaneous Hydraulic Power Generation Expenses	-	-
48 (540) Rents	-	-
49 TOTAL Operation	-	-

FLORIDA PUBLIC UTILITIES COMPANY An Original		For the Year Ended	
Electric Division		December 31, 2011	
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)			
Account		Amount for Current Year	Amount for Previous Year
50	C. Hydraulic Power Generation (Continued)		
51	Maintenance		
52	(541) Maintenance Supervision and Engineering	-	-
53	(542) Maintenance of Structures	-	-
54	(543) Maintenance of Reservoirs, Dams, and Waterways	-	-
55	(544) Maintenance of Electric Plant	-	-
56	(545) Maintenance of Miscellaneous Hydraulic Plant	-	-
57	TOTAL Maintenance	-	-
58	TOTAL Power Production Expenses-Hydraulic Power	-	-
59	D. Other Power Generation		
60	Operation		
61	(546) Operation Supervision and Engineering	-	-
62	(547) Fuel	-	-
63	(548) Generation Expenses	-	-
64	(549) Miscellaneous Other Power Generation Expenses	-	-
65	(550) Rents	-	-
66	TOTAL Operation	-	-
67	Maintenance		
68	(551) Maintenance Supervision and Engineering	-	-
69	(552) Maintenance of Structures	-	-
70	(553) Maintenance of Generating and Electric Plant	-	-
71	(554) Maintenance of Miscellaneous Other Power Generation Plant	-	-
72	TOTAL Maintenance	-	-
73	TOTAL Power Production Expenses-Other Power	-	-
74	E. Other Power Supply Expenses		
75	(555) Purchased Power	70,323,099	74,797,657
76	(556) System Control and Load Dispatching	-	-
77	(557) Other Expenses	256,440	223,553
78	TOTAL Other Power Supply Expenses	70,579,539	75,021,210
79	TOTAL Power Production Expenses	70,579,539	75,021,210
80	2. TRANSMISSION EXPENSES		
81	Operation		
82	(560) Operation Supervision and Engineering	46,784	68,221
83	(561) Load Dispatching	-	-
84	(562) Station Expenses	37,386	19,419
85	(563) Overhead Line Expenses	-	-
86	(564) Underground Line Expenses	-	-
87	(565) Transmission of Electricity by Others	-	-
88	(566) Miscellaneous Transmission Expenses	750	43
89	(567) Rents	-	-
90	TOTAL Operation	84,919	87,683
91	Maintenance		
92	(568) Maintenance Supervision and Engineering	-	-
93	(569) Maintenance of Structures	-	-
94	(570) Maintenance of Station Equipment	36,798	38,761
95	(571) Maintenance of Overhead Lines	27,406	24,277
96	(572) Maintenance of Underground Lines	-	-
97	(573) Maintenance of Miscellaneous Transmission Plant	-	-
98	TOTAL Maintenance	64,204	63,037
99	TOTAL Transmission Expenses	149,123	150,720
100	3. DISTRIBUTION EXPENSES		
101	Operation		
102	(580) Operation Supervision and Engineering	169,830	376,242
103	(581) Load Dispatching	-	-

FLORIDA PUBLIC UTILITIES COMPANY		An Original		For the Year Ended	
Electric Division				December 31, 2011	
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)					
Account		Amount for	Amount for		
		Current Year	Previous Year		
104	3. DISTRIBUTION EXPENSES (Continued)				
105	(581) Load Dispatching	-	-		
106	(582) Station Expenses	56,356	45,289		
107	(583) Overhead Line Expenses	116,427	131,797		
108	(584) Underground Line Expenses	30,475	49,817		
109	(585) Street Lighting and Signal System Expenses	35,037	20,374		
110	(586) Meter Expenses	308,123	295,202		
111	(587) Customer Installations Expenses	112,854	66,053		
112	(588) Miscellaneous Distribution Expenses	258,913	269,598		
113	(589) Rents	-	800		
114	TOTAL Operation	1,088,015	1,255,172		
115	Maintenance				
116	(590) Maintenance Supervision and Engineering	(3,458)	222,262		
117	(591) Maintenance of Structures	-	665		
118	(592) Maintenance of Station Equipment	118,539	98,569		
119	(593) Maintenance of Overhead Lines	1,582,179	1,632,340		
120	(594) Maintenance of Underground Lines	170,634	142,270		
121	(595) Maintenance of Line Transformers	205,830	150,134		
122	(596) Maintenance of Street Lighting and Signal Systems	98,686	65,062		
123	(597) Maintenance of Meters	151,597	94,412		
124	(598) Maintenance of Miscellaneous Distribution Plant	84,310	98,069		
125	TOTAL Maintenance	2,408,317	2,503,782		
126	TOTAL Distribution Expenses	3,496,333	3,758,954		
127	4. CUSTOMER ACCOUNTS EXPENSES				
128	Operation				
129	(901) Supervision	62,052	189,696		
130	(902) Meter Reading Expenses	166,258	202,979		
131	(903) Customer Records and Collection Expenses	1,097,718	886,664		
132	(904) Uncollectible Accounts	258,750	181,606		
133	(905) Miscellaneous Customer Accounts Expenses	(480)	94,940		
134	TOTAL Customer Accounts Expenses	1,584,299	1,555,886		
135	5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES				
136	Operation				
137	(906) Underrecovery Conservation	(130,707)	(94,608)		
138	(907) Supervision	85,033	64,840		
139	(908) Customer Assistance Expenses	563,300	305,465		
140	(909) Informational and Instructional Expenses	227,913	277,008		
141	(910) Miscellaneous Customer Service and Informational Expenses	54,242	46,018		
142	TOTAL Cust. Service and Informational Expenses	799,780	598,723		
143	6. SALES EXPENSES				
144	Operation				
145	(911) Supervision	16,502	-		
146	(912) Demonstrating and Selling Expenses	24,038	5,897		
147	(913) Advertising Expenses	237,382	53,501		
148	(916) Miscellaneous Sales Expenses	425	413		
149	TOTAL Sales Expenses	278,346	59,811		
150	7. ADMINISTRATIVE AND GENERAL EXPENSES				
151	Operation				
152	(920) Administrative and General Salaries	1,550,518	1,158,642		
153	(921) Office Supplies and Expenses	786,231	402,753		
154	(Less) (922) Administrative expenses Transferred-Cr.	-	-		
155	(923) Outside Services Employed	1,074,838	416,154		
156	(924) Property Insurance	170,612	174,077		
157	(925) Injuries and Damages	320,974	346,064		
158	(926) Employee Pensions and Benefits	1,161,997	1,116,399		

1. Report all power purchases made during the year. Also report exchanges of electricity(i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column(a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column(b), enter a Statistical Classification Code based on the original contractual terms and conditions of the services as follows:

RQ-for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis(i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF-for long-term service. "Long-term" means five years longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions(e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service

which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF-for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but less than five years.

SF-for short-term firm service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU-for long-term service from a designated generating unit. Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU-for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means longer than one year but less than five years.

EX-For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

Line No.	Name of Company or Public Authority [Footnote Affiliations] (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Jacksonville Electric Authority	RQ	MS	74.88	NA	NA
2	Jefferson Smurfit Corporation	OS		NA	NA	NA
3	Gulf Power Company	RQ	RE	91.00	NA	NA
4	Southern Company Services	RQ		61.39	NA	NA
Footnote: Column (f) other Charges						
Jacksonville Electric Authority						
Transmission Charge		1,692,001				
Special Cost		142,078				
Distribution Facility Charge		476,832				
		<u>2,310,911</u>				
Southern Company Services						
Distribution Facility Charge		505,202				
Meter reading & Processing Charge		9,300				
		<u>514,502</u>				

OS-for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all nonfirm service regardless of the length of the contract and service from designated units of less than one year. Describe the nature of the service in a footnote.

AD-for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column(c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column(b), is provided.

5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column(d), the average monthly non-coincident peak(NCP) demand in column(e), and the average monthly coincident peak(CP) demand in column(f). For all other types of service, enter NA in columns(d),(e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP Demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns

(e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

6. Report in column(g) the megawatthours shown on bills rendered to the respondent. Report in columns(h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.

7. Report demand charges in column(j), energy charges in column(k), and the total of any other types of charges including out-of-period adjustments, in column(l). Explain in a footnote all components of the amount shown in column(l). Report in column(m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column(m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount(1) includes credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.

8. The data in columns(g) through (m) must be totalled on the last line of the schedule. The total amount in column(g) must be reported as Purchases on page 401, line 10. The total amount in column(h) must be reported as Exchange Received on page 401, line 12. The total amount in column(i) must be reported as Exchange Delivered on page 401, line 13.

9. Footnote entries as required and provide explanations following all required data.

Megawatthours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	Megawatthours Received (h)	Megawatthours Delivered (i)	(capacity) Demand Charges (\$) (j)	(fuel cost) Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) or Settlement (\$) (m)	
380,144			10,225,034	25,169,307	2,310,911	37,705,252	1
6,942				356,889	0	356,889	2
328,061			9,500,400	21,482,237	114,361	31,096,998	3
NA			1,824,811		514,502	2,339,313	4
							5
							6
							7
							8
							9
							10
							11
							12
							13
715,147			21,550,245	47,008,433	2,939,774	71,498,452	14

Florida Public Utilities Company		An Original	For the Year Ended	
Electric Division		MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (Electric)		December 31, 2011
Line No.	Description (a)			Amount (b)
1	Industry Association Dues			5,479
2				
3	Nuclear Power Research Expenses			
4				
5	Other Experimental and General Research Expenses			
6				
7	Publishing and Distributing Information and			
8	Reports to Stockholders; Trustee, Registrar, and			
9	Transfer Agent Fees and Expenses, and Other			
10	Expenses of Servicing Outstanding Securities			
11	of the Respondent			53,019
12				
13	Other Expenses (List items of \$5000 or more in			
14	this column showing the (1) purpose, (2) recipient			
15	and (3) amount of such items. Group amounts of			
16	less than \$5,000 by classes if the number of items			
17	so grouped is shown)			
18				
19				
20	Miscellaneous Expenses		N/A	301
21				
22				
23				
24				
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28				
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44				
45				
46				
47	TOTAL			58,799

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Accounts 403, 404, 405)
(Except amortization of acquisition adjustments)

1. Report in Section A for the year the amounts for: (a) Depreciation Expense (Account 403); (b) Amortization of Limited-Term Electric Plant (Account 404); and (c) Amortization of Other Electric Plant (Account 405).
 2. Report in section B the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute the charges and whether any changes have been made in the basis or rates used from the preceding report year.
 3. Report all available information called for in section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.
 Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of section C the type of plant included in any subaccounts used.
 In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional

classifications and showing a composite total. Indicate at the bottom of section C the manner in which column (b) balances are obtained. If average balances, state the method of averaging used.
 For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification listed in column (a). If plant mortality studies are prepared to assist in estimating average service lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant.
 If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.
 4. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.

A. Summary of Depreciation and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization of Limited-Term Electric Plant (Acct. 404) (c)	Amortization of Other Electric Plant (Acct. 405) (d)	Total (e)
1	Intangible Plant	-			-
2	Steam Production Plant	-			-
3	Nuclear Production Plant	-			-
4	Hydraulic Production Plant-Conventional	-			-
5	Hydraulic Production Plant-Pumped Storage	-			-
6	Other Production Plant	-			-
7	Transmission Plant	240,553			240,553
8	Distribution Plant	3,015,366			3,015,366
9	General Plant	189,939			189,939
10	Common Plant-Electric	-			-
11	Adjustment	4,819			4,819
12	TOTAL	3,450,677	-	-	3,450,677

B. Basis for Amortization Charges

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. Rate(s) (Percent) (e)	Monthly Curve Type (f)	Average Remaining Life (g)
12	CONSOLIDATED ELECTRIC DIVISION ORDER # PSC-08-0094-PAA-EI						
13							
14	TRANSMISSION PLANT						
15	350.1	41,471	N/A	0	1.8		23.0
16	352	22,007	N/A	0	2.0		28.0
17	353	2,588,490	N/A	10	2.5		25.0
18	354	224,802	N/A	(15)	2.3		16.5
19	355	1,600,793	N/A	(30)	4.2		21.0
20	355.1	1,120,082	N/A	(30)	3.3		40.0
21	356	2,012,476	N/A	(10)	2.8		28.0
22	359	6,788	N/A	0	3.8		10.0
23	DISTRIBUTION PLANT						
24	360.1	56,996	N/A	0	1.8		42.0
25	361	96,042	N/A	0	2.0		35.0
26	362	7,253,658	N/A	(10)	2.9		31.0
27	364	10,799,459	N/A	(45)	4.7		21.0
28	365	10,822,893	N/A	(35)	5.2		15.7
29	366	3,806,650	N/A	0	2.0		41.0
30	367	5,958,676	N/A	0	2.9		24.0
31	368	14,799,261	N/A	(20)	4.6		13.6
32	369	9,632,207	N/A	(35)	4.2		21.0
33	370	3,660,998	N/A	(5)	3.7		14.3
34	371	2,594,780	N/A	15	6.1		8.3
35	373	1,332,252	N/A	(10)	5.7		9.5
36	GENERAL PLANT						
37	390	1,456,807	N/A	0	2.0		38.0
38	391.1			7 Years Amortization			
39	391.2			5 Years Amortization			
40	391.3			5 Years Amortization			
41	392.1	21,030	N/A	15	12.1		0.9
42	392.2	639,926	N/A	12	4.9		3.1
43	392.3	2,527,573	N/A	10	4.2		7.5
44	392.4	111,011	N/A	5	3.8		17.7
45	393.1			7 Years Amortization			
46	393.2			7 Years Amortization			
47	394.1			7 Years Amortization			
48	394.2			7 Years Amortization			
49	395.1			7 Years Amortization			
50	395.2			7 Years Amortization			
51	396	190,166	N/A	5	4.8		0.6
52	397			5 Years Amortization			
53	398			7 Years Amortization			
54	399			5 Years Amortization			
55							
56							
57							
58							
59							
60							
61							
62							
63							
64							
65							
66							

REGULATORY COMMISSION EXPENSES

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. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.

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 for Current Year (b) + (c)	Deferred in Account 186 at Beginning of Year (e)
1	All expenses incurred by the company				
2	filings for Rate Relief for electric. Docket				
3	Number 030438-EI				26,421
4					
5	All expenses incurred by the company in its				
6	Number 070304 - EI				181,385
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
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19					
20					
21					
22					
23					
24					
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26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41	TOTAL				207,806

REGULATORY COMMISSION EXPENSES (Continued)

3. Show in column (k) any expenses incurred in prior years or other accounts. which are being amortized. List in column (a) the period of amortization.
4. The totals of columns (f), (g) and (h) expenses incurred during year which were charged currently to income, plant
5. Minor items (less than \$25,000) may be grouped.

EXPENSES INCURRED DURING YEAR							Line No.
CHARGED CURRENTLY TO			Deferred to Account 186 (i)	AMORTIZED DURING YEAF		Deferred in Account 186 End of Year (l)	
Department (f)	Account No. (g)	Amount (h)		Contra Account (j)	Amount (k)		
				928	19,423	6,998	1
							2
							3
							4
				928	130,514	50,871	5
							6
							7
							8
							9
							10
							11
							12
							13
							14
							15
							16
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							28
							29
							30
							31
							32
							33
							34
							35
							36
							37
							39
					149,937	57,869	42
							46

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	Operation			
3	Production	-		
4	Transmission	33,672		
5	Distribution	750,816		
6	Customer Accounts	802,543		
7	Customer Service and Informational	-		
8	Sales	18,476		
9	Administrative and General	950,889		
10	TOTAL Operation (Enter Total of lines 3 thru 9)	2,556,396		
11	Maintenance			
12	Production			
13	Transmission	11,892		
14	Distribution	959,898		
15	Administrative and General	2,325		
16	TOTAL Maintenance (Enter Total of lines 12 thru 15)	974,115		
17	Total Operation and Maintenance			
18	Production (Enter Total of lines 3 and 12)	-		
19	Transmission (Enter Total of lines 4 and 13)	45,564		
20	Distribution (Enter Total of lines 5 and 14)	1,710,714		
21	Customer Accounts (Transcribe from line 6)	802,543		
22	Customer Service and Information (Transcribe from line 7)	-		
23	Sales (Transcribe from line 8)	18,476		
24	Administrative and General (Enter Total of lines 9 and 15)	953,214		
25	TOTAL Operation and Maintenance (Total of lines 18 - 24)	3,530,511	760,059	4,290,570
26	Gas			
27	Operation			
28	Production - Manufactured Gas			
29	Production - Natural Gas (Including Expl. and Dev.)			
30	Other Gas Supply			
31	Storage, LNG Terminaling and Processing			
32	Transmission			
33	Distribution			
34	Customer Accounts			
35	Customer Service and Informational			
36	Sales			
37	Administrative and General			
38	TOTAL Operation (Enter Total of lines 28 thru 37)			
39	Maintenance			
40	Production - Manufactured Gas			
41	Production - Natural Gas			
42	Other Gas Supply			
43	Storage, LNG Terminaling and Processing			
44	Transmission			
45	Distribution			
46	Administrative and General			
47	TOTAL Maintenance (Enter Total of lines 40 thru 46)			

Florida Public Utilities Company Electric Division		An Original	An Original	For the Year Ended December 31, 2011
DISTRIBUTION OF SALARIES AND WAGES				
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
Gas (Continued)				
48	Total Operation and Maintenance			
49	Production - Manufactured Gas (Total of lines 28 and 40)			
50	Production - Natural Gas (Including Expl. and Dev.) (Total of lines 29 and 41)			
51	Other Gas Supply (Enter Total of lines 30 and 42)			
52	Storage, LNG, Terminaling and Processing (Total of lines 31 and 43)			
53	Transmission (Enter Total of lines 32 and 44)			
54	Distribution (Enter Total of lines 33 and 45)			
55	Customer Accounts (Transcribe from line 34)			
56	Customer Service and Informational (From line 35)			
57	Sales (Transcribe from line 36)			
58	Administrative and General (Total of lines 37 and 46)			
59	TOTAL Operation and Maint. (Total of lines 49 thru 58)			
Other Utility Departments				
61	Operation and Maintenance	224,102	-	224,102
62	TOTAL All Utility Dept. (Total of lines 25,59, and 61)	3,754,613	760,059	4,514,672
Utility Plant				
Construction (By Utility Departments)				
64	Electric Plant	918,350		918,350
66	Gas Plant			-
67	Other - Common			-
68	TOTAL Construction (Enter Total of lines 65 thru 67)	918,350	-	918,350
Plant Removal (By Utility Department)				
70	Electric Plant			-
71	Gas Plant			-
72	Other - Water			-
73	TOTAL Plant Removal (Enter Total of lines 70 thru 72)	-		-
Other Accounts (Specify):				
74				
75				
76				
77	Other Accounts Receivable/Employee			-
78	Temporary Facilities	82,278		82,278
79	Stores Expense			-
80	Clearing Accounts			-
81	Miscellaneous Deferred Debits			-
82	Merchandise and Jobbing		-	-
83	Taxes Other Than Income Taxes-Electric			-
84	Taxes Other Than Income Taxes-Gas			-
85				-
86	Vacation Pay			-
87	Non-Operating and Rental Income			-
88	Other Accounts Receivable		-	-
89	Environmental Cost	296,790		296,790
90	Merchandise plant leased to other - Gas			-
91	Accrued Liability Insurance			-
92				
93				
94				
95	TOTAL Other Accounts	379,067	-	379,067
96	TOTAL SALARIES AND WAGES	5,052,031	760,059	5,812,090

COMMON UTILITY PLANT AND EXPENSES

1. Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by account as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.

2. Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the common utility plant to which such accumulated provisions relate, including explanation of basis of

allocation and factors used.

3. Give for the year the expenses of operation, maintenance rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utilityplant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.

4. Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.

Account 118: Common Utility Plant
General Office Buildings and Land
Land & Land Rights
Structures & Improvements
Office Furniture & Equipment
Communications Equipment
Miscellaneous

-
=====

Account 119: Accumulated Provision for Depreciation
of Common Utility Plant

=====

Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged, and wheeled during the year.

Line No.	Item (a)	Megawatt Hours (b)	Line No.	Item (a)	Megawatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	697,205
3	Steam		23	Requirements Sales For Resale (See instruction 4, page 311)	
4	Nuclear		24	Non-Requirements Sales For Resale (See instruction 4, page 311)	
5	Hydro-Conventional		25	Energy Furnished Without Charge	
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Department Only, Excluding Station Use)	678
7	Other		27	Total Energy Losses	17,263
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	715,146
9	Net Generation (Enter Total of lines 3 thru 8)	-			
10	Purchases	715,146			
11	Interchanges:				
12	Received				
13	Delivered				
14	Purchases	-			
15	Transmission for/by Others (Wheeling)				
16	Received (MWh)				
17	Delivered (MWh)				
18	Net Transmission for Other (Lines 16 minus 17)	-			
19	Transmission By Other Losses				
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	715,146			

MONTHLY PEAKS AND OUTPUT

1. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
2. Report in column (b) the system's energy output for each month such that the total on Line 41 matches the total on Line 20.
3. Report in column (c) a monthly breakdown of the Non-Requirements Sales For Resale reported on Line 24. Include in the monthly amounts any energy and energy losses associated with the sales so that the total on Line 41 exceeds the amount on Line 24 by the amount of losses incurred (or estimated) in making the Non-Requirements Sales for Resale.
4. Report in column (d) the system's monthly maximum megawatt load (60-minute integration) associated with the net energy for the system defined as the difference between columns (b) and (c).
5. Report in columns (e) and (f) the specified information for each monthly peak load reported in column (d).

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Required Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (d)	Day of Month (e)	Hour (f)
29	January					
30	February					
31	March					
32	April					
33	May					
34	June		SEE ATTACHED SCHEDULES			
35	July					
36	August					
37	September					
38	October					
39	November					
40	December					
41	TOTAL					

**MONTHLY PEAKS AND OUTPUT
NORTHWEST FLORIDA SYSTEM**

Month (a)	Megawatts (b)	Day of Month (d)	Hour (e)	Type of Reading (f)	Monthly Output (MWh) (g)
January	80.0	N/A	N/A	15 Min. Int.	31,851
February	60.1	N/A	N/A	15 Min. Int.	24,033
March	46.1	N/A	N/A	15 Min. Int.	22,131
April	52.6	N/A	N/A	15 Min. Int.	23,130
May	62.6	N/A	N/A	15 Min. Int.	27,410
June	70.3	N/A	N/A	15 Min. Int.	32,977
July	65.5	N/A	N/A	15 Min. Int.	32,628
August	69.2	N/A	N/A	15 Min. Int.	34,937
September	62.6	N/A	N/A	15 Min. Int.	27,652
October	46.3	N/A	N/A	15 Min. Int.	23,388
November	50.4	N/A	N/A	15 Min. Int.	22,757
December	61.3	N/A	N/A	15 Min. Int.	25,167
TOTAL					328,061

**MONTHLY PEAKS AND OUTPUT
NORTHEAST FLORIDA SYSTEM**

Month (a)	Megawatts (b)	Day of Month (d)	Hour (e)	Type of Reading (f)	Monthly Output (MWh) (g)
January	96.2	13	7:45 a.m.	15 Min. Int.	37,206
February	74.8	12	8:15 a.m.	15 Min. Int.	27,915
March	54.7	11	8:00 a.m.	15 Min. Int.	26,526
April	87.9	20	7:45 p.m.	15 Min. Int.	30,563
May	67.4	10	5:00 p.m.	15 Min. Int.	31,789
June	79.3	21	4:45 p.m.	15 Min. Int.	38,885
July	79.0	23	5:00 p.m.	15 Min. Int.	41,118
August	82.6	8	3:45 p.m.	15 Min. Int.	40,275
September	79.3	21	12:30 p.m.	15 Min. Int.	34,614
October	59.2	30	5:00 p.m.	15 Min. Int.	26,705
November	76.9	16	6:00 p.m.	15 Min. Int.	24,768
December	61.1	8	7:30 a.m.	15 Min. Int.	26,721
TOTAL					387,085

TRANSMISSION LINE STATISTICS

1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below voltages in group totals only for each voltage.
 2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.
 3. Report data by individual lines for all voltages if so required by a State commission.
 4. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
 5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole, wood, or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction.

If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.
 6. Report in columns (f) and (g) the total pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE		Type of Supporting Structure (e)	LENGTH		Number of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structures of Line Designated (f)	On Structures of Another Line (g)	
1	Yulee, FL	Block 97			Steel Tower	0.55		
2		Fernandina			Steel Pole	0.8		
3		Beach, FL	138,000	138,000	Concrete Pole	7.7	NONE	2
4								
5	Block 97	Block 83						
6	Fernandina	Fernandina						
7	Beach, FL	Beach, FL	69,000	69,000	Wood Pole	3.5	NONE	1
8								
9	Block 97							
10	Fernandina	State Road 105			Concrete Pole	1.7		
11	Beach, FL	and Julia St.	69,000	69,000	Wood Pole	4.3	NONE	1
12								
13	Block 83	Container						
14	Fernandina	Corporation						
15	Beach, FL	of America	69,000	69,000	Wood Pole	1.66	NONE	1
16								
17	Block 83							
18	Fernandina	ITT Rayonier						
19	Beach, FL	Inc.	69,000	69,000	Wood Pole	0.65	NONE	1
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30					TOTAL	20.26		

TRANSMISSION LINE STATISTICS (Continued)

7. Do not report the same transmission line structure twice. Report lower voltage lines and higher voltage lines as one line. Designate in a footnote if you do not include lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and pole miles of the other line(s) in column (g).
8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or

share in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.
9. Designate any transmission line leased to another company and give name of lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.
10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE			EXPENSES, EXCEPT DEPRECIATION AND TAXES**				Line no.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
652 MCM Alum.								1
394.6MCM Alum.	* 25,803	2,494,226	2,520,029					2
								3
								4
								5
4/0 Alum.								6
394.6MCM Alum.		474,069	474,069					7
477 MCM Alum.								8
636 MCM Alum.								9
								10
477MCM Alum.	32,677	786,408	819,085					11
								12
								13
								14
394.6MCM Alum.		90,636	90,636					15
								16
								17
								18
4/0 Alum.								19
								20
								21
								22
*Includes Roads and Trails								23
**Expenses Show Below Include All Transmission Lines								24
								25
								26
								27
								28
								29
	58,480	3,845,339	3,903,819	15,858	47,202		63,060	30

SUBSTATIONS

1. Report below the information called for concerning substations for the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities for less than 10,000 Kva except those serving customers with energy for resale,

- may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Fernandina Beach, Fl	Distribution			
2	Jesse L. Terry, Substation	Unattended	69M	12.4M	
3					
4	Amelia Plantation Substation	Distribution	69M	12.4M	
5		Unattended			
6					
7	Rayonier Chip Mill	Distribution	69M	12.4M	
8					
9	Stepdown Substation	Transmission	138M	69M	
10		Distribution	69M	12.4M	
11		Unattended			
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					

SUBSTATIONS (Continued)

5. Show in columns (i), (j) and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity. of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, any substation or equipment operated under lease, give name co-owner or other party is an associated company.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name co-owner or other party is an associated company.

Capacity of Substation (In Service) (In MVA)	Number of Trans-formers In Service	Number of Spare Trans-formers	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment	Number of Units	Total Capacity	
			(i)	(j)	(k)	
50	2	0	Fans Added			1
						2
						3
80	2	0	Fans Added			4
						5
						6
8	1	0	Fans Added			7
						8
150	3	0	Fans Added			9
40	2	0	Fans Added			10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
						35
						36

Affiliation of Officers and Directors

Company: Florida Public Utilities Company- Electric Division

For the Year Ended December 31, 2011

For each of the officials named in Part 1 of the Executive Summary, list the principal occupation or business affiliation if other than listed in Part 1 of the Executive Summary and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, the official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

Name	Principal Occupation or Bus Affiliation	Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership	
		Affiliation or Connection	Name and Address
Directors			
Ralph J. Adkins			
John R. Schimkaitis			
Michael P. McMasters			
Eugene H. Bayard			Wilson, Halbrook & Bayard, Georgetown, Delaware
Richard Bernstein			LWRC International, LLC Cambridge, Maryland
Thomas J. Bresnan			Schneider Sales Management, LLC, Greenwood Village, Colorado
Thomas P. Hill, Jr.			Magee Rehabilitation Hospital/Foundation & Jefferson Health System, Inc
Dennis S. Hudson, III			Seacoast National Bank, Stuart, Florida
Paul L. Maddock, Jr.			The Maddock Companies, Palm Beach, Florida
J. Peter Martin			
Joseph E. Moore, Esq.			Williams, Moore, Shockley & Harrison, LLP, Ocean City, Maryland
Calvert A. Morgan			WSFS Financial Corp., Wilmington Delaware
Dianna F. Morgan			CNL Bancshares, Inc, Hersha Hospitality Trust, Orlando Health and Childrens Miracle Network
Officers			
Michael P. McMasters	Chief Executive Officer		
Stephen C. Thompson	Chief Operating Officer		
Beth Cooper	Chief Financial Officer		
Elaine Bittner	Vice President		
Jeffrey Householder	President		
Jeffrey S. Sylvester	Vice President		
Kevin J. Webber	Vice President		

Business Contracts with Officers, Directors, and Affiliates

Company: Florida Public Utilities Company - Electric Division

For the Year Ended December 31, 2011

List all contracts, agreements, or other business arrangements* entered into during the calendar year (other than compensation- related to position with respondent) between the respondent and each officer and director listed in Part 1 of the Executive Summary. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.

Note* Business agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years.

Name of Officer or Director	Name and Address of Affiliated Entity	Amount	Identification of Product or Service
<i>Referred to Chesapeake Utilities Corporation Form 10-K</i>			
<p>*Business Agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years.</p>			

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

Florida Public Utilities Company - Electric Division

For the Year Ended December 31, 2011

For the current year, reconcile the gross operating revenues as reported on Page 300 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 300	(c) Interstate and Sales for Resale Adjustments	(d) Adjusted Intrastate Gross Operating Revenues	(e) Gross Operating Revenues per RAF Return	(f) Intrastate and Sales for Resale Adjustments	(g) Adjusted Intrastate Gross Operating Revenues	(h) Difference (d) - (g)
1	Total Sales to Ultimate Customers (440-446, 448)	94,883,772		94,883,772	94,883,769		94,883,769	3
2	Sales for Resale (447)	-		-	-			-
3	Total Sales of Electricity	94,883,772		94,883,772	94,883,769		94,883,769	3
4	Provision for Rate Refunds (449.1)	-		-	-		-	-
5	Total Net Sales of Electricity	94,883,772		94,883,772	94,883,769		94,883,769	3
6	Total Other Operating Revenues (450-456)	43,980		43,980	43,980		43,980	0
7	Total Electric Operating Revenues	94,927,752		94,927,752	94,927,749		94,927,749	3
8	Other (specify): Deferred fuel revenue				2,651,509		2,651,509	(2,651,509)
9								
10	Total Gross Operating Revenues	94,927,752		94,927,752	97,579,258		97,579,258	(2,651,506)

Notes:

- | | |
|--|-------------|
| 1 Rounding | 3 |
| 6 The RAF return does not include a late JE that was booked after the return was filed for Other Rev | 0 |
| 8 Deferred fuel revenue of 2,651,509 are reversed to pay RAF only on the actual collected revenue. | (2,651,509) |
| (The original payment of the RAF occurred when the actual revenues were collected.) | (2,651,506) |

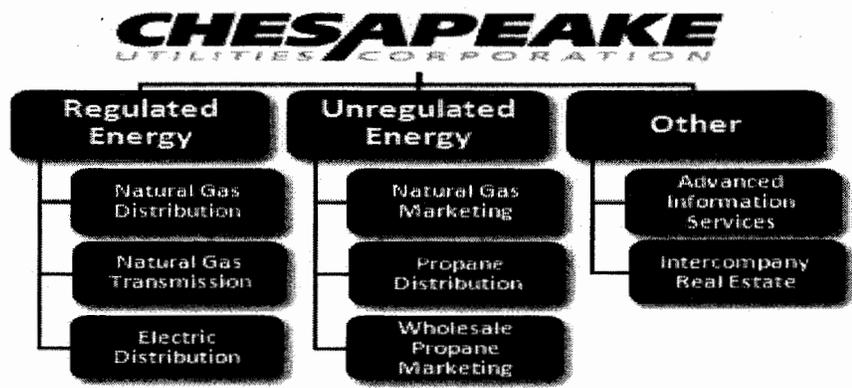
Analysis of Diversification Activity
Changes in Corporate Structure

Company: Florida Public Utilities Company- Electric Division

For the Year Ended December 31, 2011

Provide any changes in Corporate Structure including partnerships, minority interest, and joint ventures and an updated organizational chart.

Effective Date (a)	Description of Change (b)
-----------------------	------------------------------



<u>Regulated Energy</u>	<u>Unregulated Energy</u>	<u>Other</u>
Natural Gas Distribution: Chesapeake Utilities Central Florida Gas Florida Public Utilities Company	Natural Gas Marketing: Peninsula Energy Services Company, Inc.	Advanced Information Services: BravePoint, Inc.
Natural Gas Transmission: Eastern Shore Natural Gas Company Peninsula Pipeline Company	Propane Distribution: Sharp Energy, Inc. Flo-Gas Company	Intercompany Real Estate: Eastern Shore Real Estate, Inc. Skipjack, Inc.
Electric Distribution: Florida Public Utilities Company	Wholesale Propane Marketing: Xeron, Inc.	Chesapeake Investment Company

FLORIDA PUBLIC SERVICE COMMISSION

DIVERSIFICATION REPORT

PSC/AFA 16 (12/94)

Analysis of Diversification Activity
New or Amended Contracts with Affiliated Companies

COMPANY: Florida Public Utilities Company - Electric Division
For the Year Ended 12/31/11

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)
	<p>Referred to Chesapeake Utilities Corporation Form 10-K</p>

Analysis of Diversification Activity
Individual Affiliated Transactions in Excess of \$500,000

COMPANY: Florida Public Utilities Company - Electric Division
For the Year Ended 12/31/11

Provide information regarding individual affiliated transactions in excess of \$500,000. Recurring monthly affiliated transactions which exceed \$500,000 per month should be reported annually in the aggregate. However, each land or property sales transaction even though similar sales recur, should be reported as a "non-recurring" item for the period in which it occurs.

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

Analysis of Diversification Activity

Summary of Affiliated Transfers and Cost Allocations

Company: Florida Public Utilities Company - Electric Division

For the Year Ended December 31, 2011

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 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)	"p" or "s" (d)	Total Charge for Year	
				Account Number (e)	Dollar Amount (f)
Chesapeake Utilities Corporation	Parent Company:				
	Corporate Services		s		\$ 1,231,757
	Corporate Overheads		s		\$ 1,056,231

Analysis of Diversification Activity
ASSETS OR RIGHTS PURCHASED FROM OR SOLD TO AFFILIATES

FLORIDA PUBLIC UTILITIES COMPANY - Electric Division

For the Year Ended

For the Year Ended

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
None							

Analysis of Diversification Activity

Employee Transfers

Company: Florida Public Utilities Company - Electric Division

For the Year Ended December 31, 2011

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				

Analysis of Diversification Activity
Non-Tariffed Services and Products Provided by the Utility
Company: Florida Public Utilities Company - Electric Division
For the Year Ended December 31, 2011

Provide the following information regarding all non-tariffed services and products provided by the utility.

Description of Product or Service (a)	Account No. (b)	Regulated or Non-regulated (c)
None		

NONUTILITY PROPERTY (Account 121)

1. Give a brief description and state the location of nonutility property included in Account 121.
2. Designate with an asterisk any property which is leased to another company. State name of lessee and whether lessee is an associated company.
3. Furnish particulars (details) concerning sales, purchases, or transfers of Nonutility Property during the year.
4. List separately all property previously devoted to public service and give date of transfer to Account 121, Nonutility Property.
5. Minor items (5% of the Balance at the End of the Year for Account 121 or \$100,000, whichever is less) may be grouped by (1) previously devoted to public service (line 39), or (2) other nonutility property (line 40).

Line No.	Description and Location (a)	Balance at Beginning of Year (b)	Purchases, Sales, Transfers, etc. (c)	Balance at End of Year (d)
1				
2				
3				
4				
5				
6				
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39				
40				
41				

Number of Electric Department Employees

Company: Florida Public Utilities Company - Electric Division

For the Year Ended December 31, 2011

NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES

1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.
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.
3. The number of employees assignable to the electric 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 electric department from joint functions.

1	Payroll Period Ended (Date)	10/31/10
2	Total Regular Full-Time Employees (Equivalent Employees from joint functions -6)	73
3	Total Part-Time and Temporary Employees	-
4	Total Employees	73

**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	0
2		
3	Account 426: Miscellaneous Income Deductions	
4	Charitable Contributions	6,455
5	Penalties	19,890
6		
7		
8	TOTAL MISCELLANEOUS INCOME DEDUCTIONS	26,345
9		
10	Account 430: Interest on Debt to Associated Company	(19,236)
11		
12		
13	Account 431: Other Interest Expense	
14	Customer Deposit	238,175
15	Short-term Borrowings - allocated from the parent	28,886
16	Note Payable - allocated from the parent	80,248
17	Other	89
18	TOTAL OTHER INTEREST EXPENSE	347,398
19		
20		
21		
22		
23		

**FLORIDA PUBLIC UTILITIES COMPANY
ANNUAL STATUS REPORT FOR
STORM DAMAGE RESERVE CONSOLIDATED ELECTRIC**

Status of Reserve

Beginning Balance 01/01/2011		1,883,893
Accruals under Docket #93-0400 EI (001/11 - 12/11)	121,620	
Total Accruals During 2011		121,620
Additional Accrual from prior year		
Total Charges During 2011		
Ending Balance, 12/31/11		\$2,005,513

Reasonableness of Reserve

Distribution Plant - Book Cost

Storm Damage Reserve Balance @ 12/31/2011		\$2,005,513
Total Distribution Plant (per books) @ 12/31/2011		\$72,964,344
Ratio of Reserve to Distribution Plant		2.75%

Distribution Plant - Replacement Cost

Storm Damage Reserve Balance @ 12/31/2011		\$2,005,513
Estimated Replacement Cost of Distribution Plant (Distribution Plant @ 12/31/11 times 2)		\$145,928,688
Ratio of Reserve to Replacement Distribution Plant		1.37%

Availability of Distribution Systems Insurance

Insurance for the Distribution Systems is now available but the costs would be significant.

CUSTOMER GROWTH

	2011	2010	2009	Current Year increase	Prior year Increase	Average Increase
	Customers	Customers				
<u>Operations</u>	Current Year	Prior Year	Two Years Prior			
Marianna - Electric	12,663	12,696	12,786	0%	-1%	0%
Fernandina Beach - Electric Gas Operations	15,330	15,272	15,249	0%	0%	0%

FLORIDA PUBLIC UTILITIES COMPANY
CENTRAL FLORIDA - GAS DIVISION
REPORT OF DEPRECIATION DATA UNDER RULE 25-6.0436(8)
2010

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									-
303						-	303									-
304						-	304									-
305						-	305									-
311						-	311									-
320						-	320									-
360						-	360									-
361						-	361									-
362						-	362									-
374						-	374									-
3741						-	3741									-
375						-	375									-
3761						-	3761									-
3762						-	3762									-
378						-	378									-
379						-	379									-
3801						-	3801									-
3802						-	3802									-
381						-	381									-
382						-	382									-
383						-	383									-
384						-	384									-
385						-	385									-
387						-	387									-
389						-	389									-
390						-	390									-
3911						-	3911									-
3912						-	3912									-
3913						-	3913									-
3914						-	391305									-
3921						-	3921									-
3922						-	3922									-
3923						-	3923									-
3924						-	3924									-
393						-	393									-
394						-	394									-
395						-	395									-
396						-	396									-
397						-	397									-
398						-	398									-
						-		0	0	0	0	0	0	0	0	0

1,210

FLORIDA PUBLIC UTILITIES COMPANY
CONSOLIDATED GAS DIVISIONS
REPORT OF DEPRECIATION DATA UNDER RULE 25-6.0436(8)
2010

Plant	PLANT IN SERVICE (\$)						Plant Acct.	RESERVE (\$)					(CREDIT BALANCES)			
	Beginning Balance	Additions	Purchases & Adjustments	Transfers	Retirements	Ending Balance		Beginning Balance	Retirements	Accruals	Salvage	Cost of Removal	Purchases & Adjustments	Transfers	Reclassifications	Ending Balance
301	-	-	-	-	-	-	301	-	-	-	-	-	-	-	-	-
303	-	-	-	-	-	-	303	-	-	-	-	-	-	-	-	-
304	-	-	-	-	-	-	304	-	-	-	-	-	-	-	-	-
305	-	-	-	-	-	-	305	-	-	-	-	-	-	-	-	-
311	-	-	-	-	-	-	311	-	-	-	-	-	-	-	-	-
320	-	-	-	-	-	-	320	-	-	-	-	-	-	-	-	-
360	-	-	-	-	-	-	360	-	-	-	-	-	-	-	-	-
361	-	-	-	-	-	-	361	-	-	-	-	-	-	-	-	-
362	-	-	-	-	-	-	362	-	-	-	-	-	-	-	-	-
374	-	-	-	-	-	-	374	-	-	-	-	-	-	-	-	-
3741	-	-	-	-	-	-	3741	-	-	-	-	-	-	-	-	-
375	-	-	-	-	-	-	375	-	-	-	-	-	-	-	-	-
3761	-	-	-	-	-	-	3761	-	-	-	-	-	-	-	-	-
3762	-	-	-	-	-	-	3762	-	-	-	-	-	-	-	-	-
378	-	-	-	-	-	-	378	-	-	-	-	-	-	-	-	-
379	-	-	-	-	-	-	379	-	-	-	-	-	-	-	-	-
3801	-	-	-	-	-	-	3801	-	-	-	-	-	-	-	-	-
3802	-	-	-	-	-	-	3802	-	-	-	-	-	-	-	-	-
381	-	-	-	-	-	-	381	-	-	-	-	-	-	-	-	-
382	-	-	-	-	-	-	382	-	-	-	-	-	-	-	-	-
383	-	-	-	-	-	-	383	-	-	-	-	-	-	-	-	-
384	-	-	-	-	-	-	384	-	-	-	-	-	-	-	-	-
385	-	-	-	-	-	-	385	-	-	-	-	-	-	-	-	-
386	-	-	-	-	-	-	386	-	-	-	-	-	-	-	-	-
387	-	-	-	-	-	-	387	-	-	-	-	-	-	-	-	-
389	-	-	-	-	-	-	389	-	-	-	-	-	-	-	-	-
390	-	-	-	-	-	-	390	-	-	-	-	-	-	-	-	-
3911	-	-	-	-	-	-	3911	-	-	-	-	-	-	-	-	-
3912	-	-	-	-	-	-	3912	-	-	-	-	-	-	-	-	-
3913	-	-	-	-	-	-	3913	-	-	-	-	-	-	-	-	-
3914/391305	-	-	-	-	-	-	391305	-	-	-	-	-	-	-	-	-
3921	-	-	-	-	-	-	3921	-	-	-	-	-	-	-	-	-
3922	-	-	-	-	-	-	3922	-	-	-	-	-	-	-	-	-
3923	-	-	-	-	-	-	3923	-	-	-	-	-	-	-	-	-
3924	-	-	-	-	-	-	3924	-	-	-	-	-	-	-	-	-
393	-	-	-	-	-	-	393	-	-	-	-	-	-	-	-	-
394	-	-	-	-	-	-	394	-	-	-	-	-	-	-	-	-
395	-	-	-	-	-	-	395	-	-	-	-	-	-	-	-	-
396	-	-	-	-	-	-	396	-	-	-	-	-	-	-	-	-
397	-	-	-	-	-	-	397	-	-	-	-	-	-	-	-	-
398	-	-	-	-	-	-	398	-	-	-	-	-	-	-	-	-
399	-	-	-	-	-	-	399	-	-	-	-	-	-	-	-	-
	0	0	-	0	0	0		-	-	-	-	-	-	-	-	-

FLORIDA PUBLIC UTILITIES COMPANY
NORTHWEST ELECTRIC DIVISION
REPORT OF DEPRECIATION DATA UNDER RULE 25-6.0436(8)
2011

PLANT IN SERVICE (\$)							RESERVE (\$)							(CREDIT BALANCES)		
Plant	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
350	-	-	-	-	-	-	350	-	-	-	-	-	-	-	-	-
3501	-	-	-	-	-	-	3501	-	-	-	-	-	-	-	-	-
352	-	-	-	-	-	-	352	-	-	-	-	-	-	-	-	-
353	-	-	-	-	-	-	353	-	-	-	-	-	-	-	-	-
354	-	-	-	-	-	-	354	(3)	-	-	-	(69)	-	-	-	(72)
355	-	-	-	-	-	-	355	-	-	4	-	-	-	-	-	4
356	168	-	-	-	-	168	356	(2)	-	-	-	-	-	-	-	(2)
359	-	-	-	-	-	-	359	-	-	-	-	-	-	-	-	-
360	1,100	-	-	-	-	1,100	360	-	-	-	-	-	-	-	-	-
3601	21,200	-	-	-	-	21,200	3601	6,243	-	382	-	-	-	-	-	6,625
361	-	-	-	-	-	-	361	-	-	-	-	-	-	-	-	-
362	1,454,905	80,964	-	-	-	1,535,869	362	553,782	-	38,440	-	-	-	-	-	592,222
364	8,076,881	464,345	-	-	(30,822)	8,510,403	364	2,067,672	(30,822)	268,020	-	-	-	-	-	2,304,870
365	7,121,055	178,041	-	-	(12,976)	7,286,121	365	2,629,324	(12,976)	277,416	-	-	-	-	-	2,893,764
366	225,364	6,759	-	-	-	232,123	366	47,919	-	4,597	-	-	-	-	-	52,516
367	937,824	53,696	-	-	(732)	990,788	367	295,735	-	28,006	-	(978)	-	-	-	322,764
368	7,037,846	260,213	-	-	(36,803)	7,261,256	368	3,539,151	(36,803)	273,934	-	-	-	-	-	3,776,282
369	4,202,392	108,971	-	-	(2,248)	4,309,115	369	1,321,835	(1,919)	132,601	-	-	-	-	-	1,452,517
370	1,371,378	125,472	-	-	(20,201)	1,476,648	370	664,276	(14,023)	50,661	-	-	-	-	-	700,914
371	1,359,793	80,208	-	-	(14,466)	1,425,534	371	516,959	(20,572)	85,260	-	(5,882)	-	-	-	575,764
373	424,777	11,728	-	-	(1,368)	435,138	373	190,183	(1,769)	22,299	-	-	-	-	-	210,713
389	3,766	-	-	-	-	3,766	389	-	-	-	-	-	-	-	-	-
390/3910	948,887	156,587	-	-	-	1,105,474	390	316,393	-	19,124	-	-	-	-	-	335,517
3911	-	-	-	-	-	-	3911	2,535	-	853	-	-	-	-	-	3,388
3912	147,608	12,000	-	-	-	159,608	3912	76,726	-	24,718	-	-	-	-	-	101,444
3913	3,459	-	-	-	-	3,459	3913	2,743	-	28	-	-	-	-	-	2,771
3914/391305	455,914	3,336	-	-	-	459,250	391305	397,354	-	33,429	-	-	-	-	-	430,784
3921	5,251	37,781	-	-	15,779	58,811	3921	(21,675)	39,550	3,418	-	-	-	-	-	21,293
3922	231,963	92,736	-	-	45,225	369,924	3922	117,940	45,225	14,763	-	-	-	-	-	177,928
3923	1,323,591	-	-	-	-	1,323,591	3923	545,637	-	55,591	-	-	-	-	-	601,228
3924	76,484	-	-	-	-	76,484	3924	30,416	-	2,906	-	-	-	-	-	33,322
3930/3931	70,667	-	-	-	-	70,667	3930	70,667	-	-	-	-	-	-	-	70,667
3932	-	-	-	-	-	-	3932	-	-	-	-	-	-	-	-	-
3940/3941	30,471	10,765	-	-	-	41,236	3941	21,805	-	1,672	-	-	-	-	-	23,477
3942	-	-	-	-	-	-	3942	-	-	-	-	-	-	-	-	-
3950/3951	54,998	-	-	-	-	54,998	3951	54,076	-	185	-	-	-	-	-	54,261
3952	-	-	-	-	-	-	3952	-	-	-	-	-	-	-	-	-
396	3,931	-	-	-	-	3,931	396	2,261	-	189	-	-	-	-	-	2,450
397	124,494	(15,321)	-	-	-	109,173	397	38,810	-	9,897	-	-	-	-	-	48,707
398	9,512	-	-	-	-	9,512	398	9,512	-	-	-	-	-	-	-	9,512
399	5,000	-	-	-	-	5,000	399	5,000	-	-	-	-	-	-	-	5,000
	35,730,679	1,668,283	-	0	(58,613)	37,340,347		13,503,274	(34,109)	1,348,395	-	(6,929)	-	-	-	14,810,630

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PLANT IN SERVICE (\$)							RESERVE (\$)							(CREDIT BALANCES)			
Plant	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	
350	41,471	-	-	-	-	41,471	350	16,887	-	429	-	-	-	-	-	17,316	
352	22,006	-	-	-	-	22,006	352	10,963	-	440	-	-	-	-	-	11,403	
353	2,588,490	36,502	-	-	(5,035)	2,619,957	353	801,690	-	65,470	-	-	-	-	-	867,160	
354	224,802	-	-	-	-	224,802	354	184,072	-	4,496	-	-	-	-	-	188,568	
355	2,720,875	67,232	-	-	-	2,788,107	355	1,056,405	-	86,338	-	-	-	-	-	1,142,743	
356	2,012,308	7,500	-	-	-	2,019,808	356	673,348	-	51,396	-	-	-	-	-	724,744	
359	6,788	-	-	-	-	6,788	359	4,937	-	258	-	-	-	-	-	5,195	
360	12,472	-	-	-	-	12,472	360	-	-	-	-	-	-	-	-	-	
3601	35,796	-	-	-	-	35,796	3601	19,488	-	644	-	-	-	-	-	20,132	
361	96,042	4,813	-	-	-	100,855	361	34,572	-	2,020	-	-	-	-	-	36,592	
362	5,798,755	192,795	-	-	(6)	5,991,544	362	1,109,032	-	155,544	-	-	-	-	-	1,264,576	
364	2,722,580	143,884	-	-	(5,122)	2,861,341	364	1,400,505	(5,122)	89,959	-	-	-	-	-	1,485,342	
365	3,701,838	138,683	-	-	(22,373)	3,818,148	365	1,989,784	(22,373)	144,270	-	-	-	-	-	2,111,681	
366	3,581,286	249,150	(92,889)	-	-	3,737,547	366	663,839	-	72,145	-	-	-	-	-	735,984	
367	5,020,852	322,865	(158,927)	-	(3,587)	5,181,204	367	1,689,088	-	147,412	-	-	(39,415)	-	-	1,797,085	
368	7,761,413	82,833	-	-	(39,942)	7,804,305	368	4,576,022	(81,033)	298,143	-	-	-	-	-	4,793,132	
369	5,429,814	52,609	-	-	(123)	5,482,300	369	2,752,253	(60)	169,746	-	-	-	-	-	2,921,939	
370	2,289,621	26,235	-	-	(65,039)	2,250,817	370	1,261,874	(27,740)	79,746	-	-	-	-	-	1,313,880	
371	1,234,987	40,484	-	-	(1,270)	1,274,201	371	536,694	(991)	76,538	-	-	(12,775)	-	-	599,466	
373	907,476	22,570	-	-	(1,527)	928,519	373	697,950	(1,221)	47,398	-	-	-	-	-	744,127	
389	68,696	-	-	-	-	68,696	389	6,704	-	-	-	-	-	-	-	6,704	
390	515,621	103,681	-	-	-	619,302	390	275,695	-	10,788	-	-	-	-	-	286,483	
3911	34,828	14,219	-	-	-	49,047	3911	15,177	-	4,724	-	-	-	-	-	19,900	
3912	99,508	-	-	-	-	99,508	3912	78,844	-	7,304	-	-	-	-	-	86,148	
3913	4,713	-	-	-	-	4,713	3913	4,713	-	-	-	-	-	-	-	4,713	
3914/391305	547,375	4,895	-	-	-	552,270	391305	456,269	-	45,142	-	-	-	-	-	501,411	
3921	15,778	-	-	-	(15,779)	(1)	3921	33,618	(39,550)	-	-	-	-	-	-	(5,933)	
3922	407,962	189,556	-	-	(45,225)	552,293	3922	273,741	(45,225)	20,677	15,176	-	-	-	-	264,369	
3923	1,203,982	-	-	-	-	1,203,982	3923	772,694	-	50,567	4,000	-	-	-	-	827,261	
3924	34,527	-	-	-	-	34,527	3924	12,744	-	1,312	-	-	-	-	-	14,056	
3931	54,539	33,248	-	-	-	87,787	3931	21,208	-	7,791	-	-	-	-	-	28,999	
3932	-	-	-	-	-	-	3932	-	-	-	-	-	-	-	-	-	
3941	140,755	-	-	-	-	140,755	3941	109,835	-	7,189	-	-	-	-	-	117,024	
3942	-	-	-	-	-	-	3942	-	-	-	-	-	-	-	-	-	
3951	46,391	48,054	-	-	-	94,445	3951	16,504	-	368	-	-	-	-	-	16,872	
3952	(28,396)	-	-	-	-	(28,396)	3952	-	-	-	-	-	-	-	-	-	
396	186,235	-	-	-	-	186,235	396	176,922	-	8,939	-	-	-	-	-	185,861	
397	125,944	51,844	-	-	-	177,788	397	94,318	-	7,130	-	-	-	-	-	101,448	
398	6,828	-	-	-	-	6,828	398	5,255	-	468	-	-	-	-	-	5,723	
399	5,000	-	-	-	-	5,000	399	5,000	-	-	-	-	-	-	-	5,000	
49,679,958							21,838,644							(52,190)			23,247,104
1,833,652							(223,316)							1,664,790			19,176
(251,816)							(223,316)							1,664,790			19,176
0							(205,028)							51,056,767			5,000

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PLANT IN SERVICE (\$)							RESERVE (\$)					(CREDIT BALANCES)				
Plant	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
350	41,471	-	-	-	-	41,471	350	16,887	-	429	-	-	-	-	-	17,316
352	22,006	-	-	-	-	22,006	352	10,963	-	440	-	-	-	-	-	11,403
353	2,588,490	36,502	-	-	(5,035)	2,619,957	353	801,690	-	65,470	-	-	-	-	-	867,160
354	224,802	-	-	-	-	224,802	354	184,070	-	4,496	-	(69)	-	-	-	188,497
355	2,720,875	67,232	-	-	-	2,788,107	355	1,056,405	-	86,342	-	-	-	-	-	1,142,747
356	2,012,476	7,500	-	-	-	2,019,976	356	673,346	-	51,396	-	-	-	-	-	724,742
359	6,788	-	-	-	-	6,788	359	4,937	-	258	-	-	-	-	-	5,195
360	13,572	-	-	-	-	13,572	360	-	-	-	-	-	-	-	-	-
3601	56,996	-	-	-	-	56,996	3601	25,731	-	1,026	-	-	-	-	-	26,757
361	96,042	4,813	-	-	-	100,855	361	34,572	-	2,020	-	-	-	-	-	36,592
362	7,253,660	273,759	-	-	(6)	7,527,413	362	1,662,814	-	193,984	-	-	-	-	-	1,856,798
364	10,799,461	608,228	-	-	(35,944)	11,371,745	364	3,468,177	(35,944)	357,979	-	-	-	-	-	3,790,212
365	10,822,893	316,724	-	-	(35,349)	11,104,268	365	4,619,108	(35,349)	421,686	-	-	-	-	-	5,005,445
366	3,806,650	255,910	(92,889)	-	-	3,969,671	366	711,758	-	76,742	-	-	-	-	-	788,500
367	5,958,676	376,562	(158,927)	-	(4,319)	6,171,992	367	1,984,823	-	175,418	-	(978)	(39,415)	-	-	2,119,849
368	14,799,259	343,046	-	-	(76,745)	15,065,561	368	8,115,173	(117,836)	572,077	-	-	-	-	-	8,569,415
369	9,632,206	161,580	-	-	(2,372)	9,791,414	369	4,074,088	(1,979)	302,347	-	-	-	-	-	4,374,456
370	3,660,999	151,707	-	-	(85,240)	3,727,466	370	1,926,150	(41,763)	130,407	-	-	-	-	-	2,014,795
371	2,594,780	120,692	-	-	(15,737)	2,699,735	371	1,053,653	(21,563)	161,798	-	(5,882)	(12,775)	-	-	1,175,231
373	1,332,253	34,298	-	-	(2,895)	1,363,656	373	888,133	(2,990)	69,697	-	-	-	-	-	954,840
389	72,462	-	-	-	-	72,462	389	6,704	-	-	-	-	-	-	-	6,704
390	1,464,508	260,268	-	-	-	1,724,776	390	592,088	-	29,912	-	-	-	-	-	622,000
3911	34,828	14,219	-	-	-	49,047	3911	17,712	-	5,577	-	-	-	-	-	23,289
3912	247,116	12,000	-	-	-	259,116	3912	155,569	-	32,023	-	-	-	-	-	187,592
3913	8,172	-	-	-	-	8,172	3913	7,456	-	28	-	-	-	-	-	7,484
391305	1,003,289	8,232	-	-	-	1,011,521	391305	853,624	-	78,571	-	-	-	-	-	932,195
3921	21,029	37,781	-	-	-	58,810	3921	11,943	-	3,418	-	-	-	-	-	15,361
3922	639,925	282,292	-	-	-	922,217	3922	391,681	(0)	35,439	15,176	-	-	-	-	442,296
3923	2,527,573	-	-	-	-	2,527,573	3923	1,318,331	-	106,158	4,000	-	-	-	-	1,428,489
3924	111,011	-	-	-	-	111,011	3924	43,160	-	4,218	-	-	-	-	-	47,378
3931	125,206	33,248	-	-	-	158,454	3931	91,875	-	7,791	-	-	-	-	-	99,666
3932	-	-	-	-	-	-	3932	-	-	-	-	-	-	-	-	-
3941	171,226	10,765	-	-	-	181,991	3941	131,639	-	8,861	-	-	-	-	-	140,500
3942	-	-	-	-	-	-	3942	-	-	-	-	-	-	-	-	-
3951	101,389	48,054	-	-	-	149,443	3951	70,580	-	553	-	-	-	-	-	71,133
3952	(28,396)	-	-	-	-	(28,396)	3952	-	-	-	-	-	-	-	-	-
396	190,166	-	-	-	-	190,166	396	179,183	-	9,128	-	-	-	-	-	188,311
397	250,438	36,523	-	-	-	286,961	397	133,128	-	17,027	-	-	-	-	-	150,155
398	16,340	-	-	-	-	16,340	398	14,767	-	468	-	-	-	-	-	15,235
399	10,000	-	-	-	-	10,000	399	10,000	-	-	-	-	-	-	-	10,000
85,410,637	3,501,935	(251,816)	0	(263,641)	88,397,115	35,341,918	(257,424)	3,013,185	19,176	(6,929)	(52,190)	-	-	-	-	38,057,738