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BUREAU OF REVENUE REQUIREMENTS  
ELECTRIC & GAS ACCOUNTING

EI 803-97-AR

Form Approved  
OMB No. 1902-001  
(Expires 7/31/95)

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FLORIDA PUBLIC SERVICE  
COMMISSION

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AUDITING &  
FINANCIAL ANALYSIS DIV



# 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), 304 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)

Year of Report



## **INDEPENDENT AUDITORS' REPORT**

Florida Public Utilities Company  
West Palm Beach, Florida:

We have audited the balance sheets - regulatory basis of Florida Public Utilities Company (the "Company") as of December 31, 1997 and 1996, and the related statements of income - regulatory basis for the years then ended, and the statements of retained earnings - regulatory basis and cash flows for the year ended December 31, 1997, included on pages 110 through 122g, excluding additional information on pages 114 - Fernandina Division, 114 - Marianna Division and 115 - Electric, Gas, and Other Utility Divisions, of the accompanying Federal Energy Regulatory Commission Form 1. 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 generally accepted auditing standards. 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.

These financial statements were prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than generally accepted accounting principles. The principal differences from generally accepted accounting principles include accounting for the Company's investment in a wholly-owned subsidiary on the equity method rather than consolidating the assets, liabilities, revenues, and expenses of the subsidiary, the inclusion of certain accumulated provisions in other noncurrent liabilities rather than current liabilities, the exclusion of comparative statements of retained earnings and cash flows, and the reporting of deferred tax assets and liabilities net of the related regulatory assets and liabilities rather than reporting them separately.

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



In our opinion, such financial statements present fairly, in all material respects, the assets, liabilities, and proprietary capital of the Company as of December 31, 1997 and 1996, and the results of its operations for the years then ended, and its cash flows for the year ended December 31, 1997, 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.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The additional information on pages 114 - Fernandina Division, 114 - Marianna Division and 115 - Electric, Gas, and Other Utility Divisions is presented for the purpose of additional analysis and is not a required part of the basic financial statements. This additional information is the responsibility of the Company's management. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

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

*Dehette : Touche LLP*

February 20, 1998

## SECURITY HOLDERS AND VOTING POWERS

1. Give the names and addresses of the 10 security holders of the respondents who, at the date of the latest closing of the stock book or compilation of the list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes which each would have had the right to cast on that date if a meeting were in order. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.) duration of the trust, and principal holders of beneficiary interests in the trust. If the stock book was not closed or a list of stockholders was not compiled within one year prior to the end of the year, or if since the previous compilation of a list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.

2. If any security other than stock carries voting rights, explain in a supplemental statement of circumstances whereby such security became vested with voting rights and

give other important particulars (details) concerning the voting rights of such security. State whether voting rights are actual or contingent: if contingent, describe the contingency.

3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote.

4. Furnish particulars (details) concerning any options, warrants, or rights outstanding at the end of the year for other to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by any officer, director, associated company, or any of the ten largest security holders. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants or rights were issued on a prorata basis.

1. Give date of the latest closing of the stock book prior to the end year, and state the purpose of such closing:

December 15, 1997  
Dividend Record Date

2. State the total number of votes cast at the latest general meeting prior to the end of year for the election of directors of the respondents and number of such votes cast by proxy.

Total: 1,478,771  
By Proxy: 1,243,339

3. Give the date and place of such meeting:  
4/15/97

401 S. Dixie Highway  
West Palm Beach, FL

VOTING SECURITIES  
Number of votes as of (date): 4/15/97

Line No.	Name (Title) and Address of Security Holder (a)	Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
4	TOTAL votes of all voting securities	1,488,586	1,488,586	0	NONE
5	TOTAL number of security holders	1,008	1,008	0	
6	TOTAL votes of security holders listed below	1,199,125	1,199,125	0	
7	* Cede & Company	798,421	53.6% 798,421	0	
8	P.O. Box 20, New York, NY 10274				
9	Chesapeake Utilities Corp.	109,232	7.3% 109,232	0	
10	Box 615, Dover, DE 19903				
11	Atlee M. Kohl	101,100	6.8% 101,100	0	
12	3007 Skyway Circle North, Irving, Texas 75038				
13	Robert L. Terry, Chairman, Exec. Comm.	85,500	5.7% 85,500	0	
14	137 Kings Rd., Palm Beach, FL 33402				
15	Dino Casali	37,040	2.5% 37,040	0	
16	Box 886 Keene, NH 03431-0886				
17	George F. Parris, Jr.	21,420	1.4% 21,420	0	
18	P.O. Box 89, Galveston, TX 77553				
19	URSULAG Peiscop Grau Trust	15,700	1.1% 15,700	0	
20	P.O. Box 381, Punta Gorda, FL 33951				
* Includes 156,777 shares held in trust. Robert L. Terry, a Director of the Corporation, is co-trustee for trust accounts established under the wills of his parents and shares voting and dispositive powers for his stock.					
21	A. P. Maheu	11,155	.7% 11,155	0	NONE
22	250 Lakeview Dr. Sanford, FL				
23	Franklin C. Cressman	10,133	.7% 10,133	0	
24	7990 W Lake Dr., West Palm Beach, FL				
25	Philadep & Co	9,424	.6% 9,424	0	
26	Box 8068-475, Philadelphia, PA 19177				



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## SECURITY HOLDERS AND VOTING POWERS (Continued)

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24	7990 W Lake Dr., West Palm Beach, FL				
25	Philadep & Co	9,424	.6% 9,424	0	
26	Box 8068-475, Philadelphia, PA 19177				
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# **EXECUTIVE SUMMARY**

**SUPPLEMENT TO ANNUAL REPORT**

**OF**

**FLORIDA PUBLIC UTILITIES COMPANY**

**FOR THE YEAR**

**1997**

# EXECUTIVE SUMMARY

## INSTRUCTIONS

### Purpose of Executive Summary:

The Executive Summary provides the Florida Public Service Commission management with contact persons, positions and telephone numbers, a brief narrative of the company profile, corporate records and corporate organization. The Executive Summary is both more readable and shorter than an annual report. It contains nontechnical data of general interest and applicability to individuals who are not intimately familiar with the individual utility.

### Part I - Telephone Numbers:

The utility's primary telephone number for its main administrative office is to be included in Section A on Page 2. The name, title, and telephone number (other than the universal number in Section A) for officers of the utility are to be included in Section B. Include the name of the directors, their position title and employer, and telephone number in Section C.

### Part II - Company Profile:

The company profile is a brief synopsis, which should be approximately three pages long for a major utility, in narrative format with a few statistics included. The six areas covered are:

- A. Brief Company History - Year and state of the organization, whether as a subsidiary or parent name changes and other pertinent data.
- B. Operating Territory - Provide the area of state or states served, and a few statistics such as the number of cities served, the number of customers or similar available statistics that provide a reader a basic understanding of the scope and nature of the operations of the utility.
- C. Major Goals and Objectives - State the goals and objectives of the utility such as desired return on equity, increased productivity by a specific percentage and other such goals. Specific goals such as "to achieve a rate of return on equity of 14.5% is preferable to general statements of goals and such as to achieve a reasonable return on equity."

i.



D. Major Operating Divisions and Functions - Provide the major operating divisions and activities performed by each. For some companies, the vice presidents or other officers and their respective responsibilities may correspond to major operating divisions. For instance, the Vice president of Finance may constitute a major operating division and accounting, corporate and treasury, and rates and regulatory matters may be the related functions assigned to the Vice President.

E. Affiliates and Relationships - List all affiliates and their relationship to the utility.

F. Current and Projected Growth Patterns - Provide a concise estimate of future annual growth for the next two to four years. A short table may be used to provide this data. For instance, a table for three years showing the KWH sales, revenue, and customers would be sufficient for an electric utility. Major assumptions such as "revenue forecasts based on current rates" may be provided.

### **Part III - Corporate Records:**

The principal location and any important secondary locations of records should be provided in Section A on Page 5. The chart of accounts used, the location of any copies of the corporate records and a description of the types of records maintained at secondary locations should be furnished in Section B. Under Section C, list any outside auditors, regulatory agencies or internal auditors from affiliates that audit the books and records.

### **Part IV - Parent/Affiliate Organizational Chart:**

Provide an organizational chart showing the relationship of affiliates involved either directly or indirectly in providing utility services including the furnishing of any management services to the utility. All other affiliates, those that are irrelevant to the provision of utility services may be omitted from the organizational chart.

### **Part V - Liaison Personnel Directory:**

All employees or outside professionals who are in regular recurring contact with the Florida Public Service Commission on behalf of the utility should be listed under Section A on Page 7, together with the title, position, organizational unit, name of immediate supervisor and area (s) of responsibility. Employees who infrequently contact or are contacted by the Florida Public Service commission need not be listed unless contact occurs on important issues. Organizational charts covering the employees listed as liaison personnel should be included in Section B.

**INSTRUCTIONS FOR FILING THE  
FERC FORM NO. 1  
GENERAL INFORMATION**

**I Purpose**

This form is a Regulatory Support Requirement (18 CFR 260.1). It is designed to collect financial and operational information from major interstate natural gas companies subject to the jurisdiction of the Federal Energy Regulatory Commission.. This report is also secondarily considered to be a non-confidential public use form supporting a statistical publication (Financial Statistics of Selected Electric Utilities), published by the Energy Information Administration.

**II Who Must Submit**

Each major electric utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject to the Provisions of the Federal Power Act(18 CFR 101), must submit this form.

**Note:** Major means having, in each of the three previous calendar years, sales or transmission service that exceeds on of the following:

- (1) One million megawatt hours of annual sales for resale
- (2) 100 megawatt hours of annual sales for resale,
- (3) 500 megawatt hours of annual power exchanges delivered,
- (4) 500 megawatt hours of annual wheeling for others (deliveries plus losses).

**III What and Where to Submit**

- (a) Submit an original and four (6) copies of this form to:

Office of the Secretary  
Federal Energy Regulatory Commission  
825 North Capitol Street, NE.  
Room 3110  
Washington, D.C. 20426

- (b) Submit immediately upon publication, four (4) copies of the latest annual report to stockholders and any annual financial or statistical report regularly prepared and distributed to bondholders, security analysts, or industry associations. (Do not include monthly and quarterly reports. Indicate by checking the appropriate box on Page 4, List of Schedules, if the reports to stockholders will be submitted or if no annual report to stockholders is prepared.) Mail these reports to:

Chief Accountant  
Federal Energy Regulatory Commission  
825 N. Capitol St., NE.  
Room 946  
Washington, D.C. 20426

- (c) For the CPA certification, submit with the original submission, or within 30 days after the filing date for this form, a letter or report (not applicable to respondents classified as Class C or Class D prior to January 1, 1984):

- (i) Attesting to the conformity, in all material aspects, of the below listed (schedules and) pages with the Commission's applicable Uniform Systems of Accounts (including applicable notes relating thereto and the chief accountant's published accounting releases), and
- (ii) Signed by independent certified public accountants or an independent licensed public accountant, certified or licensed by a regulatory authority of a State or political subdivision of the U.S. (See 18 CFR 158.10 - 158.12 for specific qualifications.)

<u>Schedules</u>	<u>Reference Pages</u>
Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

When accompanying this form, insert the letter or report immediately following the cover sheet. When submitting after the filing date for this form, send the letter or report to the Chief Accountant at the address indicated at III (b).



**INSTRUCTIONS FOR FILING THE  
FERC FORM NO. 1  
GENERAL INFORMATION (Continued)**

**III. What and Where to Submit (Continued)**  
**(c) (Continued)**

Use the following form for the letter or report unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

In connection with our regular examination of the financial statement of \_\_\_\_\_ for the year ended on which we have reported separately under date of \_\_\_\_\_, we have also reviewed schedules \_\_\_\_\_ of FERC Form No. 2 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

State in the letter or report, which, if any, of the pages \_\_\_\_\_ above do not conform to the Commission's requirements. Describe the discrepancies that exist.

- (d) Federal, State, and Local Governments and other authorized users may obtain additional blank copies to meet their requirements free of charge from:

Legal Reference and Records Management Branch  
Federal Energy Regulatory Commission  
941 North Capitol Street, NE.  
Room 3100 ED - 12.1  
Washington, D.C. 20426  
(202) 208-2474

**IV. When to Submit:**

Submit this report form on or before April 30th of the year following the year covered by this report.

**V. Where to Send Comments on Public Reporting Burden**

The public reporting burden for this collection of information is estimated to average 2,475 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information, including suggestions for reducing this burden, to the Federal Energy Regulatory Commission, 825 North Capitol Street NE, Washington, D.C. 20426 (Attention: Michael Miller, ED - 12.3); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission).

**GENERAL INSTRUCTIONS**

- I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR 201) (U.S. of A.). Interpret all accounting words and phrases in accordance with the U.S. of A.
- II. Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important.) The truncating of cents is allowed except on the four basic financial statements where rounding to dollars is required. The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting year, and use for statement of income accounts the current years amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.



**INSTRUCTIONS FOR FILING THE  
FERC FORM NO. 1  
GENERAL INSTRUCTIONS (Continued)**

- IV. For any page (s) that is not applicable to the respondent, either
- (a) Enter the words "Not Applicable" on the particular page (s), or
  - (b) Omit the page (s) and enter "NA", "None", or "Not Applicable" in column (d) on the List of Schedules pages 2, 3, 4.
- V. Complete this report by means which result in a permanent record. Complete the original copy in permanent black ink or typewriter print, if practical. The copies, however, may be carbon copies or other similar means of reproduction provided the impressions are clear and readable.
- VI. Enter the month, day, and year for all dates. Use customary abbreviations. The "Date of Report" at the top of each page is applicable only to resubmissions (see VII below).
- VIII. When making revisions, resubmit only those pages that have been changed from the original submission. Submit the same number of copies as required for filing the form. Include with the resubmission the Identification and Attestation page, page 1. Mail dated resubmissions to:
- Chief Accountant  
Federal Energy Regulatory Commission  
825 North Capitol Street, NE.  
Room 946  
Washington, D.C. 20426
- IX. Provide a supplemental statement further explaining accounts or pages as necessary. Attach the supplemental statement (8 1/2 by 11 inch size) to the page being supplemented. Provide the appropriate identification information, including the title (s) of the page and the page number supplemented.
- X. Do not make references to reports of previous years or to other reports in lieu of required entries, except as specifically authorized.
- XI. Wherever (schedule) pages refer to figures from a previous year, the figures reported must be based upon those shown by the annual report of the previous year, or an appropriate explanation given as to why the different figures were used.
- XII. Report all gas volumes on a pressure base of 14.73 psia and a temperature base of 60° F.
- XIII. Respondents may submit computer printed schedules (reduced to 8 1/2 x 11) instead of the schedules if they are in substantially the same format.

**DEFINITIONS**

- II. Commission Authorization (Comm. Auth.) - The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.
- III. Respondent - The person, corporation, licensee, agency, authority, or other legal entity or instrumentality in whose behalf the report is made.



## EXCERPTS FROM THE LAW

(Federal Power Act, 16 U.S.C. 791a-825r)

"Sec. 3 The words defined in this section shall have the following meanings for purposes of this Act, to wit:

...(3) 'corporation' means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, of a receiver of receivers, trustee of trustees of any of the foregoing. It shall not include 'municipalities' as hereinafter defined;

(4) 'person' means an individual or a corporation;

(5) 'licensee' means any person, State, or municipality licensed under the provisions of section 4 of this Act, and an assignee or successor in interest thereof;

(7) 'municipality' means any person, State, or municipality licensed under the provisions of section 4 of this Act, agency of a State competent under the laws thereof to carry on the business of developing, transmitting, utilizing, or distributing power;...."

(11) 'project' means a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or forebay reservoirs directly connected therewith, the primary line or lines transmitting power therefrom to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit of any part thereof and all water rights, rights-of way, ditches, dams, reservoirs, lands, or interest in lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered-

(a) To make investigations and to collect and record data concerning the utilization of the water resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development costs, and relation to markets of power sites,...to the extent the Commission may deem necessary or useful for the purposes of this Act."

"Sec. 304. (a) Every licensee and every public utility shall file with the Commission such annual and other periodic or special reports as the Commission may by rules and regulations or otherwise prescribe as necessary or appropriate to assist the Commission in the proper administration of this Act. The Commission may prescribe the manner and form in which such reports shall be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies."

"Sec. 309. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, amend, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the form or forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be filed...."

## GENERAL PENALTIES

"Sec. 315. (a) Any licensee or public utility which willfully fails, within the time prescribed by the Commission to comply with any order of the commission, to file any report required under this Act or any rule or regulation of the Commission thereunder, to submit any information of document required by the Commission in the course of an investigation conducted under this Act,...shall forfeit to the United States an amount not exceeding \$1,000 to be fixed by the Commission after notice and opportunity for hearing...."

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# PART I - TELEPHONE NUMBERS

<b>A. Company's Universal Telephone Number:</b> (561) 832-2461		
<b>B. Direct Telephone Number for Officer (s)</b>		
Officer (s) Name	Title	Telephone Numbers
1. Robert L. Terry	Chairman of the Executive Committee	(561) 838-1765
2. Franklin C. Cressman	Chairman of the Board and CEO	(561) 838-1763
3. Jack Brown	Treasurer & Secretary	(561) 838-1729
4. John T. English	President & Chief Operating Officer	(561) 838-1762
5. George Bachman	Director of Accounting & Asst. Treasurer	(561) 838-1731
6. William D. Little, Jr.	Asst. Secretary & Asst. Treasurer	(561) 838-1741
7. Darryl L. Troy	Vice President	(561) 838-1761
8. Charles L. Stein	Senior Vice President	(561) 838-1760
<b>C. Direct Telephone Number for Director (s)</b>		
Officer (s) Name	Title	Telephone Numbers
1. E. James Carr, Jr.	Director	(561) 848-7200
2. Franklin C. Cressman	Chairman of the Board and CEO	(561) 838-1763
3. Daniel Downey	Director	(561) 655-8761
4. Gordon O. Jerauld	Director	(561) 626-0783
5. Robert L. Terry	Chairman of the Executive Committee	(561) 838-1765
6. John T. English	President & Chief Operating Officer	(561) 838-1762
7. Richard C. Hitchins	Director	(561) 832-8833

## PART II - COMPANY PROFILE

(Provide Brief Narrative)

### A. Brief Company History

Florida Public Utilities Company was incorporated March 6, 1924, as the Palm Beach Gas Company, and the name was changed to the present title on October 24, 1927. The company was reincorporated on April 29, 1925.

The purchase of the property of the Gas Service Company of Key West was made on October 5, 1927, and sold on May 10, 1938. On May 1, 1929, the company acquired Pensacola Gas Company, but sold these properties to Gulf Power on May 28, 1934. Southern States Power Company (Marianna and Fernandina, Florida) was purchased July 1, 1935. The acquisitions of Sanford Gas Company and Florida Home Gas Company of DeLand occurred on January 1, 1965, and June 1, 1967, respectively. Water property in Marianna was sold June 1, 1976, to the North Florida Water Company.

### B. Operating Territory

Four areas of Florida are served by Florida Public Utilities Company. The West Palm Beach Division serves 33,500 customers within eastern Palm Beach County. The Sanford division, located in the heart of central Florida, serves 5,900 customers in Seminole County. Serving 6,100 customers, the DeLand division lies in western Volusia County.

The Marianna division, located in the panhandle of Florida, serves 11,800 customers in portions of Jackson, Calhoun, and Liberty Counties. The Fernandina Beach division, which serves Amelia Island on the upper east coast of Florida, furnishes electricity and water services to 12,100 and 6,100 customers, respectively.

### C. Major Goals and Objectives

To provide reliable utility service to present and prospective customers in an efficient and courteous manner at the most reasonable cost possible.

To provide our stockholders with a reasonable return on their investments.

To promote conservation of energy (electricity and natural gas) through programs presently in effect, and future programs which may be adopted.



## PART II - COMPANY PROFILE (continued)

(Provide Brief Narrative)

### D. Major Operating Divisions and Functions

Florida Public Utilities Company operates out of five divisions and is headquartered in West Palm Beach. Natural and bottled gas are provided by the West Palm Beach, Sanford, and DeLand divisions. These three divisions also service customers in offering gas appliance sales and repairs.

Electricity is supplied by the divisions in Marianna and Fernandina. Fernandina Beach is also the sole location providing water service.

### E. Affiliates and Relationships

The wholly-owned subsidiary, Flo-Gas Corporation, sells bottled gas in the West Palm Beach, Sanford, and DeLand areas.

### F. Current and Projected Growth Patterns

<u>Operations</u>	<u>Past 3 Years</u>	<u>3 Years Projection</u>
Marianna - Electric	1 % Annual	2 % Annual
Fernandina Beach - Electric	3 % Annual	3 % Annual
Fernandina Beach - Water	4 % Annual	3 % Annual
Gas Operations	1 % Annual	2 % Annual

### PART III - CORPORATE RECORDS

#### A. Location

##### Divisional Offices

##### Address

West Palm Beach

401 South Dixie Highway, West Palm Beach

Delray Beach

325 N.E. 2nd Street, Delray Beach

Sanford

830 West 6th Street, Sanford

DeLand

401 N. Stone Street, DeLand

Marianna

2825 Pennsylvania Avenue, Marianna

Fernandina Beach

911 S. 8th Street, Fernandina Beach

#### B. Description

Each divisional office has on file records limited to individual divisional operations. The general office in West Palm Beach contains the general corporate accounting records for Company-wide operations.

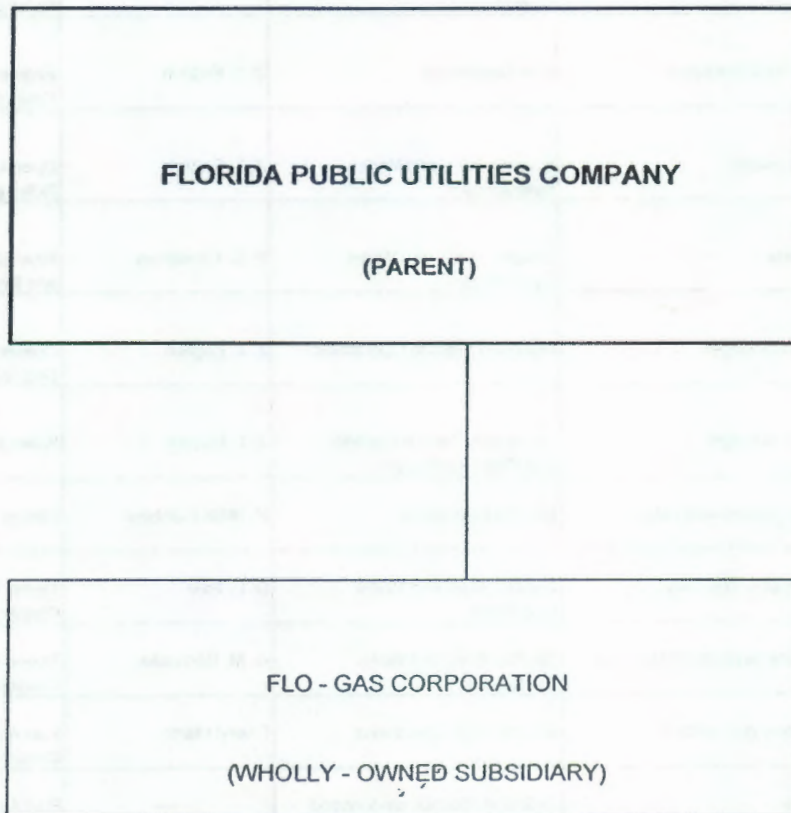
#### C. List Audit Groups Reviewing Records and Operations

Deloitte & Touche - Annual and quarterly corporate audits.  
Florida Public Service Commission - Electric; gas, and water operations.



**PART IV - PARENT / AFFILIATE ORGANIZATION CHART**

**CURRENT AS OF DECEMBER 31, 1997**



# PART V - LIAISON PERSONNEL DIRECTORY

(4)

## A. List

Name of Company (1) (2) Representative	Title or Position	Organizational Unit Title (Dept/Div/Etc.) (3)	Name of Immediate Supervisor	Area (s) Responsible
Franklin C. Cressman	Chairman of the Board & CEO	Electric, Gas, and Water Operations		Engineering, Rates Rules and Regulations
John T. English	President & Chief Operating Officer	Electric, Gas, and Water Operations	F. C. Cressman	Engineering, Rates Rules and Regulations
Charles L. Stein	Senior Vice President	Gas Operations	J. T. English	Engineering, Rates Rules and Regulations
Darryl L. Troy	Vice President	Electric, Gas, and Water Operations	J. T. English	Open Dockets, Accounting, Rules and Regulations
Jack Brown	Treasurer	Electric, Gas, and Water Operations	F. C. Cressman	Financial Items, Rules and Regulations
P. Mark Cutshaw	Division Manager	Marianna Electric Operations	J. T. English	Conservation, Rates and Engineering
Patrick W. Foster	Division Manager	Fernandina Beach Electric and Water Operations	J. T. English	Rates and Engineering
Michael Peacock	Energy Conservation Mgr.	Electric Operations	P. Mark Cutshaw	Conservation
George Bachman	Director of Accounting	Electric, Gas, and Water Operations	D. L. Troy	Taxes, Fuel Adj., PGA, Conservation, Accounting
Cheryl Martin	Corporate Accounting Manager	Electric, Gas, and Water Operations	G. M. Bachman	Taxes, Fuel Adj., PGA, Conservation, Accounting
Cindy Palacios	Regulatory Accountant	Electric, Gas Operations	Cheryl Martin	Fuel Adjustments, PGA, Conservation, Accounting
Kenneth Hoffman (904) 681-6788	Attorney	Rutledge, Ecenia, Underwood, Purnell & Hoffman	—	Fuel Adj., PGA, and Conservation, All Divisions
Wayne Schiefelbein (904) 877-7191	Attorney	Gatlin, Woods, Carlson and Cowdery	—	Rate Cases

(1) Also list appropriate legal counsels, and others who may not be on the general payroll.

(2) Please provide individual telephone numbers if the person cannot be reached through the Company's operator.

(3) Please provide appropriate organization charts for all persons listed within the Company.

(4) Defined as personal visits or telephone call as a result of either routine interface, rate cases, or audits.

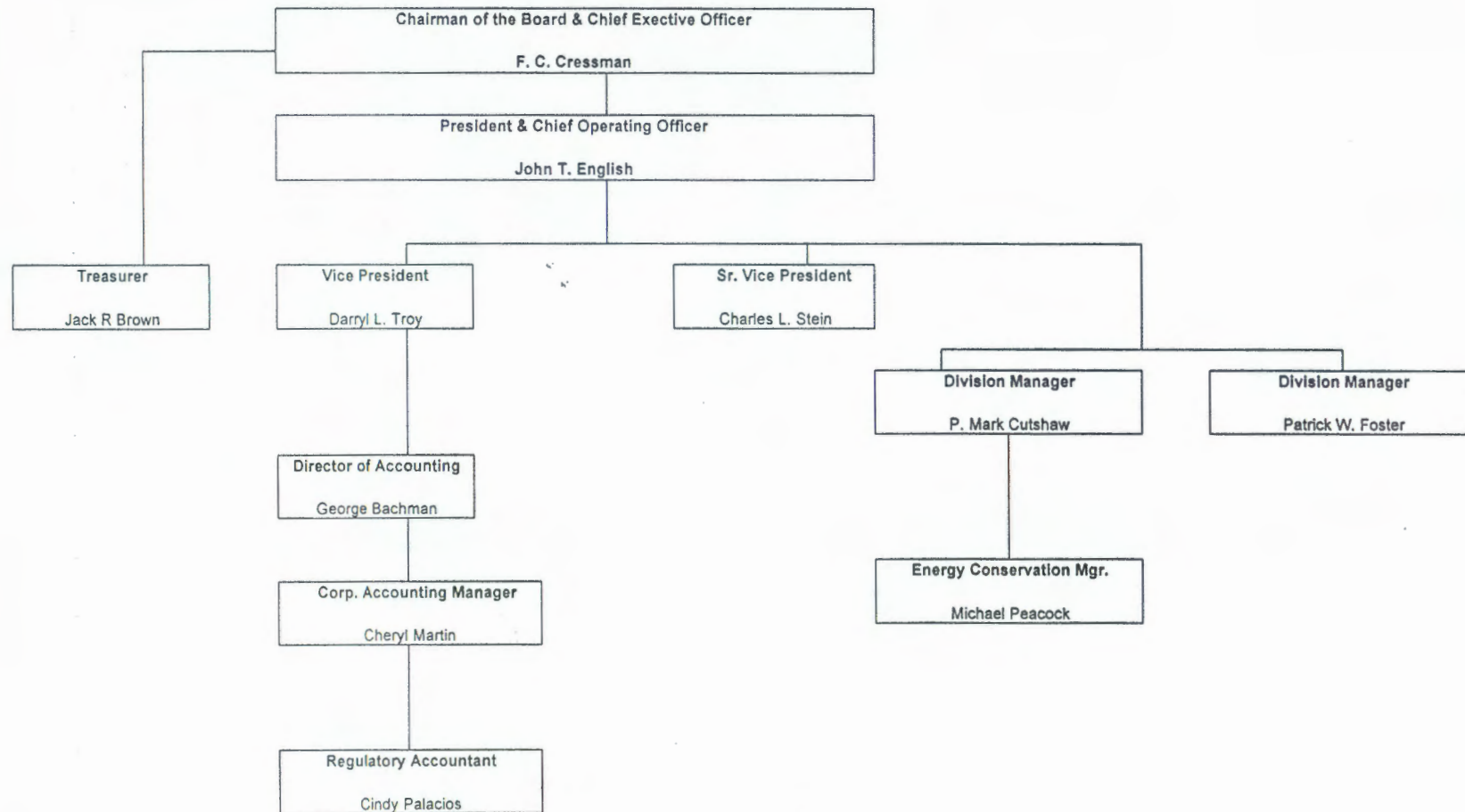


## PART V - LIAISON PERSONNEL

B. Organizational Chart (for reporting chain for all personnel listed on Page 7)

CURRENT AS OF: DECEMBER 31, 1997

### FLORIDA PUBLIC UTILITIES COMPANY



## SIGNATURE PAGE

I certify that I am the responsible accounting officer of  
Florida Public Utilities Company;

that I have examined the following report; that to the best of my knowledge,  
information, and belief, all statements of fact contained in the said report are true  
and the said report is a correct statement of the business and affairs of the above-  
named respondent in respect to each and every matter set forth therein during the  
period from January 1, 1997 to December 31, 1997, inclusive.

I also certify that all affiliated transfer prices and affiliated cost allocations  
were determined consistent with the methods reported to this Commission on the  
appropriate forms included in this report.

I am aware that Section 837.06, Florida Statutes, provides:

Whoever knowingly makes a false statement in writing  
with the intent to mislead a public servant in the  
performance of his official duty shall be guilty of  
a misdemeanor of the second degree, punishable as  
provided in s. 775.082, s. 775.083, or s. 775.084.

4/21/98

Date

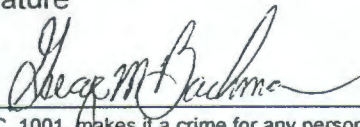
George M. Bachman  
Signature

George Bachman  
Name

Director of Accounting & Asst. Treasurer  
Title



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

IDENTIFICATION			
01 Exact Legal Name of Respondent <b>FLORIDA PUBLIC UTILITIES COMPANY</b>		02 Year of Report <b>Dec. 31, 1997</b>	
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) <b>401 South Dixie Highway, West Palm Beach, FL 33401-5807</b>			
05 Name of Contact Person <b>George Bachman</b>		06 Title of Contact Person <b>Assistant Treasurer</b>	
07 Address of Contact Person (Street, City, State, Zip Code) <b>Same as above</b>			
08 Telephone of Contact Person, Including Area Code <b>(561) 838-1731</b>		09 This Report Is (1) <input checked="" type="checkbox"/> <b>An Original</b> (2) <input type="checkbox"/> <b>A Resubmission</b>	
10 Date of Report (Mo, Da, Yr) <b>April 28, 1998</b>			
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 <b>George Bachman</b>		02 Title <b>Assistant Treasurer</b>	
03 Signature 		04 Date Signed (Mo, Da, Yr) <b>4/21/98</b>	
<p>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.</p>			

Name of Respondent	This Report is:	Date of Report	Year of Report
Florida Public Utilities Company	(1) <input checked="" type="checkbox"/> An Original	(Mo, Da, Yr)	
	(2) <input type="checkbox"/> A Resubmission	April 28, 1998	December 31, 1997

**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)
<b>GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS</b>			
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	
Important Changes During the Year.....	108-109	Ed. 12-90	Pg. 109-None
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
<b>BALANCE SHEET SUPPORTING SCHEDULES (Assets and Other Debits)</b>			
Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization, and Depletion.....	200-201	Ed. 12-89	
Nuclear Fuel Materials.....	202-203	Ed. 12-89	None
Electric Plant in Service.....	204-207	Rev. 12-95	
Electric Plant Leased to Others.....	213	Rev. 12-95	None
Electric Plant Held for Future Use.....	214	Ed. 12-89	None
Construction Work in Progress-Electric.....	216	Ed. 12-87	
Construction Overheads-Electric.....	217	Ed. 12-89	
General Description of Construction Overhead Procedure.....	218	Ed. 12-88	
Accumulated Provision for Depreciation of Electric Utility Plant.....	219	Ed. 12-88	
Nonutility Property.....	221	Ed. 12-95	
Investment in Subsidiary Companies.....	224-225	Ed. 12-89	
Materials and Supplies.....	227	Ed. 12-89	
Allowances.....	228-229	Ed. 12-95	None
Extraordinary Property Losses.....	230	Ed. 12-93	None
Unrecovered Plant and Regulatory Study Costs.....	230	Ed. 12-93	None
Other Regulatory Assets.....	232	New 12-93	
Miscellaneous Deferred Debits.....	233	Ed. 12-94	
Accumulated Deferred Income Taxes (Account 190).....	234	Ed. 12-88	
<b>BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other credits)</b>			
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	
Other Paid-in Capital.....	253	Ed. 12-87	
Discount on Capital Stock.....	254	Ed. 12-87	
Capital Stock Expense.....	254	Ed. 12-86	
Long-Term Debt.....	256-257	Ed. 12-91	



Name of Respondent  Florida Public Utilities Company	This Report is:  (1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	Date of Report  (Mo, Da, Yr)  April 28, 1998	Year of Report  December 31, 1997
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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)
<b>BALANCE SHEET SUPPORTING SCHEDULES</b> (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	
<b>INCOME ACCOUNT SUPPORTING SCHEDULES</b>			
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	
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	
<b>COMMON SECTION</b>			
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	
<b>ELECTRIC PLANT STATISTICAL DATA</b>			
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

Name of Respondent <b>Florida Public Utilities Company</b>	This Report is: (1) <input checked="" type="checkbox"/> <b>An Original</b> (2) <input type="checkbox"/> <b>A Resubmission</b>	Date of Report (Mo, Da, Yr) <b>April 28, 1998</b>	Year of Report <b>December 31, 1997</b>
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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)
<b>ELECTRIC PLANT STATISTICAL DATA (CONTINUED)</b>			
Transmission Line Statistics.....	422-423	Ed. 12-87	
Transmission Lines Added During Year.....	424-425	Ed. 12-86	
Substations.....	426-427	Ed. 12-95	
Electric Distribution Meters and Line Transformers.....	429	Ed. 12-88	
Environmental Protection Facilities.....	430	Ed. 12-88	
Environmental Protection Expenses.....	431	Ed. 12-88	
Footnote Data.....	450	Ed. 12-87	
Stockholders' Reports			
<p align="center">Check appropriate box:</p> <p><input checked="" type="checkbox"/> Four Copies will be submitted.</p> <p><input type="checkbox"/> No annual report to stockholders is prepared.</p>			



## GENERAL INFORMATION

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

George Bachman, Director of Accounting & Asst. Treasurer  
401 South Dixie Highway, P.O. Box 3395  
West Palm Beach, Florida 33401

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, gas and water in the state of Florida.

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

(1) YES ...Enter the date when such independent accountant was initially engaged: \_\_\_\_\_

(2) X NO

## CORPORATIONS CONTROLLED BY RESPONDENT

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.

2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.

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

4. If the above required information is available from the SEC 10-K Report Form filing, a specific reference to the report form (i.e. year and company title) may be listed in column (a) provided the fiscal years for both the 10-K report and this report are compatible.

## DEFINITIONS

1. See the Uniform System of Accounts for a definition of control.

2. Direct control is that which is exercised without interposition of an intermediary.

3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.

4. Joint control is that in which neither interest can effectively

control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

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

3. Utilities which are required to file the same data with the Securities and Exchange Commission, may substitute a copy of item 4 of Regulation S-K (identified as this page). The substituted page(s) should be the same size as this page.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	Chairman of the Executive Committee	Robert L. Terry	\$75,000
2			
3	Chairman of the Board & CEO	Franklin C. Cressman	* \$153,036
4			
5	President & Chief Operating Officer	John T. English	\$106,973
6			
7	Vice President	Darryl L. Troy	\$82,012
8			
9	Senior Vice President	Charles L. Stein	\$97,540
10			
11	Treasurer and Secretary	Jack R. Brown	\$101,244
12			
13	Assistant Secretary & Assistant Treasurer	William D. Little Jr.	\$64,072
14			
15	Assistant Treasurer	George M. Bachman	\$62,584
16			
17			
18			
19	* Information obtained from Proxy Statement for Annual Meeting of Stockholders dated March 4, 1998.		
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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)
R.L. Terry** Chairman of the Executive Committee	401 South Dixie Highway West Palm Beach, Florida
F.C. Cressman* Chairman of the Board & Chief Executive Officer	401 South Dixie Highway West Palm Beach, Florida
D. Downey*	400 Royal Palm Way Palm Beach, Florida
G.O. Jerauld	700 Osprey Way No. Palm Beach, Florida
E. James Carr, Jr.	217 Tom O'Shanter Drive Palm Springs, Florida
J.T. English President & Chief Operating Officer	401 South Dixie Highway West Palm Beach, Florida
R.C. Hitchins	325 South Olive Avenue West Palm Beach, Florida



## SECURITY HOLDERS AND VOTING POWERS

1. Give the names and addresses of the 10 security holders of the respondents who, at the date of the latest closing of the stock book or compilation of the list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes which each would have had the right to cast on that date if a meeting were in order. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.) duration of the trust, and principal holders of beneficiary interests in the trust. If the stock book was not closed or a list of stockholders was not compiled within one year prior to the end of the year, or if since the previous compilation of a list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.

2. If any security other than stock carries voting rights, explain in a supplemental statement of circumstances whereby such security became vested with voting rights and

give other important particulars (details) concerning the voting rights of such security. State whether voting rights are actual or contingent: if contingent, describe the contingency.

3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote.

4. Furnish particulars (details) concerning any options, warrants, or rights outstanding at the end of the year for other to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by any officer, director, associated company, or any of the ten largest security holders. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants or rights were issued on a prorata basis.

1. Give date of the latest closing of the stock book prior to the end year, and state the purpose of such closing:

December 15, 1997  
Dividend Record Date

2. State the total number of votes cast at the latest general meeting prior to the end of year for the election of directors of the respondents and number of such votes cast by proxy.

Total: 1,478,771  
By Proxy: 1,243,339

3. Give the date and place of such meeting:  
4/15/97

401 S. Dixie Highway  
West Palm Beach, FL

VOTING SECURITIES  
Number of votes as of (date): 4/15/97

Line No.	Name (Title) and Address of Security Holder (a)	Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
4	TOTAL votes of all voting securities	1,488,586	1,488,586	0	NONE
5	TOTAL number of security holders	1,008	1,008	0	
6	TOTAL votes of security holders listed below	1,199,125	1,199,125	0	
7	* Cede & Company	798,421	798,421	0	
8	P.O. Box 20, New York, NY 10274				
9	Chesapeake Utilities Corp.	109,232	109,232	0	
10	Box 615, Dover, DE 19903				
11	Atlee M. Kohl	101,100	101,100	0	
12	3007 Skyway Circle North, Irving, Texas 75038				
13	Robert L. Terry, Chairman, Exec. Comm.	85,500	85,500	0	
14	137 Kings Rd., Palm Beach, FL 33402				
15	Dino Casali	37,040	37,040	0	
16	Box 886 Keene, NH 03431-0886				
17	George F. Parris, Jr.	21,420	21,420	0	
18	P.O. Box 89, Galveston, TX 77553				
19	URSULAG Peiscop Grau Trust	15,700	15,700	0	
20	P.O. Box 381, Punta Gorda, FL 33951				
* Includes 156,777 shares held in trust. Robert L. Terry, a Director of the Corporation, is co-trustee for trust accounts established under the wills of his parents and shares voting and dispositive powers for his stock.					

## SECURITY HOLDERS AND VOTING POWERS (Continued)

Line No.	Name (Title) and Address of Security Holder (a)	Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
21	A. P. Maheu	11,155	11,155	0	NONE
22	250 Lakeview Dr. Sanford, FL				
23	Franklin C. Cressman	10,133	10,133	0	
24	7990 W Lake Dr., West Palm Beach, FL				
25	Philadep & Co	9,424	9,424	0	
26	Box 8068-475, Philadephia, PA 19177				
27					
28					
29					
30					
31					
32					
33					
34					
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## 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 the 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 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. Estimate increase or decrease in annual revenues due to important rate changes: State effective rate and approximate amount of increase or decrease from each revenue classification. State the number of customers affected.

12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by instruction 1 to 11 above, such notes may be attached to this page.

1. None
2. None
3. None
4. None
5. None
6. None
7. None
8. None
9. None
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, 118)	200-201	100,314,032	106,050,353
3	Construction Work in Progress (107)	200-201	2,157,803	2,153,397
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		102,471,835	108,203,750
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 111, 115, 119)	200-201	(34,615,243)	(37,302,982)
6	Net Utility Plant (Enter Total of line 4 less 5)		67,856,592	70,900,768
7	Nuclear Fuel (120.1-102.4, 120.0)	202-203	0	0
8	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
9	Net Nuclear Fuel (Enter Total of line 7 less 8)		0	0
10	Net Utility Plant (Enter Total of lines 6 and 9)		67,856,592	70,900,768
11	Utility Plant Adjustments (116)	122		
12	Gas Stored Underground-Noncurrent (117)			
13	OTHER PROPERTY AND INVESTMENTS			
14	Nonutility Property (121)	221	70,546	20,171
15	(Less) Accum. Prov. for Depr. and Amort. (122)		12,880	0
16	Investments in Associated Companies (123)		0	0
17	Investment in Subsidiary Companies (123.1)	224-225	1,795,733	1,766,258
18	(For Cost of Account 123.1, See Footnote Page 224-225, line 23)		0	0
19	Other Investments (124)		10	10
20	Special Funds (125-128)		0	0
21	TOTAL Other Property and Investments (Total of lines 14 through 20)		1,879,169	1,786,439
22	CURRENT AND ACCRUED ASSETS			
23	Cash (131)		(155,754)	113,453
24	Special Deposits (132-134)		2,880,714	3,023,557
25	Working Funds (135)		9,800	9,800
26	Temporary Cash Investments (136)		0	0
27	Notes Receivable (141)		0	0
28	Customer Accounts Receivable (142)		6,386,709	6,226,281
29	Other Accounts Receivable (143)		3,948	(21,664)
30	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		(83,053)	(62,230)
31	Notes Receivable from Associated Companies (145)		0	0
32	Accounts Receivable from Assoc. Companies (146)		2,208,075	1,884,866
33	Fuel Stock (151)	227	0	0
34	Fuel Stock Expense Undistributed (152)	227	0	0
35	Residuals (Elec) and Extracted Products (Gas) (153)	227	0	0
36	Plant Material and Operating Supplies (154)	227	1,249,662	1,438,782
37	Merchandise (155)	227	267,096	250,181
38	Other Material and Supplies (156)	227	0	0
39	Nuclear Materials Held for Sale (157)	202-203	0	0
40	Allowances (158.1 and 158.2)		0	0
41	(Less) Noncurrent Portion of Allowances		0	0
42	Stores Expenses Undistributed (163)		0	0
43	Gas Stored Underground - Current (164.1)		0	0
44	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
45	Prepayments (165)		1,153,443	1,476,164
46	Advances for Gas Explor., Devel., and Prod. (166)		0	0
47	Other Advances for Gas (167)		0	0
48	Interest and Dividends Receivable (171)		0	0
49	Rents Receivable (172)		0	0
50	Accrued Utility Revenues (173)		889,767	1,035,116
51	Miscellaneous Current and Accrued Assets (174)		0	0
52	TOTAL Current and Accrued Assets (Enter Total of lines 23 through 50)		\$14,810,407	\$15,374,306



## 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)		\$284,904	\$269,744
55	Extraordinary Property Losses (182.1)	230	0	0
56	Unrecovered Plant and Regulatory Study Costs (182.2)	230	0	0
57	Other Regulatory Assets (182.3)		0	0
58	Prelim. Survey and Investigation Charges (Electric) (183)		0	0
59	Prelim. Survey and Investigation Charges (Gas) (183.1, 183.2)		0	0
60	Clearing Accounts (184)		0	0
61	Temporary Facilities (185)		(7,139)	(6,988)
62	Miscellaneous Deferred Debits (186)	233	322,831	390,543
63	Def. Losses from Disposition of Utility Plant. (187)		0	0
64	Research, Devel. and Demonstration Expend. (188)	352-353	0	0
65	Unamortized Loss on Reacquired Debt (189)		414,005	391,644
66	Accumulated Deferred Income Taxes (190)	234	2,735,706	2,462,092
67	Unrecovered Purchased Gas Costs (191)		1,771,579	553,111
68	TOTAL Deferred Debits (Enter Total of lines 53 through 67)		5,521,886	4,060,146
69	TOTAL Assets and other Debits (Enter Total of lines 10, 11, 12, 21, 52, and 68)		90,068,054	92,121,659

## 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)	251	\$2,378,717	\$2,392,028
3	Preferred Stock Issued (204)	251	600,000	600,000
4	Capital Stock Subscribed (202, 205)	251	0	0
5	Stock Liability for Conversion (203, 206)	251	0	0
6	Premium on Capital Stock (207)	252	10,475,395	10,647,345
7	Other Paid-In Capital (208-211)	253	946,112	1,014,212
8	Installments Received on Capital Stock (212)	251	0	0
9	(Less) Discount on Capital Stock (213)	253	0	0
10	(Less) Capital Stock Expense (214)	254	(428,441)	(428,441)
11	Retained Earnings (215, 215.1, 216)	118-119	11,205,475	12,659,545
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	1,945,237	1,872,520
13	(Less) Reacquired Capital Stock (217)	251	(2,011,327)	(1,968,084)
14	TOTAL Proprietary Capital (Enter Total of lines 2 through 13)		25,111,168	26,789,125
15	LONG-TERM DEBT			
16	Bonds (221)	256	23,500,000	23,500,000
17	(Less) Reacquired Bonds (222)	256	0	0
18	Advances from Associated Companies (223)	256	0	0
19	Other Long-Term Debt (224)	256	0	0
20	Unamortized Premium on Long-Term Debt (225)	256	0	0
21	(Less) Unamortized Discount on Long-Term Debt-Dr. (226)		0	0
22	TOTAL Long-Term Debt (Enter Total of lines 16 through 21)		23,500,000	23,500,000
23	OTHER NONCURRENT LIABILITIES			
24	Obligations Under Capital Leases - Noncurrent (227)		0	0
25	Accumulated Provision for Property Insurance (228.1)		407,234	702,021
26	Accumulated Provision for Injuries and Damages (228.2)		1,206,340	1,137,714
27	Accumulated Provision for Pensions and Benefits (228.3)		711,654	848,691
28	Accumulated Miscellaneous Operating Provisions (228.4)		0	0
29	Accumulated Provision for Rate Refunds (229)		123,000	245,000
30	TOTAL Other Noncurrent Liabilities (Enter Total of lines 24 through 29)		2,448,228	2,933,426
31	CURRENT AND ACCRUED LIABILITIES			
32	Notes Payable (231)		7,900,000	7,600,000
33	Accounts Payable (232)		6,220,551	5,595,529
34	Notes Payable to Associated Companies (233)		0	0
35	Accounts Payable to Associated Companies (234)		0	0
36	Customer Deposits (235)		3,127,421	3,291,597
37	Taxes Accrued (236)	262-263	(232,367)	250,646
38	Interest Accrued (237)		560,057	499,724
39	Dividends Declared (238)		449,219	453,697
40	Matured Long-Term Debt (239)		0	0
41	Matured Interest (240)		0	0
42	Tax Collections Payable (241)		500,517	523,513
43	Miscellaneous Current and Accrued Liabilities (242)		672,348	692,499
44	Obligations Under Capital Leases-Current (243)		0	0
45	TOTAL Current and Accrued Liabilities (Enter Total of lines 32 through 44)		\$19,197,746	\$18,907,205



## 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)		982,243	1,269,442
48	Accumulated Deferred Investment Tax Credits (255)	266	1,414,578	1,302,937
49	Deferred Gains from Disposition of Utility Plant (256)		0	0
50	Other Deferred Credits & CIAC (253,271)		7,569,115	8,562,341
51	Other Regulatory Liabilities (254)		0	0
52	Unamortized Gain on Reacquired Debt (257)		0	0
53	Accumulated Deferred Income Taxes (281-283)	272-277	9,844,976	8,857,183
54	TOTAL Deferred Credits (Enter Total of lines 47 through 52)		19,810,912	19,991,903
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72	TOTAL Liabilities and Other Credits (Enter Total of lines 14,22,30 45 and 53)		\$90,068,054	\$92,121,659

## 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 01 through 20 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 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	Ref. Page No.	Total Current Year	Total Previous Year
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	\$74,068,347	\$74,409,370
3	Operating Expenses			
4	Operation Expenses (401)	320-323	55,587,467	56,253,092
5	Maintenance Expenses (402)	320-323	2,254,369	2,265,609
6	Depreciation Expense (403,405)	336-337	3,686,232	3,532,748
7	Amort. & Depl. of Utility Plant (404-405)	336-337	0	0
8	Amort. of Utility Plant Acq. Adj. (406)	336-337	(956)	(956)
9	Amort. of Property Losses, Unrecovered Plant and Regulatory Study Costs (407)		0	0
10	Amort. of Conversion Expenses (407)		0	0
11	Regulatory Debits (407.3)		0	0
12	(Less) Regulatory Credits (407.4)		0	0
13	Taxes Other Than Income Taxes (408.1)		5,719,575	5,472,688
14	Income Taxes - Federal (409.1)		1,666,107	654,307
15	- Other (409.1)		258,699	167,413
16	Provision for Deferred Inc. Taxes (410.1)	234,272-277	(440,739)	703,337
17	(Less) Provision for Deferred Income Taxes-Cr.(411.1)	234,272-277	0	0
18	Investment Tax Credit Adj. - Net (411.4)	266	(111,641)	(112,009)
19	(Less) Gains from Disp. of Utility Plant (411.6)		0	0
20	Losses from Disp. of Utility Plant (411.7)		0	0
21	(Less) Gains from Disposition of Allowances (411.8)		0	0
22	Losses from Disposition of Allowances (411.9)		0	0
	TOTAL Utility Operating Expenses (Total of lines 4-18)		68,619,113	68,936,229
24	Net Utility Operating Income (Total of line 2 less 19) (Carry forward to page 117, line 25)		\$5,449,234	\$5,473,141







## 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)	--	\$5,449,234	\$5,473,141
26	Other Income and Deductions			
27	Other Income	--		
28	Nonutility Operating Income	--		
29	Revenues From Merchandising, Jobbing and Contract Work (415)	--	1,614,881	1,759,868
30	(Less) Costs and Exp. of Merchandising, Job & Contract Work (416)	--	(1,536,344)	(1,810,938)
31	Revenues From Nonutility Operations (417)	--	0	0
32	(Less) Expenses of Nonutility Operations (417.1)	--	0	0
33	Nonoperating Rental Income (418)	--	(9,427)	200
34	Equity in Earnings of Subsidiary Companies (418.1)	119	(72,717)	58,262
35	Interest and Dividend Income (419)	--	29,478	30,800
36	Allowance for Other Funds Used During Construction (419.1)	--	17,636	4,888
37	Miscellaneous Nonoperating Income (421)	--	0	0
38	Gain on Disposition of Property (421.1)	--	837,200	0
39	TOTAL Other Income (Enter Total of lines 29 through 38)	--	880,707	43,080
40	Other Income Deductions	--		
41	Loss on Disposition of Property (421.2)	--	0	0
42	Miscellaneous Amortization (425)	340	0	0
43	Miscellaneous Income Deductions (426.1-426.5)	340	34,367	20,823
44	TOTAL Other Income Deductions (Total of lines 37 through 39)	--	34,367	20,823
45	Taxes Applic. to Other Income and Deductions	--		
46	Taxes Other Than Income Taxes (408.2)	262-263	0	0
47	Income Taxes - Federal (409.2)	262-263	299,532	(11,716)
48	Income Taxes - Other (409.2)	262-263	51,320	(1,994)
49	Provision for Deferred Income Taxes (410.2)	234,272-273	0	0
50	(Less) Provision for Deferred Income Taxes - Cr. (411.2)	234,272-273	0	0
51	Investment Tax Credit Adj.- Net (411.5)	--	0	0
52	(Less) Investment Tax Credits (420)	--	0	0
53	TOTAL Taxes on Other Inc. and Ded. (Enter Total of 46 through 52)	--	350,852	(13,710)
54	Net Other Income and Deductions (Enter Total of lines 39,44,53)	--	495,488	35,967
55	Interest Charges			
56	Interest on Long-Term Debt (427)	--	2,235,050	2,235,050
57	Amortization of Debt Disc. and Expense (428)	--	42,957	43,827
58	Amortization of Loss on Recquired Debt (428.1)	--	0	0
59	(Less) Amort. of Premium on Debt - Credit (429)	--	0	0
60	(Less) Amortization of Gain on Recquired Debt - Credit (429.1)	--	0	0
61	Interest on Debt to Assoc. Companies (430)	340	(121,775)	(82,868)
62	Other Interest Expense (431)	340	609,674	565,209
63	(Less) Allow. for Borrowed Funds Used During Const. - Cr. (432)	--	(11,540)	(3,200)
64	Net Interest Charges (Total of lines 56 through 63)	--	2,754,366	2,758,018
65	Income Before Extraordinary Items (Enter Total of lines 25, 54 and 64)	--	3,190,356	2,751,090
66	Extraordinary Items			
67	Extraordinary Income (434) Cum. Effect - Change in Acctg. Prin. - Net	--	0	0
68	(Less) Extraordinary Deductions (435)	--	0	0
69	Net Extraordinary Items (Enter Total of line 63 less line 64)	--	0	0
70	Income Taxes - Federal and Other (409.3)	262-263	0	0
71	Extraordinary Items After Taxes (Enter Total of line 69 less line 70)	--	0	0
72	Net Income (Enter Total of lines 65 and 71)		\$3,190,356	\$2,751,090
	Earnings Per Share		2.13	1.85



## 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, follows 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

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.

Line No.	Item	Contra Primary Account Affected	Amount
	<b>UNAPPROPRIATED RETAINED EARNINGS (Account 216)</b>		
1	Balance - Beginning of Year		\$11,205,475
2	Changes (Identify by prescribed retained earnings accounts)		
3	Adjustments to Retained Earnings (Account 439)		
4	Credit:		0
5	Credit:		0
6	Credit:		0
7	Credit:		0
8	Credit:		0
9	TOTAL Credits to Retained Earnings (Account 439) (Enter Total of lines 4 through 8)		0
10	Debit:		0
11	Debit:		0
12	Debit:		0
13	Debit:		0
14	Debit:		0
15	TOTAL Debits to Retained Earnings (Account 439) (Enter Total of lines 10 through 14)		0
16	Balance Transferred from Income (Account 433 less Account 418.1)		3,263,073
17	(Less) Appropriations of Retained Earnings (Account 436)		
18			
19			
20			
21	TOTAL Appropriations of Retained Earnings (Account 436)		0
22	(Enter Total of lines 18 through 21)		
23	Dividends Declared - Preferred Stock (Account 437)		
24	Preferred	2380	28,500
25			
26			
27			
28	TOTAL Dividends Declared - Preferred Stock (Account 437)		28,500
29	(Enter Total of lines 24 through 28)		
30	Dividends Declared - Common Stock (Account 438)		
31	Common - Cash	2380	1,780,503
32			
33			
34			
35	TOTAL Dividends Declared - Common Stock (Account 438)		1,780,503
36	(Enter Total of lines 31 through 35)		
37	Transfers from Acct. 216.1, Unappropriated Undistributed Subsidiary Earnings		0
38	Balance - End of Year (Enter Total of lines 01, 09, 15, 16, 22, 29, 36 and 37)		\$12,659,545

## STATEMENT OF RETAINED EARNINGS FOR THE YEAR (Continued)

Line No.	Item	Amount
	APPROPRIATED RETAINED EARNINGS (Account 215)	
	State balance and purpose of each appropriated retained earnings amount at end of year and give accounting entries for any applications of appropriated retained earnings during the year.	
39		
40		
41		
42		
43		
44		
45	TOTAL Appropriated Retained Earnings (Account 215)	
	APPROPRIATED RETAINED EARNINGS - Amortization , Reserve, Federal (Account 215.1)	
	State below the total amount set aside through appropriations of retained earnings, as of the end of the year, in compliance with the provisions of Federally granted hydroelectric project licenses held by the respondent. If any reductions or changes other than the normal annual credits hereto have been made during the year, explain such items in a footnote.	
46	TOTAL Appropriated Retained Earnings - Amortization Reserve, Federal (Account 215.1)	
47	TOTAL Appropriated Retained Earnings (Accounts 215, 215.1)	
48	TOTAL Retained Earnings (Account 215, 215.1, 216)	\$12,659,545
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)	
49	Balance - Beginning of Year (Debit or Credit)	1,945,237
50	Equity in Earnings for Year (Credit) (Account 418.1)	(72,717)
51	(Less) Dividends Received (Debit)	0
52	Other Changes (Explain) Cost of shares issued for employee stock plan	
53	Balance - End of year	1,872,520



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

3. Operating Activities - Other: include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on page 122 the amounts of interest paid (net of amounts capitalized) and income taxes paid.

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

Line No.	***** CASH FLOW ON A CONSOLIDATED BASIS *****	Amounts
1	Net Cash Flow From Operating Activities:	
2	Net Income (Line 68(c) on page 117)	\$3,191,000
3	Non-Cash Charges (Credits) to Income:	
4	Depreciation and Depletion	4,029,000
5	Amortization of (Specify)	(1,000)
6	Doubtful Accounts	170,000
7	Deferred Income Taxes (Net)	(347,000)
8	Investment Tax Credit Adjustments (Net)	(120,000)
9	Net (Increase) Decreases in Receivables	269,000
10	Net (Increase) Decreases in Inventory and Prepayments	16,000
11	Net (Increase) Decreases in Allowances Inventory	0
12	Net (Decrease) Increase in Payables and Accrued Expenses	(1,514,000)
13	Net (Increase) Decreases in Other Regulatory Assets	0
14	Net (Decrease) Increase in Other Regulatory Liabilities	0
15	(Less) Allowance for Other Funds Used During Construction	(29,000)
16	(Less) Undistributed Earnings from Subsidiary Companies	0
17	Other: Depreciation charged to transportation	443,000
18	Amortization of Debt expenses	43,000
19	Underrecoveries of energy costs	1,722,000
20	Other	(11,000)
	Gain on sale of non utility property	(837,000)
21	Net Cash Provided by (Used in) Operating Activities (Total of lines 2 through 21)	7,024,000
22		
23	Cash Flows from Investment Activities:	
24	Construction and Acquisition of Plant( including land)	
25	Gross Additions to Utility Plant (less nuclear fuel)	(6,987,000)
26	Gross Additions to Nuclear Fuel	
27	Gross Additions to Common Utility Plant-Proceeds form sale of non utility prop & Retire	909,000
28	Gross Additions to Nonutility Plant	
29	(Less) Allowance for Other Funds Used During Construction	0
30	Other: Customer Advances for Construction	287,000
31	Other: Purchase of Long-Term Investments	(143,000)
32		
33	Cash Outflows for Plant (Total of lines 26 through 33)	(5,934,000)
34		
35	Acquisition of Other Noncurrent Assets (d)	0
36	Proceeds from Disposal of Noncurrent Assets (d)	0
37	Investment in and Advances to Assoc. and Subsidiary Companies	0
38	Contributions and Advances from Assoc. and Subsidiary Companies	0
39	Disposition of Investments in (and Advances to)	
40	Associated and Subsidiary Companies	0
41	Purchases of Investment Securities (a)	0
42	Proceeds from Sales of Investment Securities (a)	0

## STATEMENT OF CASH FLOWS (Continued)

## 4. Investing Activities

## 5. Codes used:

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

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.

- (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 clarifications and explanations.

Line No.	*****CASH FLOW ON A CONSOLIDATED BASIS, cont.*****	Amounts
46	Loans Made or Purchased	0
47	Collections on Loans	\$0
48		
49	Net (Increase) Decrease in Receivables	0
50	Net (Increase) Decrease in Inventory	0
51	Net (Increase) Decrease in	0
52	Allowances Held for Speculation	0
53	Net Increase (Decrease) in Payables and Accrued Expenses	0
54	Other:	0
55		
56	Net Cash Provided by (Used in) Investing Activities	(5,934,000)
57	(Total of lines 34 through 55)	
58		
59	Cash Flows From Financing Activities:	
60	Proceeds from Issuance of:	
61	Long-Term Debt (b)	0
62	Preferred Stock	0
63	Common Stock	297,000
64	Other	0
65		0
66	Net Increase in Short-term Debt (c)	28,900,000
67	Other:	0
68		
69		
70	Cash provided by Outside Sources (Total of lines 61 through 69)	29,197,000
71		
72	Payments of Retirement of:	
73	Long-Term Debt (b)	0
74	Preferred Stock	0
75	Common Stock	0
76	Other:	0
77		
78	Net Decrease in Short-Term Debt (c)	(29,200,000)
79		
80	Dividends on Preferred Stock	
81	Dividends on Common Stock	(1,805,000)
82	Net Cash Provided by (Used in) Financing Activities	(1,808,000)
83	(Total of lines 70 through 81)	
84		
85	Net Increase (Decrease) in Cash and Cash Equivalents	(718,000)
86	(Total of lines 22,57, and 83)	
87		
88	Cash and Cash Equivalents at Beginning of Year	841,000
89		
90	Cash and Cash Equivalents at End of Year	123,000



## NOTES TO THE FINANCIAL STATEMENTS ON A CONSOLIDATED BASIS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Changes in Financial Position, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.

2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.

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

plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.

4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.

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

6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be attached hereto.

SEE ATTACHED ANNUAL REPORT SUPPLEMENTS



## NOTES TO FINANCIAL STATEMENTS

### Summary of Significant Accounting and Reporting Policies

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

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

Accordingly, the Company has recognized certain regulatory assets and liabilities. Such regulatory items relate to deferred income taxes, unamortized debt reacquisition costs, unamortized rate case expense and property damage self insurance reserves. The Company believes that the FPSC will continue to allow the Company to recover such items through its rates.

The Company has agreed with the FPSC staff to limit its earned return on equity for its regulated electric and natural gas operations. The disposition of any excess earnings is left to the discretion of the FPSC, with alternatives including a refund to customers, additional

contributions to storm damage reserves, or the reduction of any depreciation reserve deficiency. Excess earnings for 1996 at one of the Company's electric divisions was ordered by the FPSC to be added to that division's storm damage reserve. The Company believes it has adequately reserved for 1997 excess earnings.

Following FPSC rules for water utilities, the Company filed for and was granted a price index revenue increase in the Fernandina Beach water division. This increase, approximating \$19,000 on an annual basis, was placed into effect in July, 1997. A similar price index filing is planned for 1998.

Various states, other than Florida, have enacted or are considering enacting legislation or other initiatives that would provide utility customers with the ability to choose their supplier, thus establishing competition between the suppliers of utility services. No such proposals are currently being considered in Florida.

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

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



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

Certain reclassifications have been made to the prior years' financial statements and other financial information contained herein to conform with the 1997 presentation.

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

Depreciation is computed using the composite straight-line method at rates prescribed by the FPSC for financial accounting purposes. Such rates are based on estimated service lives of the various classes of property. Depreciation provisions on average depreciable property approximate 3.7% per year.

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

**Deferred Charges** Deferred charges consist principally of unamortized debt issuance expense and early extinguishment premium. Such expenses are being amortized over the lives of the issues to which they pertain.

**Use of Estimates** Inherent in the accounting process is the use of estimates when preparing financial statements in accordance with generally accepted accounting principles. Accordingly, the Company has used estimates in the preparation of its financial statements including the accrual for uninsured liability claims. The Company is self-insured for the first \$250,000 of

each liability claim and therefore accrues for estimated losses occurring from both asserted and unasserted claims. The estimate for unasserted claims arising from unreported incidents is based on an analysis of historical claims data. The Company's portion of liability claims incurred for the ten year period ended in 1997 averaged approximately \$85,000 per year and the accrual for such claims was approximately \$1,000,000 at December 31, 1997. The Company believes that its accrual for potential liability claims is adequate.

#### Notes Payable

The Company has a line of credit agreement with its primary bank providing for a \$15,000,000 loan with interest at LIBOR plus one-half percent. \$14,000,000 of such loan is available for general corporate purpose with the remaining \$1,000,000 reserved as a contingency for major storm repairs in the Marianna electric division. At December 31, 1997 there was a balance outstanding of \$7,600,000. The weighted average interest rates at December 31, 1997 and 1996 were approximately 6.2%.

#### Capitalization

**Common Shares Reserved** The Company has reserved 18,498 common shares for issuance under the Dividend Reinvestment Plan and 16,992 common shares for issuance under the Employee Stock Purchase Plan.

**Dividend Restriction** The Indenture of Mortgage and Deed of Trust and supplements thereto provide for restriction of the payment of cash dividends. At December 31, 1997 approximately \$5,900,000 of retained earnings were free of such restriction.

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



## Segment Information

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

Operating profit consists of revenues less operating

expenses and does not include other income, interest income, interest expense and income taxes.

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

Business segment information for 1997, 1996 and 1995 is summarized as follows (in thousands):

	REGULATED				NON-REGULATED	
	Gas	Electric	Water	Common	Propane Gas	Consolidated
1997						
Revenues	\$ 33,475	\$ 38,683	\$ 1,911	\$	\$ 4,065	\$ 78,134
Operating profit	3,288	3,065	468		(17)	6,804
Identifiable assets	35,227	34,021	5,270	10,694	5,877	91,089
Depreciation	1,733	1,629	208	116	343	4,029
Construction expenditures	2,925	2,641	866	323	279	7,034
1996						
Revenues	31,854	40,701	1,854		4,401	78,810
Operating profit	3,250	3,141	495		138	7,024
Identifiable assets	33,977	33,038	4,584	13,295	6,100	90,994
Depreciation	1,654	1,540	201	137	344	3,876
Construction expenditures	3,369	2,360	257	1,324	343	7,653
1995						
Revenues	26,144	40,074	1,674		4,135	72,027
Operating profit	2,902	3,078	328		212	6,520
Identifiable assets	32,115	32,155	4,508	10,596	5,866	85,240
Depreciation	1,578	1,453	204	125	334	3,694
Construction expenditures	3,245	2,533	(17)	312	328	6,401



## Income Taxes

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

	1997	1996	1995
Current payable			
Federal	\$ 1,547	\$ 751	\$ 871
State	208	188	239
	<u>1,755</u>	<u>939</u>	<u>1,110</u>
Deferred			
Federal	(378)	532	387
State	29	46	(20)
	<u>(349)</u>	<u>578</u>	<u>367</u>
Investment tax credit	<u>(120)</u>	<u>(121)</u>	<u>(121)</u>
Total - operating	<u>\$ 1,286</u>	<u>\$ 1,396</u>	<u>\$ 1,356</u>

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

	1997	1996	1995
Federal income tax at statutory rate	\$ 1,642	\$ 1,406	\$ 1,298
State income taxes, net of federal benefit	156	154	145
Investment tax credit	(120)	(121)	(121)
Other	(77)	(43)	34
Total provision for income taxes*	<u>\$ 1,601</u>	<u>\$ 1,396</u>	<u>\$ 1,356</u>

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

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

	1997	1996
Deferred tax assets		
Environmental	\$ 1,983	\$ 1,806
Alternative minimum tax credit	177	210
Other	307	345
Total deferred tax assets	<u>2,467</u>	<u>2,361</u>
Deferred tax liabilities		
Utility plant related	7,850	7,625
Under recovery of fuel costs	208	667
Other	234	291
Total deferred tax liabilities	<u>8,292</u>	<u>8,583</u>
Net deferred income taxes	<u>\$ 5,825</u>	<u>\$ 6,222</u>

## Employee Benefit Plans

**Pension Plan.** The Company has a noncontributory defined benefit pension plan covering substantially all its employees. The benefits are based on the employee's credited service and average compensation, generally during the last three years before retirement. The Company's policy is to fund pension costs in accordance with contribution guidelines established by The Employee Retirement Income Security Act of 1974. Plan assets consist of stocks, bonds and short-term investments.

The components of net pension cost (income) are as follows (in thousands):

	1997	1996	1995
Service cost	\$ 549	\$ 539	\$ 513
Interest cost	963	935	875
Actual return on assets	(5,809)	(3,278)	(4,499)
Net amortization and deferral	3,976	1,636	3,061
Net periodic pension income	<u>\$ (321)</u>	<u>\$ (168)</u>	<u>\$ (50)</u>

The Plan's funded status at December 31, 1997 and 1996, is as follows (in thousands):

	1997	1996
Actuarial present value of benefit obligations:		
Vested benefit obligation	\$ (11,408)	\$ (10,938)
Accumulated benefit obligation	\$ (11,949)	\$ (11,599)
Projected benefit obligation	\$ (14,803)	\$ (14,403)
Plan assets at fair value	29,080	24,178
Plan assets in excess of projected benefit obligation	14,277	9,775
Unrecognized net gain	(13,933)	(9,720)
Unrecognized prior service cost	1,362	1,513
Unrecognized net asset at January 1, 1986 being recognized over 15 years	(550)	(733)
Prepaid pension cost	\$ 1,156	\$ 835
Actuarial assumptions:		
Discount rate	7%	7%
Rate of increase in future compensation levels	5.5%	5.5%
Expected long-term rate of return on assets	8%	8%



**Health Plan** The Company is principally self-insured for its employee and retiree medical insurance plan. The Company's health care liability under the plan is limited to \$60,000 per individual per year, with a maximum total liability of \$875,000.

A reserve for future benefit payments for active employees is maintained at a level sufficient to provide for estimated outstanding claims under the plan net of amounts contributed by employees. Net health care benefits paid by the Company for active employees were approximately \$457,000, \$408,000 and \$493,000 for 1997, 1996 and 1995, respectively.

**Other Postretirement Benefits** SFAS No. 106, "Employers Accounting for Postretirement Benefits Other Than Pensions" requires accrual of postretirement benefits during the years an employee provides service. The Company provides postretirement health care benefits for certain retired employees and their eligible dependents and reduced postretirement life insurance benefits for retired employees. The accumulated health care postretirement benefit obligation (transition obligation) under SFAS No. 106 is being amortized over 20 years beginning 1993. The Company is not accruing for reduced postretirement life insurance benefits as the actual outlay by the Company is offset by employee contributions.

The components of postretirement benefit costs are as follows (in thousands):

	1997	1996
Service cost	\$ 65	\$ 66
Interest cost	83	78
Amortization of transition obligation	43	43
Periodic postretirement benefit cost	<u>\$ 191</u>	<u>\$ 187</u>

The Plan's funded status at December 31, 1997 and 1996, is as follows (in thousands):

	1997	1996
Accumulated postretirement benefit obligation (APBO):		
Retirees	\$ (332)	\$ (253)
Fully eligible active plan participants	(148)	(135)
Other active plan participants	(838)	(860)
Total APBO	(1,318)	(1,248)
Plan assets	<u>0</u>	<u>0</u>
APBO less than plan assets	(1,318)	(1,248)
Unamortized transition obligation	644	686
Unrecognized (gain) loss	(37)	1
Accrued post benefit obligation	<u>\$ (711)</u>	<u>\$ (561)</u>

The measurement of the APBO assumes a 7% discount rate each year and a health care cost trend rate of 8.9% in 1997 decreasing to 5.5% by the year 2007 and beyond. A one-percentage point increase in the assumed health care cost trend rate would increase the APBO and the periodic cost by about 13%.

**Employee Stock Purchase Plan** The Company's Employee Stock Purchase Plan offers common stock at a discount to qualified employees. During 1997, 1996 and 1995, 5,665, 5,455 and 3,774 shares, respectively, were issued under the Plan for aggregate consideration of \$103,000, \$90,000 and \$55,000, respectively.



## Financial Instruments

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

## Contingencies

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

**West Palm Beach Site** The Company is currently conducting a contamination assessment investigation of a parcel of property owned by it in West Palm Beach, Florida. After a preliminary contamination assessment investigation indicated soil and groundwater impacts, the Company entered into a consent order with the FDEP. The consent order requires the Company to delineate the extent of soil and groundwater impacts associated with the prior operation of a gasification plant on the property and requires the Company to remediate any soil and groundwater impacts, if necessary. In June 1993 the Company commenced the contamination assessment investigation. At this time, contamination assessment activities are still being performed under the direct oversight of FDEP. Prior to the completion of this work, it is not possible to determine

to an acceptable degree of certainty the complete extent or cost of remedial action, if any, which may be required. However, a preliminary estimate from the Company's environmental consultant suggested that total contamination assessment and remediation costs for this site may reach approximately \$3,250,000. Until the FDEP concludes that the contamination assessment investigation is complete, it is not possible to determine whether remediation is necessary and, if so, when and how much of such costs the Company will have to pay. A portion of the on-site impacts have been determined to be eligible for reimbursement from a state fund and the FDEP has determined that a portion of the work conducted off-site is eligible for reimbursement under state law.

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

Thereafter, in cooperation with four former owners and operators of the gasification plant, the Company participated in the funding of an initial contamination assessment investigation, the results of which are set forth in a Contamination Assessment Report delivered to FDEP on February 4, 1994. On July 11, 1997, EDP notified the Company of its potential liability under applicable federal laws for assessment and remediation of the site. Similar notices were sent by EPA to the four former owners and operators and are currently negotiating with EPA on the scope and extent of additional assessment work that may be required to enable all parties to determine the appropriate remediation strategy for the site. Prior to the completion of these negotiations and the implementation of the additional field work, the Company is unable to determine, to an acceptable degree of certainty, the extent or cost of remediation that may be required by EPA or FDEP at this site. However, a preliminary estimate from the group's environmental consultant suggested that interim remedial



costs for removal of the visible extent of impacted soils at the site and adjacent thereto may reach approximately \$3,340,000. Pending the completion of the Remedial Investigation/Feasibility Study (RI/FS) task that is currently under negotiation with EPA, the Company is unable to determine whether the interim remedy identified by the consultant will be appropriate or, if so, what the Company's share of those costs would be. The Company has agreed to pay approximately 13.7% of the cost for the RI/FS and limited remediation, assuming the total costs for the RI/FS and limited remediation does not exceed \$1.5 million.

**Insurance Claims and Rate Relief** The Company notified its insurance carriers of environmental impacts detected at the former manufactured gas plant (MGP) sites discussed above.

As a result of negotiations with the Company's major insurance carriers that concluded in 1997, such carriers agreed to pay settlement proceeds totaling approximately \$4,300,000 for certain environmental costs. In addition, the Florida Public Service Commission has allowed the Company to recover through rate relief environmental expenses of approximately \$2,400,000 over a ten-year period at the rate of approximately \$240,000 per year.

Due to the rate relief granted the Company for environmental costs and insurance settlement proceeds for environmental costs received by the Company which are being held in escrow, the Company believes that any future contamination assessment and remedial costs will not be material to the Company's operating results or liquidity.

## Quarterly Financial Data (Unaudited)

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

1997	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Revenues	\$ 22,143	\$ 17,878	\$ 18,732	\$ 19,381
Operating margin	7,357	6,386	6,309	6,627
Operating profit	2,385	1,486	1,279	1,654
Net income <sup>1</sup>	1,046	526	917	702
Earnings per share <sup>2</sup>	.70	.35	.61	.47
1996				
Revenues	\$ 23,519	\$ 17,918	\$ 18,756	\$ 18,617
Operating margin	8,038	6,224	6,226	6,449
Operating profit	3,221	1,368	1,188	1,247
Net income	1,564	418	341	428
Earnings per share <sup>2</sup>	1.06	.28	.23	.29

<sup>1</sup>The third quarter includes a gain after income taxes from the sale of non-utility real property of \$522,000, \$0.35 per share.

<sup>2</sup>The sum of the quarterly earnings per share amounts does not equal the annual earnings per share amount reflected in the consolidated statement of income due to the effect of changes in average common shares outstanding during the fiscal year.



**SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS  
FOR DEPRECIATION, AMORTIZATION AND DEPLETION**

Line No.	Item (a)	Total (b)	Electric (c)
1	<b>UTILITY PLANT</b>		
2	In Service		
3	Plant in Service (Classified)	105,743,264	47,033,902
4	Property Under Capital Leases	0	
5	Plant Purchased or Sold	0	
6	Completed Construction not Classified	0	0
7	Experimental Plant Unclassified	0	
8	<b>TOTAL (Enter Total of lines 3 thru 7)</b>	<b>105,743,264</b>	<b>47,033,902</b>
9	Leased to Others	0	
10	Held for Future Use	0	
11	Construction Work in Progress	2,153,397	46,917
12	Acquisition Adjustments	307,091	3,691
13	<b>TOTAL Utility Plant (Enter Total of lines 8 thru 12)</b>	<b>108,203,752</b>	<b>47,084,510</b>
14	Accum. Prov. for Depr., Amort., & Depl.	37,302,981	17,367,189
15	<b>Net Utility Plant (Enter total of line 13 less 14)</b>	<b>70,900,771</b>	<b>29,717,321</b>
16	<b>DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION</b>		
17	In Service:		
18	Depreciation	36,983,852	17,363,498
19	Amort. and Depl. of Producing Nat. Gas Land and Land Rights	0	
20	Amort. of Underground Storage Land and Land Rights	0	
21	Amort. of Other Utility Plant	0	
22	<b>TOTAL in Service (Enter Total of lines 18 thru 21)</b>	<b>36,983,852</b>	<b>17,363,498</b>
23	Leased to Others		
24	Depreciation	0	
25	Amortization and Depletion	0	
26	<b>TOTAL Leased to Others (Enter Total of lines 24 and 25)</b>	<b>0</b>	<b>0</b>
27	Held for Future Use		
28	Depreciation	0	
29	Amortization	0	
30	<b>TOTAL Held for Future Use (Ent. Tot. of lines 28 and 29)</b>	<b>0</b>	<b>0</b>
31	Abandonment of Leases (Natural Gas)	0	
32	Amort. of Plant Acquisition Adjustment	319,129	3,691
33	<b>TOTAL Accumulated Provisions (Should agree with line 14 above)(Enter Total of lines 22, 26, 30, 31, and 32)</b>	<b>37,302,981</b>	<b>17,367,189</b>



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
47,164,791	9,790,428	Not Applicable	Not Applicable	1,754,143	3
					4
0	0				5
					6
47,164,791	9,790,428	0	0	1,754,143	7
					8
29,603	537,913			1,538,964	9
303,400					10
47,497,794	10,328,341	0	0	3,293,107	11
16,772,921	2,428,653			734,218	12
30,724,873	7,899,688	0	0	2,558,889	13
					14
					15
					16
16,457,483	2,428,653			734,218	17
					18
					19
16,457,483	2,428,653	0	0	734,218	20
					21
0	0	0	0	0	22
					23
0	0	0	0	0	24
					25
315,438					26
16,772,921	2,428,653	0	0	734,218	27
					28
					29
					30
					31
					32
					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 observance 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		
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	0	0
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)	0	0
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)	0	0
24	C. Hydraulic Production Plant		
25	(330) Land and Land Rights	0	
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)	0	0
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.
			\$0	(301)	1
			0	(302)	2
			0	(303)	3
0	0	0	0		4
					5
					6
			0	(310)	7
			0	(311)	8
			0	(312)	9
			0	(313)	10
			0	(314)	11
			0	(315)	12
0	0	0	0	(316)	13
					14
			0	(320)	15
			0	(321)	16
			0	(322)	17
			0	(323)	18
			0	(324)	19
0	0	0	0	(325)	20
					21
		0	0	(330)	22
			0	(331)	23
			0	(332)	24
			0	(333)	25
			0	(334)	26
0	0	0	0	(335)	27
			0	(336)	28
					29
			0	(340)	30
			0	(341)	31
			0	(342)	32
			0	(343)	33
			0	(344)	34
			0	(345)	35
					36
					37
					38
					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)	0	0
42	TOTAL Production Plant (Enter Total of lines 15, 23, 32, and 41)	0	0
43	3. TRANSMISSION PLANT		
44	(350) Land and Land Rights	74,148	0
45	(352) Structures and Improvements	19,003	0
46	(353) Station Equipment	1,784,394	154,176
47	(354) Towers and Fixtures	244,665	0
48	(355) Poles and Fixtures	1,612,886	115,523
49	(356) Overhead Conductors and Devices	960,987	0
50	(357) Underground Conduit	0	0
51	(358) Underground Conductors and Devices	0	0
52	(359) Roads and Trails	6,788	0
53	TOTAL Transmission Plant (Enter Total of lines 44 through 52)	4,702,872	269,699
54	4. DISTRIBUTION PLANT		
55	(360) Land and Land Rights	34,101	0
56	(361) Structures and Improvements	42,191	0
57	(362) Station Equipment	2,376,471	374,054
58	(363) Storage Battery Equipment	0	0
59	(364) Poles, Towers, and Fixtures	5,478,976	372,604
60	(365) Overhead Conductors and Devices	7,037,826	279,670
61	(366) Underground Conduit	1,187,917	65,246
62	(367) Underground Conductors and Devices	2,454,943	164,717
63	(368) Line Transformers	8,628,970	581,186
64	(369) Services	4,470,004	326,231
65	(370) Meters	2,447,347	129,956
66	(371) Installations on Customer Premises	798,051	89,259
67	(372) Leased Property on Customer Premises	0	0
68	(373) Street Lighting and Signal Systems	572,983	60,710
69	TOTAL Distribution Plant (Enter Total of lines 55 through 68)	35,529,780	2,443,633
70	5. GENERAL PLANT	0	
71	(389) Land and Land Rights	73,462	0
72	(390) Structures and Improvements	1,360,229	8,960
73	(391) Office Furniture and Equipment	335,461	72,632
74	(392) Transportation Equipment	1,779,736	147,701
75	(393) Stores Equipment	86,980	0
76	(394) Tools, Shop and Garage Equipment	110,491	1,822
77	(395) Laboratory Equipment	86,395	1,515
78	(396) Power Operated Equipment	105,508	0
79	(397) Communication Equipment	160,498	2,125
80	(398) Miscellaneous Equipment	23,572	0
81	SUBTOTAL (Enter Total of lines 71 through 80)	4,122,332	234,755
82	(399) Other Tangible Property		
83	TOTAL General Plant (Enter Total of lines 81 and 82)	4,122,332	234,755
84	TOTAL (Accounts 101 and 106)	44,354,985	2,948,087
85	(102) Electric Plant Purchased	0	
86	(Less) (102) Electric Plant Sold		
87	(103) Experimental Plant Unclassified	0	
88	TOTAL Electric Plant in Service	44,354,985	\$2,948,087

## 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.
			0	(346)	40
0	0	0	0		41
0	0	0	0		42
					43
0	0	0	74,148	(350)	44
0	0	0	19,003	(352)	45
0	0	0	1,938,570	(353)	46
0	0	0	244,665	(354)	47
(19,820)	0	0	1,708,589	(355)	48
0	0	0	960,987	(356)	49
0	0	0	0	(357)	50
0	0	0	0	(358)	51
0	0	0	6,788	(359)	52
(19,820)	0	0	4,952,751		53
0	0	0			54
0	0	0	34,101	(360)	55
0	0	0	42,191	(361)	56
8,572	0	0	2,759,097	(362)	57
0	0	0	0	(363)	58
(41,303)	0	0	5,810,277	(364)	59
(66,677)	0	0	7,250,819	(365)	60
0	0	0	1,253,163	(366)	61
(3,674)	0	0	2,615,986	(367)	62
(24,127)	0	0	9,186,029	(368)	63
(8,329)	0	0	4,787,906	(369)	64
(14,404)	0	0	2,562,899	(370)	65
(32,807)	0	0	854,503	(371)	66
0	0	0	0	(372)	67
(18,907)	0	0	614,787	(373)	68
(201,656)	0	0	37,771,757		69
					70
0	0	0	73,462	(389)	71
0	0	0	1,369,189	(390)	72
0	0	4,410	412,504	(391)	73
(52,105)	0	0	1,875,332	(392)	74
0	0	0	86,980	(393)	75
0	0	0	112,313	(394)	76
0	0	0	87,910	(395)	77
0	0	0	105,508	(396)	78
0	0	0	162,623	(397)	79
0	0	0	23,572	(398)	80
(52,105)	0	4,410	4,309,393		81
		0		(399)	82
(52,105)	0	4,410	4,309,393		83
(273,581)	0	4,410	47,033,901		84
			0	(102)	85
					86
			0	(103)	87
(\$273,581)	\$0	\$4,410	47,033,901		88



## 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	MARIANNA	
2		
3	Line Extension/Underground Conduit	* (1,548)
4		
5		
6		
7		
9		
10	TOTAL MARIANNA	(1,548)
11		
12		
13		
14	FERNANDINA	
15		
16		
17	Install U/G Dist. System/U/G Conduit & Transformers/Line Extensions & Replace P	* 40,490
18	Install Outside Lighting	* 7,975
19		
20		
21		
22		
23		
24	TOTAL FERNANDINA	48,465
34		
35		
36	* Grouped Items	
37		
38		
39		
40		
41	TOTAL	\$46,917

## CONSTRUCTION OVERHEADS-ELECTRIC

1. List in column (a) the kinds of overheads according to titles used by the respondent. Charges for outside professional services for engineering fees and management or supervision fees capitalized should be shown as separate items.

2. On page 218 furnish information concerning construction overheads.

3. A respondent should not report "none" to this page if no overhead apportionments are made, but rather should explain on page 218 the accounting procedures employed

and the amounts of engineering, supervision and administrative costs, etc., which are directly charged to construction.

4. Enter on this page engineering, supervision, and allowance for funds used during construction, etc., which are first assigned to a blanket work order and then prorated to construction jobs.

## Description of Overhead

Total Amount  
Charged  
for the Year

1 Payroll Taxes, Pensions, Group and Worker's Compensation Insurance

98,807

41 TOTAL

\$98,807



## GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE

1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.

2. Show below the computation of allowance for funds used during construction rates, in accordance with the provisions of Electric Plant instructions 3 (17) of the U.S. of A.

3. Where a net-of-tax rate for borrowed funds is used, show the appropriate tax effect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax effects.

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

Allowance for Funds Used During Construction is applied at the rate of 8.67% per annum, except in the Marianna division which is 8.20% per annum. In electric and gas it includes projects that involve gross additions in excess of \$25,000 and are expected to be completed in excess of one year after commencement of construction. Water includes projects that involve gross additions to plant in excess of \$5,000 and are expected to be completed in excess of 60 days after commencement. (See attached schedule for methods used to determine Allowance for Funds Used During construction.)

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

## COMPUTATION OF ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION RATES

For line 1(5), column (d) below, enter the rate granted in the last rate proceeding. If such is not available, use the average rate earned during the preceding three years.

## 1. Components of Formula (Derived from actual book balances and actual cost rates):

Line No.	Title (a)	Amount (b)	Capitalization Ratio (Percent) (c)	Cost Rate Percentage (d)
(1)	Average Short-Term Debt	S		
(2)	Short-Term Interest			s
(3)	Long-Term Debt	D		d
(4)	Preferred Stock	P		p
(5)	Common Equity	C		c
(6)	Total Capitalization			
(7)	Average Construction Work in Progress Balance	W	100%	

## 2. Gross Rate for Borrowed Funds

$$\frac{S(-) + d(\text{---})}{W} \div \frac{D + P + C}{W} (1 - \text{---})$$

NOTE: Average short-term debt exceeds average construction work in progress.

## 3. Rate for Other Funds

$$\frac{S}{W} \div \frac{P}{D + P + C} \div \frac{C}{D + P + C} [1 - \text{---}]$$

## 4. Weighted Average Rate Actually Used for the Year:

- a. Rate for Borrowed Funds - SEE ATTACHED SCHEDULE  
b. Rate for Other Funds -

**FLORIDA PUBLIC UTILITIES COMPANY  
ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION  
FOR YEAR ENDING DECEMBER 31, 1997**

In order to be in compliance with the Florida Public Service Commission procedure on Allowance for Funds Used During Construction, Order No. 6640 dated April 28, 1975, the following method of allocation was used:

Source of Capital	12/31/77 ** Amount	Ratio	Cost	Rate (%)
Common Equity	\$7,265,711	0.3440	14.50	4.988%
Preferred Equity	1,123,700	0.0532	4.81	0.256%
Long-Term Debt	9,108,000	0.4312	7.26	3.131%
Customer Deposits	1,045,484	0.0495	6.00	0.297%
Unclaimed Deposits	40,679	0.0019		
Deferred Income Tax	2,409,158	0.1141		
Investment Tax Credit	128,611	0.0061		
Total	<u>\$21,121,343</u>	<u>1.0000</u>		<u>8.672%</u>
Rounded				<u>8.67%</u>
Equity Portion	(Account 419.1)			5.24
Debt Portion	(Account 432)			3.43

\*\*\*The difference between the 12/31/77 and the 12/31/97 Sources of Capital were not material enough to merit a change in the AFUDC rates between 1978 and 1997.



## 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)
1.	Balance Beginning of Year	15,932,343	15,932,343		
2.	Depreciation Provisions for Year, Charged to				
3.	(403) Depreciation Expense	1,611,107	1,611,107		
4.	(413) Exp. of Elec. Plt. Leas. to Others				
5.	Transportation Expenses-Clearing	134,825	134,825		
6.	Other Clearing Accounts				
7.	Other Accounts (Specify):				
8.	Accrued Depreciation on Transfers	4,010	4,010		
9.	TOTAL Deprec. Prov. for Year (Enter Total of lines 3 thru 8)	1,749,942	1,749,942		
10.	Net Charges for Plant Retired:				
11.	Book Cost of Plant Retired	(273,582)	(273,582)		
12.	Cost of Removal	(92,205)	(92,205)		
13.	Salvage (Credit)	47,000	47,000		
14.	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 11 thru 13)	(318,787)	(318,787)		
15.	Other Debit or Credit Items (Describe)				
16.					
17.	Balance End of Year (Enter Total of lines 1, 9, 14, 15, and 16)	17,363,498	17,363,498		

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

18.	Steam Production				
19.	Nuclear Production				
20.	Hydraulic Production - Conventional	0	0		
21.	Hydraulic Production - Pumped Storage		0		
22.	Other Production	0	0		
23.	Transmission	1,540,530	1,540,530		
24.	Distribution	14,264,886	14,264,886		
25.	General	1,558,082	1,558,082		
26.	TOTAL (Enter Total of lines 18 thru 25)	17,363,498	17,363,498		

## 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	Two frame dwellings and one small storage building in			
2	Jackson County, Florida	4,505		4,505
3				
4	Land in Jackson County, Florida	65,841	(50,375)	15,466
5	SOLD: 235 acres at Blue Spings & 25 acres at the dam at Merritts Mill Pond.			
6	Land in Volusia County, Florida	200		200
7				
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37				
38				
39	Minor Items Previously Donated to Public Service			
40	Minor Items - Other Nonutility Property			
41	TOTAL	\$70,546	(\$50,375)	\$20,171



## 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. Sub-total by company and give a total in columns (e), (f) (g) and (h).

s - 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 (c)	Amount of Investment at Beginning of Year (d)
1	Flo-Gas Corporation	May 1949		
2	Common Stock			1,955,238
3	less treasury stock			(159,505)
4				
5				
6				
7				
8				
9				
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31				
32				
33				
34				
35				
36				
37	TOTAL Cost of Account 123.1: 10,000		TOTAL	1,795,733

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, designated 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 23, 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)	
(72,718)		1,882,520		1
43,243		(116,262)		2
				3
				4
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(29,475)	0	1,766,258		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 (on a supplemental page) 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)			Electric
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)	937,247	1,079,088	Electric, Gas & Water
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)			
8	Transmission Plant (Estimated)			
9	Distribution Plant (Estimated)	312,416	359,696	Electric, Gas & Water
10	Assigned to - Other			
11	TOTAL Account 154 (Enter Total of lines 5 thru 10)	1,249,662	1,438,782	
12	Merchandise (Account 155)	267,096	250,181	Gas
13	Other Materials and Supplies (Account 156)	0	0	Gas
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)	\$1,516,758	\$1,688,963	

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

	Amount	Account Debited	Account Credited
West Palm Beach - Gas - Materials	26,600	1540.1	1630.3
West Palm Beach - Gas - Merchandise	3,494	1550.2	1630.3
Deland - Gas - Materials	(16,125)	1630.3	1540.1
Deland - Gas - Merchandise	(1,537)	1630.3	1550.2
Deland - Gas - Merchandise	(769)	1630.4	1550.1
Sanford - Gas - Materials	(4,334)	1630.3	1540.1
Sanford - Gas - Merchandise	(651)	1630.3	1550.2
Sanford - Gas - Merchandise	(1,067)	1630.4	1550.1

## 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)		Debits (b)	Credits Account Charged (c)	Amounts (d)	Balance End of Year (e)
1	See Page 234				
2					
3					
4					
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37					
38					
39					
40					
41	TOTAL				



## MISCELLANEOUS DEFERRED DEBITS (Account 186)

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.

2. For any deferred debit being amortized, show period of amortization in column (a).

3. Minor items (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)	Amount (e)	Balance End of Year (f)
1	Energy Conservation Program	\$0	\$0		\$0	\$0
2	Undistributed Capital					
3	- Accrued Payroll	22,980	279,790		(273,734)	\$29,036
4	Amortize Piping Costs	371,109	324,596		(88,993)	\$606,712
5	Amortized Conversion Costs	34,722	21,299		(10,497)	\$45,524
6	Underrecovery Conservation	39,524	24,857		0	\$64,381
7						
8						
9						
10						
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35						
36						
37	Misc. Work in Progress	(219,543)				(\$393,895)
38	Deferred Regulatory Comm. Expenses					
39	(See Pages 350 - 351)	76,195	0	928	35,255	\$40,940
40						
41	TOTAL	\$324,987				\$392,698

## 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)	Balance at End of Year (c)
1	Electric		
2	AMT	(37,353)	69,555
3	Self Insurance Reserve and Audit Fees	32,014	30,395
4	Conservation Program & Pensions	0	0
5	Uncollectible	13,294	7,975
6	Vacation Pay	47,186	48,468
7	Customer Deposits & Dep Study	0	0
8	Interest Not Cap & Amort of Debt	4,554	0
9	Rate Refund	46,300	41,393
		(351)	0
10	Regulatory	528,662	0
11			
12	TOTAL Electric (Lines 2 thru 10)	634,306	197,786
13	Gas		
14	AMT	(31,104)	96,393
15	Self Insurance Reserve and Audit Fees	50,290	47,792
16	Vacation Pay	95,729	98,563
17	Customer Deposits & Dep Study	0	0
18	Uncollectible	17,957	15,441
19	Interest Not Cap & Amort Of Debt	4,396	0
20	Regulatory	66,321	0
21	Environmental	1,806,676	1,982,506
22			
23	TOTAL Gas (Lines 14 thru 21)	2,010,265	2,240,695
24	Other (Specify) Water Division	91,135	23,611
25			
26	TOTAL (Account 190)(Lines 12, 23 & 24)	2,735,706	\$2,462,092
=====			
NOTES			
	(a)	(b)	(c)
	Other (Specify) Water Division		
	Self Insurance Reserve & Audit Fees	5,219	4,700
	Vacation Pay	8,160	8,319
	Pensions	0	0
	AMT	2,875	10,592
	Amortization of Debt	842	0
	Interest Not Capitalized	0	0
	Regulatory	74,039	0
	TOTAL WATER (LINE 24 ABOVE)	91,135	\$23,611
=====			
Classification of Total:			
	Federal Income Tax	2,313,084	2,122,218
	State Income Tax	422,622	339,874



## CAPITAL STOCK (Accounts 201 and 204)

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 (details) concerning shares of 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	Common Stock	2,000,000	\$1.50	
	Additional Reacquired Stock Held By Flo-Gas Corporation (a wholly owned subsidiary)			
	TOTAL Common Stock	2,000,000	\$1.50	
2	Preferred Stock	6,000	\$100.00	
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## CAPITAL STOCK (Accounts 201 and 204) (Continued)

series of stock authorized to be issued by a regulatory commission which have not yet been issued.

has been nominally issued is nominally outstanding at end of year.

4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.

6. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purpose of pledge.

5. State in a footnote if any capital stock which

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)	
1,594,352 *	\$2,392,028	89,460	\$1,851,822			1
		16,306	116,262			
1,594,352	2,392,028	105,766	1,968,084			
6,000	\$600,000					2
						3
						4
						5
						6
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* The Common Shares dollar amount includes \$500 in accordance with Florida Statutes						23
						24
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CAPITAL STOCK SUBSCRIBED, CAPITAL STOCK LIABILITY FOR CONVERSION,  
PREMIUM ON CAPITAL STOCK, AND INSTALLMENTS RECEIVED ON CAPITAL STOCK  
(Accounts 202 and 205, 203 and 206, 207, 212)

1. Show for each of the above accounts the amount applying to each class and series of capital stock.

2. For Account 202, Common Stock Subscribed, Account 205, Preferred stock subscribed, show the subscription price and the balance due on each class at the end of the year.

3. Describe in a footnote the agreement and transactions

under which a conversion liability existed under Account 203, Common Stock Liability for Conversion, or Account 206, Preferred Stock Liability for Conversion, at the end of the year.

4. For Premium on Account 207, Capital Stock, designate with an asterisk any amounts representing the excess of consideration received over stated values of stocks without par value.

Line no.	Name of Account and Description of Item	Number of Shares	Amount
1	Premium on Capital Stock - Account 207	1,594,352	\$10,647,345
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39			
40	TOTAL	1,594,352	\$10,647,345

Dec. 31, 1997

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	ACCOUNT 211:	
2	Miscellaneous Paid in Capital - Beginning Balance	\$946,112
3	Gain on Resale of Reacquired Common Stock	\$68,100
4	Miscellaneous Paid in Capital - Ending Balance	\$1,014,212
5		
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31		
32	TOTAL	\$1,014,212
33		=====



## DISCOUNT ON CAPITAL STOCK (Account 213)

1. Report the balance at end of year of discount on capital stock for each class and series of capital stock. respect to any class or series of stock, attach a statement giving particulars (details) of the change. State the reason for any charge-off during the year and specify the amount charged.
2. If any change occurred during the year in the balance with

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10	NONE	
11		
12		
13		
14		
15		
16		
17		

## CAPITAL STOCK EXPENSE (Account 214)

1. Report the balance at end of year of capital stock expenses for each class and series of capital stock. respect to any class or series of stock, attach a statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the account charged.
2. If any change occurred during the year in the balance with

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1	COMMON STOCK	(428,441)
2		
3		
4		
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## LONG-TERM DEBT (Accounts 221, 222, 223, and 224)

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	FIRST MORTGAGE BONDS:		
2			
3			
4	9.57% Series Due 2018	10,000,000	7,211
5	10.03% Series Due 2018	5,500,000	3,883
6	9.08% Series Due 2022	8,000,000	4,067
7			
8			
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14			
15	Note: Expenses incurred to obtain a \$13,000,000		
16	line of credit is amortized in Account 428. The		
17	amount for 1996 is \$6,304.		
18			
19			
20			
21			
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23			
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26			
27			
28			
29	TOTAL	23,500,000	15,161



## 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)			
						1
						2
						3
5/1/88	5/1/18	5/1/88	5/1/18	10,000,000	957,000	4
5/1/88	5/1/18	5/1/88	5/1/18	5,500,000	551,650	5
6/1/92	6/1/22	6/1/92	6/1/22	8,000,000	726,400	6
						7
						8
						9
						10
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						32
				23,500,000	2,235,050	33

**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 accrual 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.

3. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions.

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 117)	* \$3,263,073
2	Reconciling Items for the Year	
3		
4	Taxable Income Not Reported on Books	
5	Service Contributions	635,000
6	Conservation Program Cost	195,229
7	Underrecoveries of Purchased Energy Costs	1,218,468
8		
9	Deductions Recorded on Books Not Deducted for Return	
10	Rate Case Expense	35,255
11	Vacation Pay	12,023
12	Income Taxes (Excluding Current State Income Taxes)	1,371,204
13	Outside Audit Fees	2,000
14	Meals Expense	8,882
15	Depreciation Study	15,973
16	Loss on Reacquired Debt	22,362
17	Natural Gas Odorizer	2,095
18	Environmental Cost	227,657
19		5,096
20		
21	Income Recorded on Books Not Included in Return	
22	Uncollectible Reserve	20,823
23		
24	Deductions on Return Not Charged Against Book Income	
25	Self - Insurance Reserve	14,319
26	Ordinary Loss on ACRS Property	150,000
27	Depreciation	514,724
28	Pension Reserve	169,440
29	Rate Refund Pending	13,000
30	Cost of Removal ADR	80,000
31		
32		
33		
34	Federal Tax Net Income	6,052,011
35	Show Computation of Tax:	
36		
37	Tax at 34%	2,057,684
38	Rounding	41
39		
40	TOTAL Federal Income Tax Payable	\$2,057,725

\* Excludes Flo-Gas Net Income of \$ (72,717)



## 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 Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (b)	Prepaid Taxes (c)			
1	<b>Federal Taxes:</b>					
2	Income Tax	(511,649)		1,969,924	1,513,983	
3	Unemployment Tax - 1997	499		18,030	17,992	
4	Environmental Tax - 1996	4,576		0	4,576	
5	Environmental Tax - 1997	0		46	46	
6	FICA - 1997	0		800,485	800,485	
7	Total Federal Taxes	(506,574)		2,788,485	2,337,082	
8						
9	<b>State of Florida:</b>					
10	Income	(30,753)		310,830	286,472	
11	Emergency Excise Tax - 1996	(2,828)		(4,692)	(7,520)	
12	Emergency Excise Tax - 1997	0		0	0	
13	Gross Receipts - 1996	0		0	0	
14	Gross Receipts - 1997	154,791		1,780,280	1,781,531	
15	FPSC Assessment - 1996	0		0	0	
16	FPSC Assessment - 1997	152,872		242,070	236,350	
17	Intangible Personal Prop. -1997	0		14,503	14,503	
18	Unemployment - 1996	0		0	0	
19	Unemployment - 1997	125		2,704	2,749	
20	Licenses - 1997	0		0	0	
21	Total State of Florida Taxes	274,207		2,345,695	2,314,085	
22						
23	<b>Local:</b>					
24	Advalorem - 1996	0		0	0	
25	Advalorem - 1997	0		1,148,573	1,148,573	
26	Licenses - 1997	0	411	6,900	6,489	
27	City Franchise Tax	0		65	65	
28	Total Local Taxes	0	411	1,155,538	1,155,127	
29						
30						
31						
32						
33						
34						
35						
36						
37						
38	<b>TOTAL</b>	(232,367)	411	6,289,718	5,806,294	



## 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. Enter accounts to which taxes charged were distributed

in columns (i) thru (l). In column (i), report the amounts charged to accounts 408.1 and 409.1 for electric departments only. Group the amounts charged to 408.1, 409.1, 408.2, and 409.2 under other accounts in column (i). For taxes charge to other accounts or utility plant, show the number of the appropriate balance sheet account, plant account or subaccount.

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) (l)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (m)	Adjustment to Ret. Earnings (Account 439) (o)	Other (p)	
						1
(55,708)	0	615,353			304,628	2
537	0	869			17,258	3
0	0	0			0	4
0	0	46			0	5
0	0	142,650			229,437	6
(55,171)		758,918			551,323	7
						8
						9
(6,395)	0	94,327			51,320	10
0	0	(2,182)			0	11
0	0	0			0	12
0	0	0			0	13
153,540	0	972,797			0	14
0	0	0			0	15
158,592	0	32,778			0	16
0	0	0			0	17
0	0	7,203			0	18
80	0	256			1,663	19
0	0	0			0	20
305,817		1,105,179			52,983	21
						22
						23
0	0	0			0	24
0	0	414,156			0	25
0	0	200			0	26
0	0	0			0	27
0	0	414,356			0	28
						29
						30
						31
						32
						33
						34
						35
						36
250,646	0	2,278,453			604,306	37



## 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%	1,305			411.4	761	
3	4%	34,789			411.4	5,810	
4	7%	0				0	
5	8 & 10%	592,244			411.4	42,970	
6	Prior Period Adjustment	(7,769)					
7							
8	TOTAL	620,569		0		49,541	
9	Other List separately						
10	and show 3%, 4%, 7%,						
11	10% and TOTAL						
12							
13	Gas Utility						
14	3%	16,861			4110.4	4,089	
15	4%	25,602			4110.4	3,300	
16	7%	0				0	
17	8 & 10%	630,034			4110.4	47,774	
18	Prior Period Adjustment	(49)					
19							
20	TOTAL	672,448		0		55,163	
21							
22	Water Utility						
23	3%	797			4110.4	118	
24	4%	2,392			4110.4	217	
25	7%	0				0	
26	8 & 10%	118,349			4110.4	6,602	
27	Prior Period Adjustment	23					
28							
29	TOTAL	121,561		0		6,937	
30							
31							
32	TOTAL UTILITIES	1,414,578		0		111,641	0
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
544	28 YEARS		2
28,979	28 YEARS		3
0			4
549,274	28 YEARS		5
(7,769)			6
			7
571,028			8
			9
			10
			11
			12
			13
12,772	35 YEARS		14
22,302	35 YEARS		15
0			16
582,260	35 YEARS		17
(49)			18
			19
617,285			20
			21
			22
679	34 YEARS		23
2,175	34 YEARS		24
0			25
111,747	34 YEARS		26
23			27
			28
114,624			29
			30
			31
1,302,937			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	Over Recovery of Fuel Adjustment-Electric	423,682	456.1	1,330,974	1,487,474	580,182
2	(Amortized over succeeding six month		456.11			
3	period)					
4						
5	Over Recovery of Fuel Adjustment-Gas	0	495.1	909,356	1,036,071	126,715
6	(Amortized over succeeding twelve month		495			
7	period)					
8						
9	Environmental Insurance Proceeds	4,531,106	1860.1	13,812	315,225	4,832,519
10						
11	Over Recovery Conservation	18,591	456.6	0	220,086	238,677
12						
13	Gain on Sale of Property	0	4030.1	0	72,022	72,022
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18	TOTAL	\$4,973,379		\$2,254,142	\$3,130,878	\$5,850,115
		=====				=====

## 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 (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited (Account 410.1) (c)	Amounts Credited (Account 411.1) (d)
1	Account 282			
2	Electric	4,439,329	(512,994)	
3	Gas	4,613,219	72,152	
4	Other - Water	(153,211)	(31,166)	
5	TOTAL (Lines 2 thru 4)	8,899,337	(472,008)	0
6	Other (Specify)			
7				
8				
9	TOTAL Account 282 (Lines 5 thru 8)	\$8,899,337	(\$472,008)	\$0
10	Classification of TOTAL			
11	Federal Income Tax	7,896,021	(469,215)	
12	State Income Tax	1,003,316	(2,793)	
13	Local Income Tax			
	Total	8,899,337	(472,008)	

\*Note: Federal Income Tax includes \$1,548,218 for the Regulatory Gross Up.



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

2. For Other (Specify), include deferrals relating to other income and deductions.

3. Use separate pages as required.

CHANGES DURING YEAR			ADJUSTMENTS			Balance at End of Year	Line No.
Amounts Debited (Account 410.2) (e)	Amounts Credited (Account 411.2) (f)	Debits Acct. No. (g)	Amount (h)	Credits Acct. No. (i)	Amount (j)		
							1
						3,926,335	2
						4,685,371	3
						(184,377)	4
0	0		0		0	8,427,329	5
						0	6
						0	7
						0	8
\$0	\$0		\$0		\$0	8,427,329	9
							10
						7,426,806	11
						1,000,523	12
							13
						8,427,329	

## 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	Underrecoveries	262,724	(54,588)	
4	Pension Costs	21,431	11,219	
5	Conservation Costs	7,877	(73,465)	
6	Loss on Reacquired Debt	71,274	(2,892)	
7	Environmental	0	0	
8	Rate Case	3,098	(2,655)	
9	Depreciation Study	8,478	(4,296)	
10				
11	TOTAL Electric (Total Lines 2-11)	374,882	(126,677)	0
12				
13				
14	Gas			
15	Underrecoveries	403,922	(403,922)	
16	Pension Costs	45,746	29,327	
17	Loss on Reacquired Debt	71,420	(2,152)	
18	Deltona Repairs	0	0	
19	Rate Case	24,763	(10,612)	
20	Environmental Cost	0	0	
21	Depreciation Study	3,429	(1,714)	
22	Odorizer	6,307	(788)	
23				
24	TOTAL Gas (Total Lines 15 and 16)	555,587	(389,861)	0
25	Other - Water	15,170	753	0
26				
27	TOTAL Account 283 (Total lines 13, 17 and 18)	\$945,639	(\$515,785)	\$0
28				
29				
30	Classification of TOTAL			
31	Federal Income Tax	807,425	(440,398)	
32	State Income Tax	138,214	(75,387)	
33	Local Income Tax	0		



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

3. Provide in the space below explanations for pages 272 and 273. Include amounts relating to insignificant items under Other.

4. Use separate pages as required.

Amounts Debited (Account 410.2) (e)	Amounts Credited (Account 411.2) (f)	Debits		Credits		Balance at End of Year (k)	Line No.
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)		
							1
							2
0	0					208,136	3
0	0					32,650	4
0	0					(65,588)	5
0	0					68,382	6
0	0					0	7
0	0					443	8
						4,182	9
							10
0	0		0		0	248,205	11
							12
							13
						0	14
						0	15
						75,073	16
						69,268	17
						0	18
0	0		0		0	14,151	19
						0	20
						1,715	21
						5,519	22
							23
0	0		0		0	165,726	24
0	0		0		0	15,923	25
							26
							27
\$0	\$0		\$0		\$0	\$429,854	28
							29
							30
0	0					367,027	31
0	0		0		0	62,827	32
						0	33

## OTHER REGULATORY LIABILITIES

1. Reporting below the particulars (details) called for concerning other regulatory liabilities which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts).

3. Minor items (5% of the Balance at End of Year for Account 254 or amounts less than \$50,000, whichever is less) may be grouped by classes.

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

Description and Purpose of Other Regulatory Liabilities (a)		Debits		Credits (d)	Balance End of Year (e)
		Account Credited (b)	Account (c)		
1					
2	See Page 274				
3					
4					
5					
6					
7					
8					
9					
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19					
20					
21					
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27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41	TOTAL				



## 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

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	\$18,277,371	\$19,725,963
3	(442) Commercial and Industrial Sales		
4	Small (or Commercial)	12,665,669	13,111,312
5	Large (or Industrial)	7,261,935	7,012,697
6	(444) Public Street and Highway Lighting	228,664	228,226
7	(445) Other Sales to Public Authorities	470,341	464,243
8	(456.3) Unbilled Revenues	75,234	(32,142)
9	(448) Interdepartmental Sales	133,454	132,363
10			
11	TOTAL Sales to Ultimate Consumers	39,112,668	40,642,662
12	(447) Sales for Resale		
13			
14	TOTAL Sales of Electricity	39,112,668	40,642,662
15	(Less) (449.1) Provision for Rate Refunds	(290,483)	(154,651)
16			
17	TOTAL Revenue Net of Provision for Refunds	38,822,185	40,488,011
18	Other Operating Revenues		
19	(450) Forfeited Discounts		
20	(451) Miscellaneous Service Revenues	135,175	120,143
21	(453) Sales of Water and Water Power	0	0
22	(454) Rent from Electric Property	98,530	92,428
23	(455) Interdepartmental Rents	0	0
24	(456.2) Other Electric Revenues	3,348	18,723
25	(456.1) Overrecoveries Purchase Electric	(156,500)	142
26	(456.6) Overrecoveries Conservation	(220,086)	(18,591)
27			
28			
29	TOTAL Other Operating Revenues	(139,533)	212,845
30			
31	TOTAL Electric Operating Revenues	\$38,682,652	\$40,700,856
		=====	=====

## 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, 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.
266,788	273,601	20,218	19,722	1
				2
				3
220,036	217,177	3,193	3,145	4
136,840	123,981	6	6	5
2,062	2,053	54	52	6
7,847	7,460	202	192	7
5,922	(3,052)	0	0	8
2,396	2,340	3	3	9
				10
641,891	623,560	23,676	23,120	11
				12
				13
641,891	623,560	23,676	23,120	14
				15
				16
641,891	623,560	23,676	23,120	17
				18
				19
				20
				21
				22
				23
				24
				25
				26
				27
				28
				29
				30
				31



## SALES OF ELECTRICITY BY RATE SCHEDULES

1. Report below for each rate schedule in effect during the year the KWH 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 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 Number and Title of Rate Schedul No.	KWH Sold	Revenue	Average Number of Customers	KWH of Sales per Customer	Revenue (cents) per KWH Sold
(a)	(b)	(c)	(d)	(e)	(f)
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					
38					
39					
40	Total Billed	635,969,000	39,037,434	23,676	26,861.3
41	Total Unbilled Rev.	5,922,000	75,234		
42	Rate Refund		(290,483)		
43	TOTAL	641,891,000	38,822,185	23,676	27,111.5
					0.061

## ELECTRIC OPERATION AND MAINTENANCE EXPENSES

Account	Amount for Current Year	Amount for Previous Year
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	0	0
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	0	0
20 TOTAL Power Production Expenses-Steam Plant	0	0
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	0	0
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	0	0
40 TOTAL Power Production Expenses-Nuclear Power	0	0
41 C. Hydraulic Power Generation		
42 Operation		
43 (535) Operation Supervision and Engineering	0	0
44 (536) Water for Power		
45 (537) Hydraulic Expenses	0	0
46 (538) Electric Expenses	0	0
47 (539) Miscellaneous Hydraulic Power Generation Expenses	0	0
48 (540) Rents		
49 TOTAL Operation	0	0



## 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	0	0
54 (543) Maintenance of Reservoirs, Dams, and Waterways	0	0
55 (544) Maintenance of Electric Plant	0	0
56 (545) Maintenance of Miscellaneous Hydraulic Plant		
57 TOTAL Maintenance	0	0
58 TOTAL Power Production Expenses-Hydraulic Power	0	0
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	0	0
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	0	0
72 TOTAL Maintenance	0	0
73 TOTAL Power Production Expenses-Other Power	0	0
74 E. Other Power Supply Expenses		
75 (555) Purchased Power	27,013,672	29,181,088
76 (556) System Control and Load Dispatching		
77 (557) Other Expenses		
78 TOTAL Other Power Supply Expenses	27,013,672	29,181,088
79 TOTAL Power Production Expenses	27,013,672	29,181,088
80 2. TRANSMISSION EXPENSES		
81 Operation		
82 (560) Operation Supervision and Engineering		
83 (561) Load Dispatching		
84 (562) Station Expenses	15,859	14,536
85 (563) Overhead Line Expenses		
86 (564) Underground Line Expenses		
87 (565) Transmission of Electricity by Others		
88 (566) Miscellaneous Transmission Expenses		0
89 (567) Rents		
90 TOTAL Operation	15,859	14,536
91 Maintenance		
92 (568) Maintenance Supervision and Engineering		
93 (569) Maintenance of Structures		
94 (570) Maintenance of Station Equipment	22,752	13,265
95 (571) Maintenance of Overhead Lines	24,422	20,126
96 (572) Maintenance of Underground Lines		
97 (573) Maintenance of Miscellaneous Transmission Plant	27	0
98 TOTAL Maintenance	47,201	33,391
99 TOTAL Transmission Expenses	63,060	47,927
100 3. DISTRIBUTION EXPENSES		
101 Operation		
102 (580) Operation Supervision and Engineering	191,860	170,549
103 (581) Load Dispatching	73	45

## ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

Account		Amount for Current Year	Amount for Previous Year
104	3. DISTRIBUTION EXPENSES (Continued)		
105	(582) Station Expenses	11,545	9,831
106	(583) Overhead Line Expenses	56,213	59,279
107	(584) Underground Line Expenses	19,814	15,210
108	(585) Street Lighting and Signal System Expenses	16,726	18,341
109	(586) Meter Expenses	186,438	157,691
110	(587) Customer Installations Expenses	43,961	47,652
111	(588) Miscellaneous Distribution Expenses	135,251	121,700
112	(589) Rents	695	752
113	TOTAL Operation	662,576	601,050
114	Maintenance		
115	(590) Maintenance Supervision and Engineering	50,795	52,120
116	(591) Maintenance of Structures	1,656	2,579
117	(592) Maintenance of Station Equipment	24,617	44,225
118	(593) Maintenance of Overhead Lines	790,889	754,486
119	(594) Maintenance of Underground Lines	116,737	95,146
120	(595) Maintenance of Line Transformers	69,939	75,610
121	(596) Maintenance of Street Lighting and Signal Systems	20,592	17,270
122	(597) Maintenance of Meters	15,700	19,275
123	(598) Maintenance of Miscellaneous Distribution Plant	25,876	21,483
124	TOTAL Maintenance	1,116,801	1,082,194
125	TOTAL Distribution Expenses	1,779,377	1,683,244
126	4. CUSTOMER ACCOUNTS EXPENSES		
127	Operation		
128	(901) Supervision	72,041	68,525
129	(902) Meter Reading Expenses	175,708	165,234
130	(903) Customer Records and Collection Expenses	522,788	509,862
131	(904) Uncollectible Accounts	74,651	63,936
132	(905) Miscellaneous Customer Accounts Expenses	43,043	42,438
133	TOTAL Customer Accounts Expenses	888,231	849,995
134	5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
135	Operation		
136	(907) Supervision	53,934	17,215
137	(908) Customer Assistance Expenses	121,922	20,733
138	(909) Informational and Instructional Expenses	31,777	27,131
139	(910) Miscellaneous Customer Service and Informational Expenses	(8,598)	2,199
140	TOTAL Cust. Service and Informational Expenses	199,035	67,278
141	6. SALES EXPENSES		
142	Operation		
143	(911) Supervision		
144	(912) Demonstrating and Selling Expenses	0	0
145	(913) Advertising Expenses	3,111	3,115
146	(916) Miscellaneous Sales Expenses	0	109
147	TOTAL Sales Expenses	3,111	3,224
148	7. ADMINISTRATIVE AND GENERAL EXPENSES		
149	Operation		
150	(920) Administrative and General Salaries	400,747	395,308
151	(921) Office Supplies and Expenses	97,773	92,180
152	(Less) (922) Administrative expenses Transferred-Cr.	0	0
153	(923) Outside Services Employed	54,010	85,461
154	(924) Property Insurance	142,790	144,973
155	(925) Injuries and Damages	243,110	256,229
156	(926) Employee Pensions and Benefits	109,091	213,126



## ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

Account		Amount for Current Year	Amount for Previous Year
157	7. ADMINISTRATIVE AND GENERAL EXPENSES		
158	(927) Franchise Requirements	0	0
159	(928) Regulatory Commission Expenses	10,041	17,237
160	(Less) (929) Duplicate Charges-Cr.		
161	(930.1) General Advertising Expenses	864	0
162	(930.2) Miscellaneous General Expenses	35,546	45,483
163	(931) Rents	3,336	4,135
164	TOTAL Operation	1,097,307	1,254,132
165	Maintenance		
166	(935) Maintenance of General Plant	52,352	48,679
167	TOTAL Administrative and General Expenses	1,149,659	1,302,811
168	TOTAL Electric Operation and Maintenance Expenses	31,096,144	33,135,567

## 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)	11/02/97
2	Total Regular Full-Time Employees (Equivalent Employees from joint functions -6)	70
3	Total Part-Time and Temporary Employees	0
4	Total Employees	70





PURCHASED POWER (Account 555) (Continued)  
(Including power exchanges)

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)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) or Settlement (\$) (m)	
378,539			5,315,256	3,425,780	6,986,749	15,727,785	1
1,641				30,683	(1,200)	29,483	2
290,118			4,337,186	383,756	6,389,198	11,110,140	3
							4
							5
							6
							7
							8
							9
							10
							11
							12
							13
670,298			9,652,442	3,840,219	13,374,747	26,867,408	14

## MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (Electric)

Line No.	Description (a)	Amount (b)
1	Industry Association Dues	\$5,922
2	Nuclear Power Research Expenses	
3	Other Experimental and General Research Expenses	
4	Publishing and Distributing Information and Reports to Stockholders; Trustee, Registrar, and Transfer Agent Fees and Expenses, and Other Expenses of Servicing Outstanding Securities of the Respondent	25,500
5	Other Expenses (List items of \$5000 or more in this column showing the (1) purpose, (2) recipient and (3) amount of such items. Group amounts of less than \$5,000 by classes if the number of items so grouped is shown)	
6		
7	Chamber of Commerce	0
8	Director fees and expenses (26 items)	3,211
9	Miscellaneous Expense	913
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	TOTAL	\$35,546



**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	0			0
5	Hydraulic Production Plant-Pumped Storage	0			0
6	Other Production Plant *	17,479			17,479
7	Transmission Plant	130,299			130,299
8	Distribution Plant	1,375,085			1,375,085
9	General Plant	105,720			105,720
10	Common Plant-Electric *	40,404			40,404
11	<b>TOTAL</b>	<b>\$1,668,987</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,668,987</b>

**B. Basis for Amortization Charges**

\* Not included on page 219, Line 3.

FLORIDA PUBLIC UTILITIES COMPANY				An Original		Dec. 31, 1997	
DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation Charges							
Line No.	Account No. (a)	Depreciable Plant Base (In thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied epr. Rate(s) (Percent) (e)	Monthly Curve Type (f)	Average Remaining Life (g)
12		MARIANNA DIVISION					
13							
14							
15	331	4,822	N/A	Year Recovery Schedule			
16	332	61,479	N/A	Year Recovery Schedule			
17	333	98,267	N/A	Year Recovery Schedule			
18	334	62,084	N/A	Year Recovery Schedule			
19	335	375	N/A	Year Recovery Schedule			
20							
21	360	22,841	N/A		2.3		42.0
22	361	8,614	N/A		2.2		34.0
23	362	752,334	N/A	(10)	2.9		25.0
24	364	3,272,761	N/A	(20)	3.5		23.0
25	365	3,817,877	N/A	(10)	3.3		22.0
26	366	109,340	N/A		2.0		45.0
27	367	300,351	N/A		2.8		30.0
28	368	3,727,180	N/A	(10)	4.0		17.9
29	369	1,473,665	N/A	(15)	4.6		18.5
30	370	831,754	N/A	(10)	4.1		15.2
31	371	328,909	N/A	20	5.7		10.2
32	373	169,806	N/A	5	2.9		18.6
33							
34	390	687,132	N/A	(5)	2.1		49.0
35	391.1	17,807		7 Years Amortization			
36	391.2	13,056		7 Years Amortization			
37	391.3	34,651		5 Years Amortization			
38	392.1	46,885	N/A	15	29.9		1.7
39	392.2	114,737	N/A	10	13.0		3.7
40	392.3	615,236	N/A	10	6.9		6.8
41	392.4	11,672	N/A	5	2.8		22.0
42	393.1	16,796	N/A		5.3		15.8
43	393.2	547		7 Years Amortization			
44	394.1	13,319	N/A		3.8		19.5
45	394.2	27,462		7 Years Amortization			
46	395.1	16,904	N/A		3.4		19.6
47	395.2	9,193		7 Years Amortization			
48	396	60,638	N/A	10	6.4		12.5
49	397	57,173	N/A		8.6		4.7
50	398	3,343		7 Years Amortization			
51							
52							
53							
54							
55							
56							
57							
58							
59							
60							
61							
62							
63							



FLORIDA PUBLIC UTILITIES COMPANY				An Original		Dec. 31, 1997	
DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation Charges							
Line	Account	Depreciable	Estimated	Net Salvage	Applied	Monthly Curve	Average
No.	No.	Plant Base	Avg. Service	(Percent)	epr. Rate(s)	Type	Remaining
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
64				FERNANDINA BEACH			
65							
66							
67	341	0					
68	342	0					
69	343	0					
70	344	0					
71	346	0					
72							
73	350	56,519		0	2.40		32.0
74	352	17,304	45	0	1.60		36.0
75	353	1,780,065	40	10	2.20		28.0
76	354	248,395	50	(10)	1.80		39.0
77	355	1,381,300	25	(20)	3.30		30.0
78	356	931,383	35	(10)	2.80		30.0
79	359	1,961	55	0	1.00		32.0
80							
81	360	188		0	2.90		22.0
82	361	33,577	44	0	1.90		38.0
83	362	1,456,419	23	10	2.60		24.0
84	364	1,279,531	25	(10)	4.10		19.7
85	365	2,358,377	33	(15)	3.60		24.0
86	366	965,825	50	0	2.00		48.0
87	367	1,817,435	30	0	3.10		28.0
88	368	3,753,926	29	(35)	4.70		21.0
89	369	2,072,020	20	(20)	3.80		22.0
90	370	1,369,322	38	(20)	3.70		20.0
91	371	186,970	18	5	5.60		10.3
92	373	290,773	22	0	4.10		15.8
93							
94	390	406,628	64	0	1.90		35.0
95	391.1	20,517		7 Year Amortization			14.1
96	391.2	17,081		7 Year Amortization			9.7
97	391.3	41,659		5 Year Amortization			6.5
98	392.1	44,541	5	15	24.00		2.3
99	392.2	227,105	7	20	4.10		5.2
100	392.3	477,806	12	10	7.40		7.6
101	392.4	14,075	25	0	2.80		18.5
102	393.1	20,488	27	0	4.00		29.0
103	393.2	3,251		7 Year Amortization			
104	394.1	11,323	0	0	3.00		23.0
105	394.2	43,890		7 Year Amortization			
106	395.1	14,660	0	0	3.60		25.0
107	395.2	17,688		7 Year Amortization			
108	396	93,087	5	0	3.80		10.0
109	397	87,250	0	0	10.70		6.7
110	398	25,767		7 Year Amortization			22.0
111							
112							
113							
114							
115							

**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 5% of each account total for the year (or \$1,000, whichever is greater) may be grouped by classes within the above accounts.

(c) Interest on Debt to Associated Companies (Account 430) - For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest.

Explain the nature of other debt on which interest was incurred during the year.

(d) Other Interest Expense (Account 431) - Report particulars (Details) including the amount and interest rate for each other interest charges incurred during the year.

Line No.	Item (a)	Amount (b)
1	Account 425: Miscellaneous Amortization	None
2		
3		
4	Account 426: Miscellaneous Income Deductions	
5	426.11 Charitable Contributions: inside service area	\$12,345
6	426.12 Charitable Contributions: outside service area	1,100
7	426.13 Civic and Social Club Dues	5,726
8	426.3 Penalties	5,096
9	426.4 Expenditures for lobbying and other politically related activities	212
10	426.5 Other	
11	Chamber of Commerce	9,888
12	Total Miscellaneous Income Deductions	\$34,367
13		
14	Account 430: Interest on Debt to Associated Company	
15	Accounts Payable at 4.844% (12 mo. avg. of the interest rates applied)	(\$121,775)
16		
17	Account 431: Other Interest Expense	
18	431.1 Interest on Customer Deposits	\$197,108
19	431.2 Interest on Notes Payable	407,220
20	431.3 Interest on Miscellaneous	5,346
21	Total Other Interest Expense	\$609,674
22		
23		
24		
25		
26		
27		



## 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. In columns (b) and (c), indicate whether the expenses were assessed by a regulatory body or were otherwise incurred by the utility.

Line No.	Description (Furnish name of regulatory commission or body, the docket or case number, and a description of the case.) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses to Date (d)	Deferred in Account 186 at Beginning of Year (e)
1	Legal Fees and Miscellaneous Expenses				
2	incurred by the Company in its filing for				
3	rate relief on Docket number 9330400-EI		28,224	28,224	8,232
4					
5	Legal Fees and Miscellaneous Expenses				
6	incurred by the Company in its filing for				
7	rate relief on Docket number 940620-GU		112,807	112,807	65,807
8					
9	Miscellaneous Expenses incurred by the				
10	Company in doing a Depreciation Study				
11	for Marianna. Docket number 970537-EI		2,156	2,156	0
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					
38					
41					
46	TOTAL		143,187	143,187	74,039

## REGULATORY COMMISSION EXPENSES (Continued)

3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.

4. The totals of columns (e), (i), (k), and (l) must agree with the totals shown at the bottom of page 223 for Account 186.

5. List in column (f), (g) and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.

6. Minor items (less than \$25,000) may be grouped.

## EXPENSES INCURRED DURING YEAR

CHARGED CURRENTLY TO		Amount	Deferred to Account 186	AMORTIZED DURING YEAR		Deferred in Account 186 End of Year	Line No.
Department (f)	Account No. (g)			Contra Account (j)	Amount (k)		
Electric - 3890			0	928	7,056	1,176	1
							2
							3
							4
							5
							6
Gas - 4090			0	928	28,199	37,608	7
							8
							9
							10
Electric - 3900			2,156	923	0	2,156	11
							12
							13
							14
							15
							16
							17
							18
							19
							20
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							30
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							33
							34
							35
							36
							37
							39
							42
			2,156		35,255	40,940	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)
<b>1</b>	<b>Electric</b>			
<b>2</b>	Operation			
<b>3</b>	Production			
<b>4</b>	Transmission	9,793		
<b>5</b>	Distribution	451,674		
<b>6</b>	Customer Accounts	533,487		
<b>7</b>	Customer Service and Informational	83,993		
<b>8</b>	Sales			
<b>9</b>	Administrative and General	169,836		
<b>10</b>	TOTAL Operation (Enter Total of lines 3 thru 9)	1,248,783		
<b>11</b>	Maintenance			
<b>12</b>	Production			
<b>13</b>	Transmission	12,952		
<b>14</b>	Distribution	506,404		
<b>15</b>	Administrative and General	8,338		
<b>16</b>	TOTAL Maintenance (Enter Total of lines 12 thru 15)	527,694		
<b>17</b>	Total Operation and Maintenance			
<b>18</b>	Production (Enter Total of lines 3 and 12)			
<b>19</b>	Transmission (Enter Total of lines 4 and 13)	22,745		
<b>20</b>	Distribution (Enter Total of lines 5 and 14)	958,078		
<b>21</b>	Customer Accounts (Transcribe from line 6)	533,487		
<b>22</b>	Customer Service and Information (Transcribe from line 7)	83,993		
<b>23</b>	Sales (Transcribe from line 8)			
<b>24</b>	Administrative and General (Enter Total of lines 9 and 15)	178,174		
<b>25</b>	TOTAL Operation and Maintenance (Total of lines 18 - 24)	1,776,477	191,675	1,968,152
<b>26</b>	<b>Gas</b>			
<b>27</b>	Operation			
<b>28</b>	Production - Manufactured Gas			
<b>29</b>	Production - Natural Gas (Including Expl. and Dev.)			
<b>30</b>	Other Gas Supply	88,927		
<b>31</b>	Storage, LNG Terminating and Processing			
<b>32</b>	Transmission			
<b>33</b>	Distribution	1,819,335		
<b>34</b>	Customer Accounts	750,558		
<b>35</b>	Customer Service and Informational			
<b>36</b>	Sales	583,801		
<b>37</b>	Administrative and General	296,347		
<b>38</b>	TOTAL Operation (Enter Total of lines 28 thru 37)	3,538,968		
<b>39</b>	Maintenance			
<b>40</b>	Production - Manufactured Gas			
<b>41</b>	Production - Natural Gas			
<b>42</b>	Other Gas Supply			
<b>43</b>	Storage, LNG Terminating and Processing			
<b>44</b>	Transmission			
<b>45</b>	Distribution	419,035		
<b>46</b>	Administrative and General	3,065		
<b>47</b>	TOTAL Maintenance (Enter Total of lines 40 thru 46)	422,100		



## DISTRIBUTION OF SALARIES AND WAGES

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
	<b>Gas (Continued)</b>			
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)	88,927		
52	Storage, LNG, Terminating 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)	2,238,370		
55	Customer Accounts (Transcribe from line 34)	750,558		
56	Customer Service and Informational (From line 35)			
57	Sales (Transcribe from line 36)	583,801		
58	Administrative and General (Total of lines 37 and 46)	299,412		
59	TOTAL Operation and Maint. (Total of lines 49 thru 58)	3,961,068	399,045	4,360,113
60	<b>Other Utility Departments - Water</b>			
61	Operation and Maintenance	409,569	33,272	442,841
62	TOTAL All Utility Dept. (Total of lines 25,59, and 61)	6,147,114	623,992	6,771,106
63	<b>Utility Plant</b>			
64	Construction (By Utility Departments)			
65	Electric Plant	759,069		759,069
66	Gas Plant	561,171		561,171
67	Other - Water	50,847		50,847
68	TOTAL Construction (Enter Total of lines 65 thru 67)	1,371,087	-	1,371,087
69	Plant Removal (By Utility Department)			
70	Electric Plant	68,903		68,903
71	Gas Plant	199,054		199,054
72	Other - Water	743		743
73	TOTAL Plant Removal (Enter Total of lines 70 thru 72)	268,700		268,700
74	Other Accounts (Specify):			
75				
76	Other Accounts Receivable/Employee	120,729		120,729
77	Merchandise			-
78	Temporary Facilities	20,104		20,104
79	Stores Expense	278,994		278,994
80	Clearing Accounts	126,868		126,868
81	Miscellaneous Deferred Debits	112,636		112,636
82	Merchandise and Jobbing	486,954		486,954
83	Taxes Other Than Income Taxes-Electric	(56,025)		(56,025)
84	Taxes Other Than Income Taxes-Gas	(188,856)		(188,856)
85	Taxes Other Than Income Taxes-Water	(3,477)		(3,477)
86	Vacation Pay	(17,682)		(17,682)
87	Non-Operating and Rental Income	5,015		5,015
88	Other Accounts Receivable	1,413,919	105,861	1,519,780
89				
90				
91				
92				
93				
94				
95	TOTAL Other Accounts	2,299,179	105,861	2,405,040
96	TOTAL SALARIES AND WAGES	10,086,080	729,853	10,815,933



## 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 utility plant to which such expenses 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 &amp; Land Rights

\$341,926

Structures &amp; Improvements

466,138

Office Furniture &amp; Equipment

935,150

Communications Equipment

10,929

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\$1,754,143

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Account 119: Accumulated Provision for Depreciation  
of Common Utility Plant

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\$734,218

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SEE ATTACHED SCHEDULES FOR ALLOCATIONS

Note 1: Expenses of Operation and Maintenance are charged to clearing accounts "X" 921 and "X" 932 and to Flo-Gas Corporation (Account 146) on the basis of allocation of Common Utility Plant at 6-30-96 per schedule attached.

**FLORIDA PUBLIC UTILITIES COMPANY  
ALLOCATION OF COMMON UTILITY PLANT  
AS OF JUNE 30, 1996**

<u>Description</u>	<u>Amount</u>
Land	\$341,926
Structures & Improvements	466,138
Sub-Total	808,064
Office Furniture & Equipment	45,388
Office Machines	46,071
EDP Equipment	923,869
Transportation Equipment-Cars	126,326
Communication Equipment	11,565
Total Common Plant	\$1,961,283

Total Common Land & Structures & Improvements      \$808,064

<u>Allocation of Land &amp; Structures &amp; Improvements</u>	<u>Allocation Per Study Sq. Footage</u>	<u>Allocation Per Study %</u>	<u>Common Land &amp; Structures</u>
Common - All Divisions	16,387	57.26%	462,697
Local - WPB*	11,253	39.32%	317,731 (A)
Local - Merchandising	980	3.42%	27,636 (A)
Total	28,620	100.00%	808,064

<u>Allocation of Local - WPB*</u>	<u>6/30/96 12 mth avg Customers</u>	<u>Allocation Per Study %</u>	<u>Common Land &amp; Structures</u>
FPUC	26,884	82.77%	262,986
Flo - Gas (Non-Regulated)	5,598	17.23%	54,745
Total	32,482	100.00%	317,731

Common Plant (1180)	1,961,283
Less Direct to WPB (A)	345,367
Remaining Common	1,615,916
Less EDP to allocated	923,869
Remaining Common Excl. EDP to allocate	692,047



Allocation of Utility Plant All Division	(A) Utility Plant (101,106,107)	(B) Acquisition Adjust (114)	(C) Direct Common Loc & Mer	(D) Water Contrib. (2710)	(E) Sub-Total (A+B+C+D)	(F) Remaining Common	(G) Common EDP Equip	Adj. Plant (E+F+G)	Allocation %
<b>Florida Public Utilities Co.</b>									
Marianna	\$19,885,529	\$3,691			\$19,889,220	\$135,642	\$143,200	\$20,168,062	19.6%
Fernandina (E)	23,702,179				\$23,702,179	162,631	138,580	24,003,390	23.4%
West Palm Beach	34,731,793	(29,523)	262,986		\$34,965,256	239,448	331,669	35,536,373	34.6%
Sanford	6,222,813	102,833			\$6,325,646	43,599	63,747	6,432,992	6.3%
Deland	2,632,152	230,090			\$2,862,242	19,377	28,640	2,910,259	2.8%
Fernandina (W)	9,060,615			(2,922,145)	\$6,138,470	42,215	69,290	6,249,975	6.1%
Merchandising			27,636		\$27,636	0	25,868	53,504	0.1%
Garbage and Sewer					\$0	0	924	924	0.0%
<b>Flo - Gas Corporation</b>									
West Palm Beach	3,890,893		54,745		\$3,945,638	26,990	68,366	4,040,994	3.9%
Sanford	491,779				\$491,779	3,460	8,315	503,554	0.5%
Deland	2,701,075				\$2,701,075	18,685	45,270	2,765,030	2.7%
<b>Total</b>	<b>\$103,318,828</b>	<b>\$307,091</b>	<b>345,367</b>	<b>(2,922,145)</b>	<b>\$101,049,141</b>	<b>\$692,047</b>	<b>\$923,869</b>	<b>\$102,665,057</b>	<b>100.0%</b>

**Allocation of Remaining Common Plant:**

	EDP Equipment			Remaining Common			Total Common Plant
	Customers 12 mos ending 6/30/96	Allocation %	Common EDP	Adj. Plant (Above)	Allocation %	Remaining Common	
<b>Florida Public Utilities Co.</b>							
Marianna	138,746	15.5%	143,200	19,889,220	19.6%	135,642	278,842
Fernandina (E)	135,244	15.0%	138,580	23,702,179	23.5%	162,631	301,211
West Palm Beach	322,600	35.9%	331,669	34,965,256	34.6%	239,448	571,117
Sanford	62,384	6.9%	63,747	6,325,646	6.3%	43,599	107,346
Deland	28,238	3.1%	28,640	2,862,242	2.8%	19,377	48,017
Fernandina (W)	67,815	7.5%	69,290	6,138,470	6.1%	42,215	111,505
Merchandising	24,754	2.8%	25,868	27,636	0.0%	0	25,868
Garbage and Sewer	1,218	0.1%	924	0	0.0%	0	924
<b>Flo - Gas Corporation</b>							
West Palm Beach	66,740	7.4%	68,366	3,945,638	3.9%	26,990	95,356
Sanford	7,883	0.9%	8,315	491,779	0.5%	3,460	11,775
Deland	44,406	4.9%	45,270	2,701,075	2.7%	18,685	63,955
<b>Total</b>	<b>899,828</b>	<b>100.0%</b>	<b>923,869</b>	<b>101,049,141</b>	<b>100.0%</b>	<b>692,047</b>	<b>1,615,916</b>

**Allocation of Total Common Plant:**

	Remaining Common (a)	Direct Common (b)	Remaining Common (a + b)	Remaining Common Allocation (%)	Common EDP	Common EDP Allocation (%)	Total Common	Total Common %
<b>Florida Public Utilities Co.</b>								
Marianna	135,642		135,642	13.1%	143,200	15.5%	278,842	14.2%
Fernandina (E)	162,631		162,631	15.7%	138,580	15.0%	301,211	15.4%
West Palm Beach	239,448	262,986	502,434	48.3%	331,669	35.9%	834,103	42.5%
Sanford	43,599		43,599	4.2%	63,747	6.9%	107,346	5.5%
Deland	19,377		19,377	1.9%	28,640	3.1%	48,017	2.4%
Fernandina (W)	42,215		42,215	4.1%	69,290	7.5%	111,505	5.7%
Merchandising	0	27,636	27,636	2.7%	25,868	2.8%	53,504	2.7%
Garbage and Sewer	0		0	0.0%	924	0.1%	924	0.0%
<b>Flo - Gas Corporation</b>								
West Palm Beach	26,990	54,745	81,735	7.9%	68,366	7.4%	150,101	7.7%
Sanford	3,460		3,460	0.3%	8,315	0.9%	11,775	0.6%
Deland	18,685		18,685	1.8%	45,270	4.9%	63,955	3.3%
<b>Total</b>	<b>692,047</b>	<b>345,367</b>	<b>1,037,414</b>	<b>100.0%</b>	<b>923,869</b>	<b>100.0%</b>	<b>1,961,283</b>	<b>100.0%</b>

**Allocation of Total M & J Common Plant to the Gas Divisions:**

	Allocation %	Total M & J Common Plant	Total Common Plant	Total Adj Plant
<b>Florida Public Utilities Co.</b>				
West Palm Beach	60.7%	32,477	866,580	35,568,850
Sanford	11.7%	6,260	113,606	6,439,252
Deland	5.3%	2,836	50,853	2,913,095
<b>Flo - Gas Corporation</b>				
West Palm Beach	12.5%	6,688	156,789	4,047,682
Sanford	1.5%	803	12,578	504,357
Deland	8.3%	4,441	68,396	2,769,471
<b>Total</b>	<b>100.0%</b>	<b>53,504</b>	<b>1,268,801</b>	<b>52,242,706</b>

ELECTRIC ENERGY ACCOUNT

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

Line No.	Item (a)	Megawatt Hours (b)	Line No.	Item (a)	Megawatt Hours (b)
1	SOURCES OF ENERGY		20	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		21	Sales to Ultimate Consumers (Including Interdepartmental Sales)	635,970
3	Steam		22	Requirements Sales For Resale (See instruction 4, page 311)	
4	Nuclear		23	Non-Requirements Sales For Resale (See instruction 4, page 311)	
5	Hydro-Conventional		24	Energy Furnished Without Charge	
6	Hydro-Pumped Storage		25	Energy Used by the Company (Electric Department Only, Excluding Station Use)	680
7	Other		26	Total Energy Losses	33,648
8	Less Energy for Pumping		27	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 19)	670,298
9	Net Generation (Enter Total of lines 3 thru 8)	0			
10	Purchases	670,298			
11	Interchanges:				
12	In (gross)				
13	Out (gross)				
14	Net Interchanges (Lines 12 & 13)	0			
15	Transmission for/by Others (Wheeling)				
16	Received (MWh)				
17	Delivered (MWh)				
18	Net Transmission (lines 16 & 17)	0			
19	TOTAL (Enter Total of lines 9, 10, 14, and 18)	670,298			

MONTHLY PEAKS AND OUTPUT

1. Report below the information called for pertaining to simultaneous peaks established monthly (in megawatts) and the monthly output (in megawatt-hours) for the combined sources of electric energy of respondent

2. Report in column (b) the respondent's maximum MW load as measured by the sum of its coincidental net generation and purchases plus or minus net interchange, minus temporary deliveries (not interchange) of emergency power to another system. Show monthly peak including such emergency deliveries in a footnote and briefly explain the nature of the emergency. There may be cases of commingling of purchases and exchanges and "wheeling," also of direct deliveries by the supplier to customers of the reporting utility wherein segregation of MW demand for determination of peaks as specified by this report may be unavailable. In these cases, report peaks which include the intermingled transactions.

Furnish an explanatory note which indicates, among other things, the relative significance of the deviation from basis otherwise applicable. If the individual MW amounts of such totals are needed for billing under separate rate schedules and are estimated, give the amount and basis of estimate.

3. State type of monthly peak reading (instantaneous 15, 30, or 60 minutes integrated).

4. Monthly output is the sum of respondent's net generation for load and purchases plus or minus net interchange and plus or minus net transmission or wheeling. Total for the year must agree with line 19 above.

5. If the respondent has two or more power systems not physically connected, furnish the information called for below for each system.

Line No.	Month	Megawatts Week	Day of Week	MONTHLY PEAK			Monthly Output (MWh) (See Instr. 4)
				Day of Month	Hou	Type of Reading	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
33	January						
34	February						
35	March						
36	April						
37	May						
38	June						
39	July						
40	August						
41	September						
42	October						
43	November						
44	December						
45	TOTAL						

SEE ATTACHED SCHEDULES



MONTHLY PEAKS AND OUTPUT  
MARIANNA, FLORIDA SYSTEM

Month (a)	Megawatts (b)	Day of Week (c)	Day of Month (d)	Hour (e)	Type of Reading (f)	Monthly Output (MWh) (g)
January	57.4	Friday	17	7:00 a.m.	15 Min. Int.	24,042
February	54.2	Wednesday	12	7:15 a.m.	15 Min. Int.	20,184
March	40.5	Monday	3	2:00 p.m.	15 Min. Int.	20,479
April	41.5	Tuesday	22	3:15 p.m.	15 Min. Int.	19,329
May	53.7	Tuesday	27	2:45 p.m.	15 Min. Int.	22,779
June	57.2	Monday	16	3:30 p.m.	15 Min. Int.	25,233
July	62.3	Friday	11	3:00 p.m.	15 Min. Int.	30,998
August	63.6	Thursday	14	3:00 p.m.	15 Min. Int.	30,097
September	62.3	Wednesday	3	2:30 p.m.	15 Min. Int.	28,270
October	52.5	Thursday	9	2:45 p.m.	15 Min. Int.	22,889
November	53.7	Tuesday	18	6:45 a.m.	15 Min. Int.	20,937
December	54.0	Tuesday	16	6:45 a.m.	15 Min. Int.	24,881
TOTAL						290,118 =====

MONTHLY PEAKS AND OUTPUT  
FERNANDINA BEACH SYSTEM

Month (a)	Megawatts (b)	Day of Week (c)	Day of Month (d)	Hour (e)	Type of Reading (f)	Monthly Output (MWh) (g)
January	81.2	Saturday	18	9:30 a.m.	15 Min. Int.	31,178
February	76.9	Wednesday	12	7:45 a.m.	15 Min. Int.	28,355
March	73.3	Monday	3	7:30 p.m.	15 Min. Int.	27,852
April	67.9	Tuesday	22	7:30 p.m.	15 Min. Int.	26,740
May	64.7	Wednesday	21	1:30 p.m.	15 Min. Int.	29,405
June	74.9	Thursday	19	5:00 p.m.	15 Min. Int.	34,095
July	81.8	Thursday	24	3:00 p.m.	15 Min. Int.	38,046
August	75.5	Thursday	14	12:45 p.m.	15 Min. Int.	36,299
September	84.7	Friday	19	3:45 p.m.	15 Min. Int.	39,940
October	74.8	Friday	10	12:00 p.m.	15 Min. Int.	31,862
November	54.8	Monday	17	7:15 a.m.	15 Min. Int.	22,482
December	75.4	Monday	15	10:15 a.m.	15 Min. Int.	33,927
TOTAL						380,180 =====

## 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 transmission line. Show in column (f) the 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						
2		Fernandina			Steel Pole	1.35		
3		Beach, FL	138,000	138,000	Concrete Pole	2.0	NONE	1
4					Wood Pole	8.05		
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	0.6		
11	Beach, FL	and Julia St.	69,000	69,000	Wood Pole	5.4	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	23.21		



## 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)	Land (j)	COST OF LINE		EXPENSES, EXCEPT DEPRECIATION AND TAXES**					Line no.
		Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)		
394.6MCM Alum.	25,803	1,185,925	1,211,728						1
									2
									3
									4
									5
4/0 Alum.		474,069	474,069						6
394.6MCM Alum.									7
652MCM Alum.									8
									9
477MCM Alum.	32,677	489,789	522,466						10
									11
									12
									13
									14
394.6MCM Alum.		90,636	90,636						15
									16
									17
4/0 Alum.									18
									19
									20
									21
									22
*Includes Roads and Trails									23
**Expenses Shown Below Include All Transmission Lines									24
									25
									26
									27
									28
									29
	58,480	2,240,419	2,298,899	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 and Distribution			
10		Unattended	138M	69M	
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					



## 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.

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

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, co-owner or other party is an associated company.

Capacity of Substation (In Service) (In MVA)	Number of Transformers In Service	Number of Spare Transformers	Type of Equipment	Number of Units	Total Capacity	Line No.
(f)	(g)	(h)	(i)	(j)	(k)	
28	3	0	Fans Added			1
						2
						3
40	2	0	Fans Added			4
						5
						6
8	1	0	Fans Added			7
						8
150	3	0	Fans Added			9
30	2	0	Fans Added			10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
						21
						22
						23
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						27
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						29
						30
						31
						32
						33
						34
						35
						36

## ELECTRIC DISTRIBUTION METERS AND LINE TRANSFORMERS

1. Report below the information called for concerning distribution watt-hour meters and line transformers.

2. Include watt-hour demand distribution meters, but not external demand meters.

3. Show in a footnote the number of distribution watt-hour meters or line transformers held by the respondent under lease from others, jointly owned with others, or held otherwise than by reason of sole ownership by the respondent. If 500 or more meters or line transformers are held under a lease, give name of lessor, date and period of lease, and annual rent. If 500 or more meters or line transformers are held other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of accounting for expenses between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Line No.	Item (a)	Number of Watt Hour Meters (b)	Line Transformers	
			Number (c)	Total Capacity (In MVA) (d)
1	Number at Beginning of Year	24,514	9,210	367.059
2	Additions During Year			
3	Purchases	851	305	16.450
4	Associated with Utility Plant Acquired	0	0	0.000
5	Total Additions (Enter Total of lines 3 and 4)	851	305	16.450
6	Reductions During Year			
7	Retirements	253	54	1.000
8	Associated with Utility Plant Sold	0	0	0.000
9	Total Reductions (Enter Total of lines 7 and 8)	253	54	1.000
10	Number at End of Year (Lines 1 + 5 - 9)	25,112	9,461	382.509
11	In Stock	846	209	20.080
12	Locked Meters on Customers' Premises	498	0	0.000
13	Inactive Transformers on System	0	0	0.000
14	In Customers' Use	23,766	9,250	362.229
15	In Company's Use	2	2	0.200
16	TOTAL End of Year(Enter Total of lines 11 to 15. This line should equal line 10.)	25,112	9,461	382.509



### ***Business Contracts with Officers, Directors, and Affiliates***

**Company:** *Florida Public Utilities Company*

***For the Year Ended December 31, 1997***

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.

Name of Officer or Director	Name and Address of Affiliated Entity	Amount	Identification of Product or Service
	<i>NONE</i>		

\*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.

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

FLORIDA PUBLIC UTILITIES COMPANY

For the Year Ended December 31, 1997

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).

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Line No.	Description	Gross Operating Revenues per Page 300	Interstate and Sales for Resale Adjustments	Adjusted Intrastate Gross Operating Revenues	Gross Operating Revenues per RAF Return	Intrastate and Sales for Resale Adjustments	Adjusted Intrastate Gross Operating Revenues	Difference (d) - (e)
1	Total Sales to Ultimate Customers (440-446, 448)	39,112,668		39,112,668	39,037,434		39,037,434	75,234
2	Sales for Resale (447)			-	-			-
3	Total Sales of Electricity	39,112,668		39,112,668	39,037,434		39,037,434	75,234
4	Provision for Rate Refunds (449.1)	(290,483)		(290,483)	(413,483)		(413,483)	123,000
5	Total Net Sales of Electricity	38,822,185		38,822,185	38,623,951		38,623,951	198,234
6	Total Other Operating Revenues (450-456)	(139,533)		(139,533)	(64,299)		(64,299)	(75,234)
7	Other (Specify)							
8								
9								
10	Total Gross Operating Revenues	38,682,652		38,682,652	38,559,652		38,559,652	123,000

**Notes:**

Correct overpayment because Rate refund of 123,000 was not included last year.



## ***Analysis of Diversification Activity***

### **Changes in Corporate Structure**

**Company: Florida Public Utilities Company**

**For the Year Ended December 31, 1997**

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)
	<p>We have enclosed copies of our updated Organizational Chart for Florida Public Utilities Company</p> <p>Flo-Gas does not have any employees.</p>

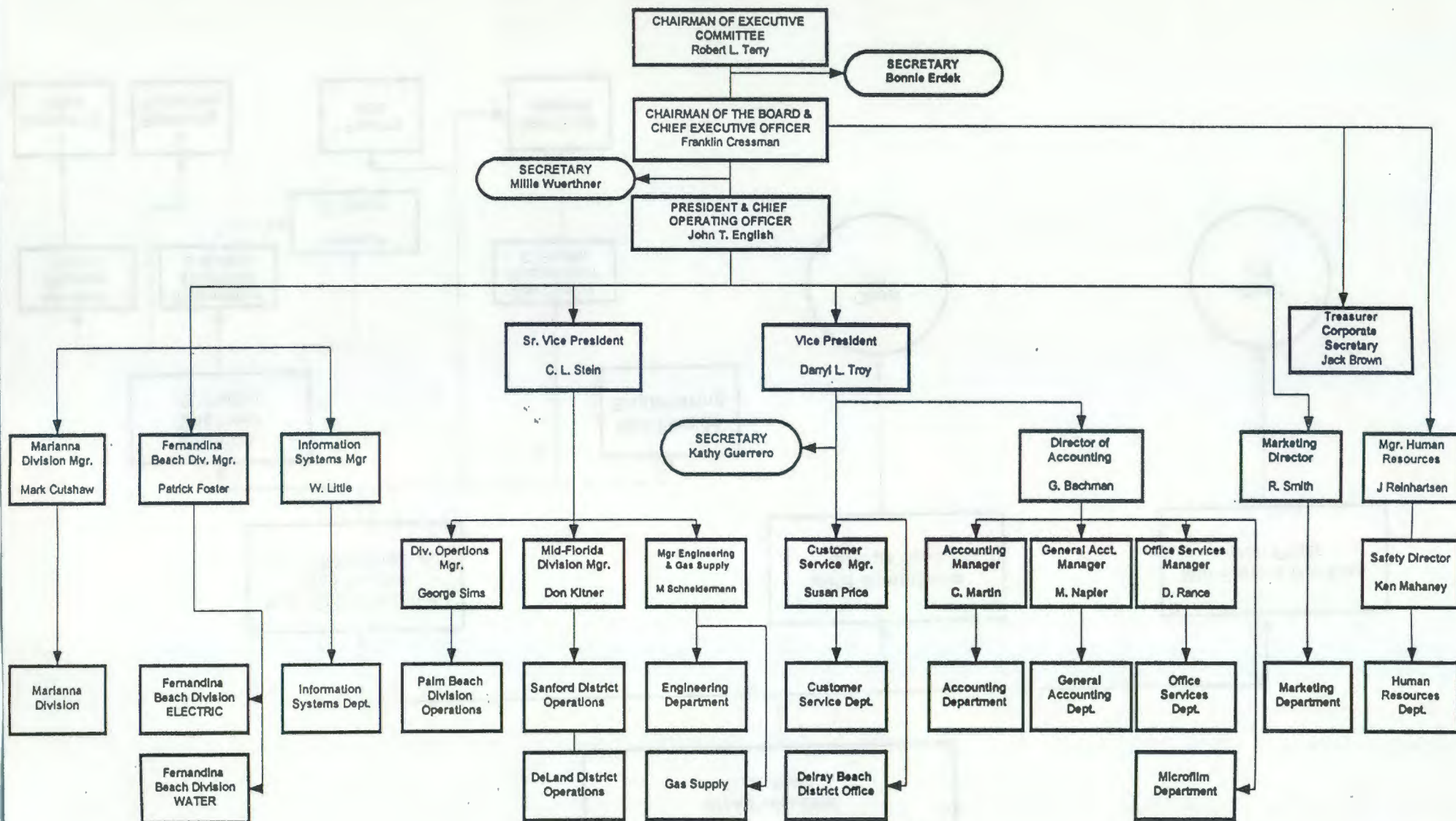
FLORIDA PUBLIC SERVICE COMMISSION

## DIVERSIFICATION REPORT



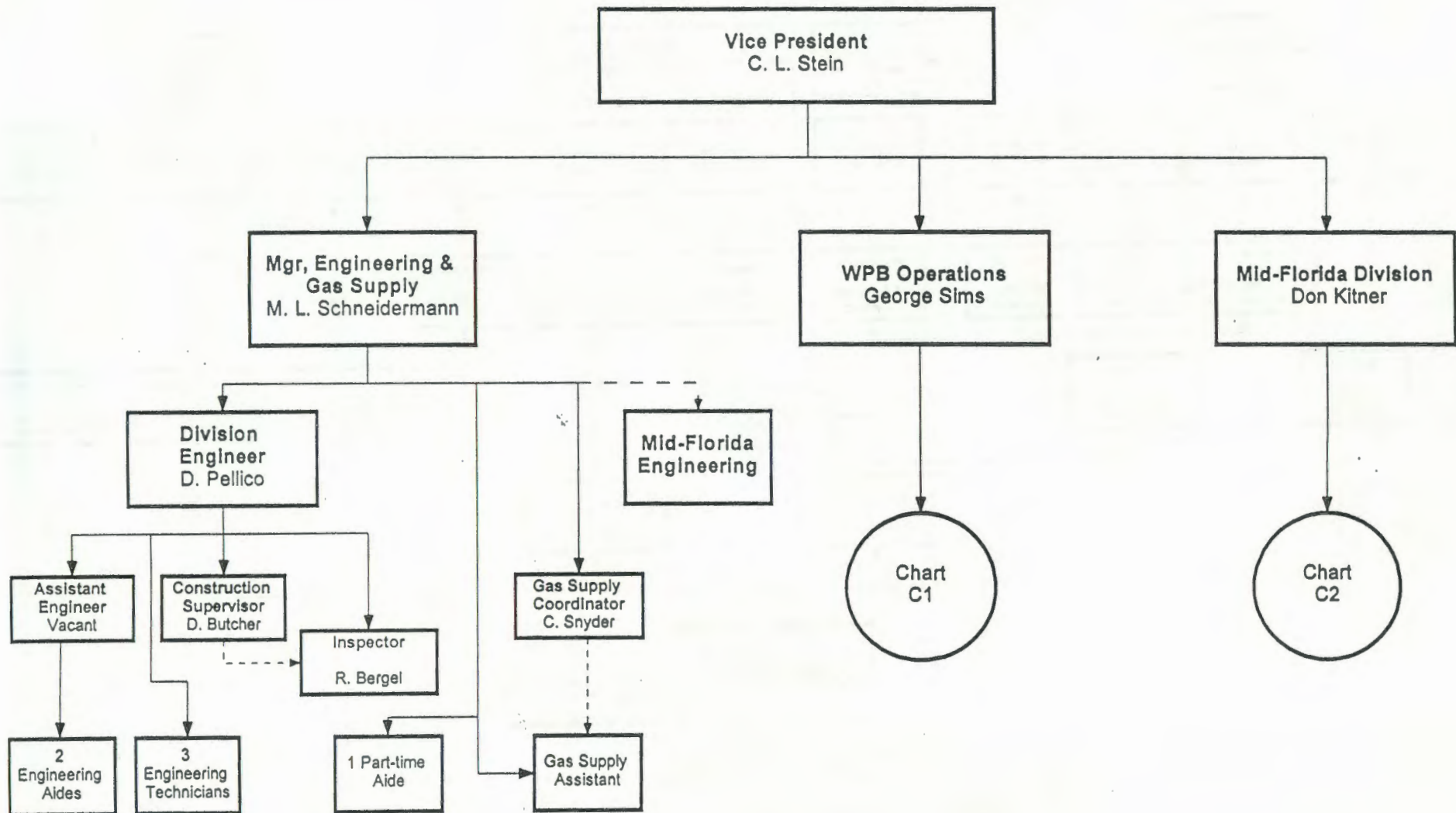
# FLORIDA PUBLIC UTILITIES COMPANY

## Organizational Chart Chart A



Revised 03/18/98

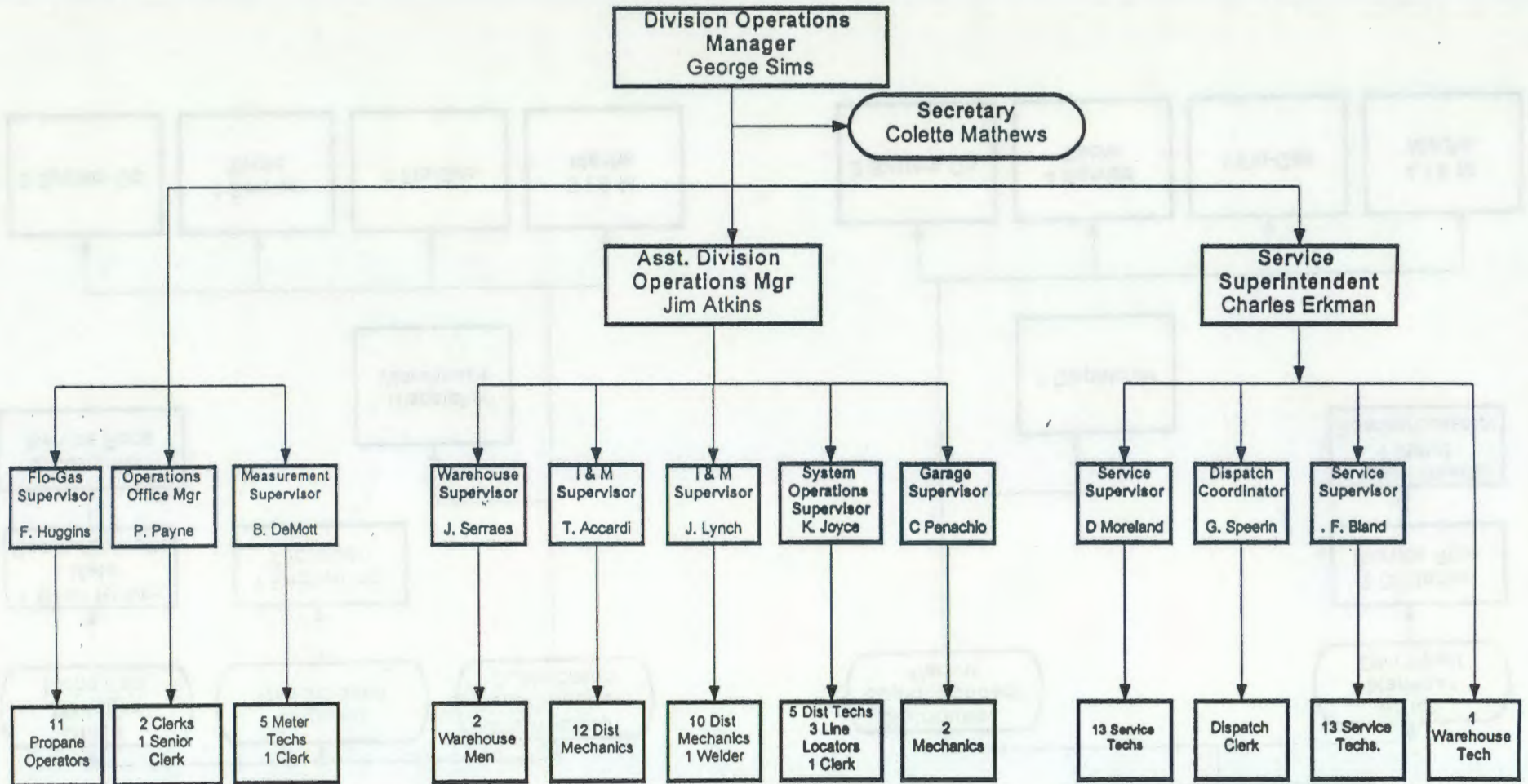
FLORIDA PUBLIC UTILITIES COMPANY  
Gas Operations Organizational Chart  
Chart B



Revised 03/18/98



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

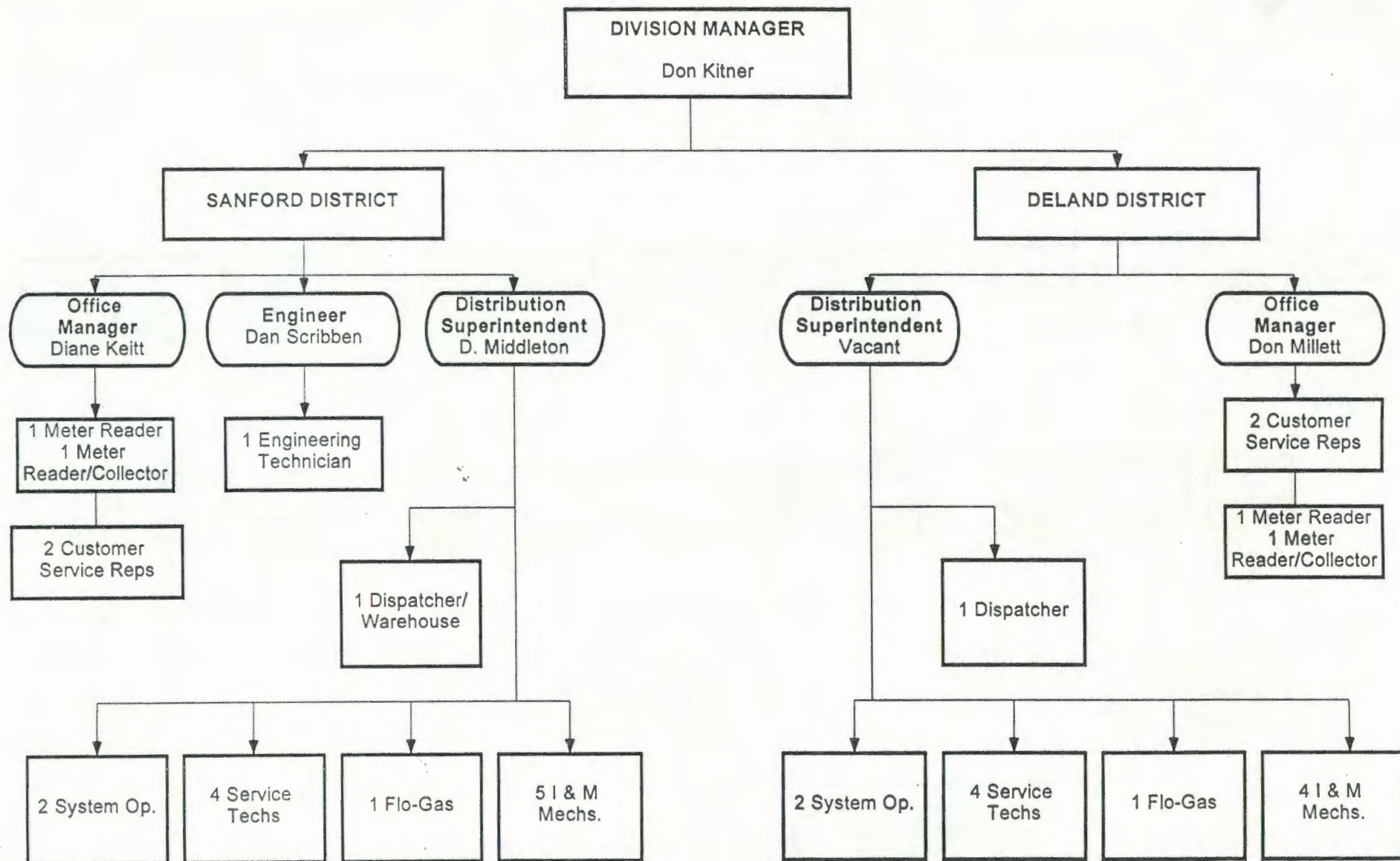


Revised 03/18/98

# FLORIDA PUBLIC UTILITIES COMPANY

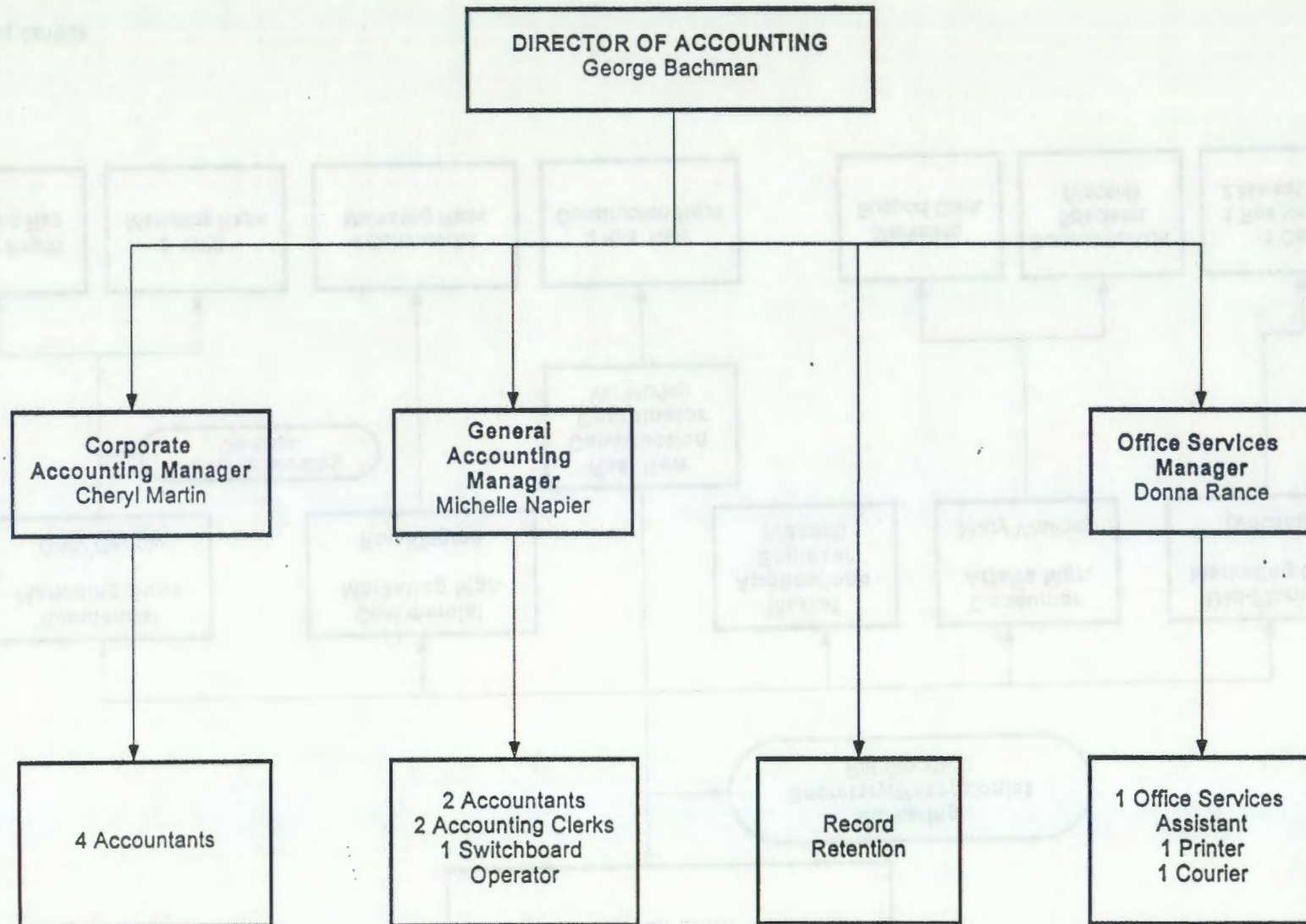
Mid-Florida Division Organizational Chart

Chart C2



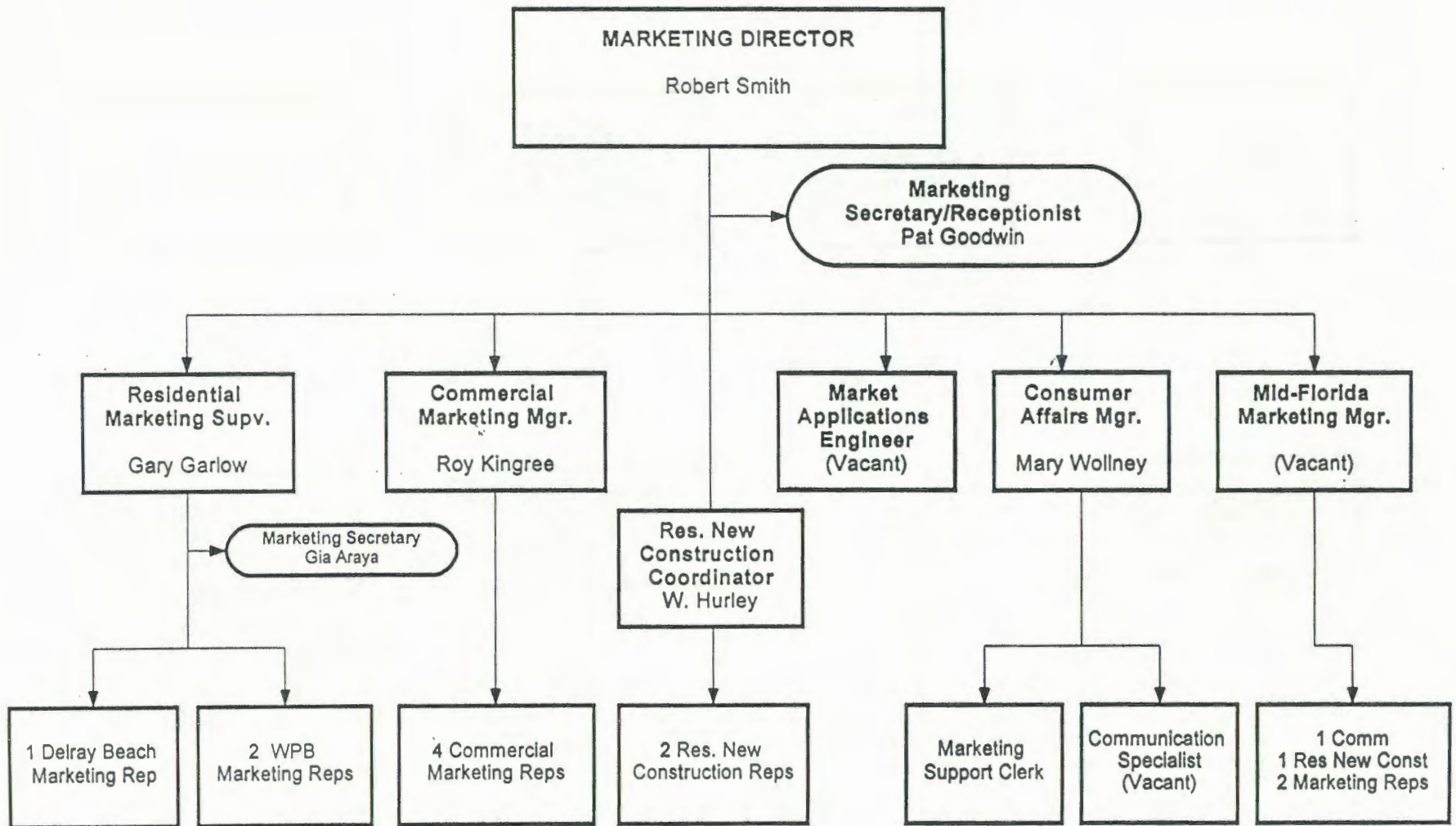
Revised 03/18/98





Revised 03/18/98

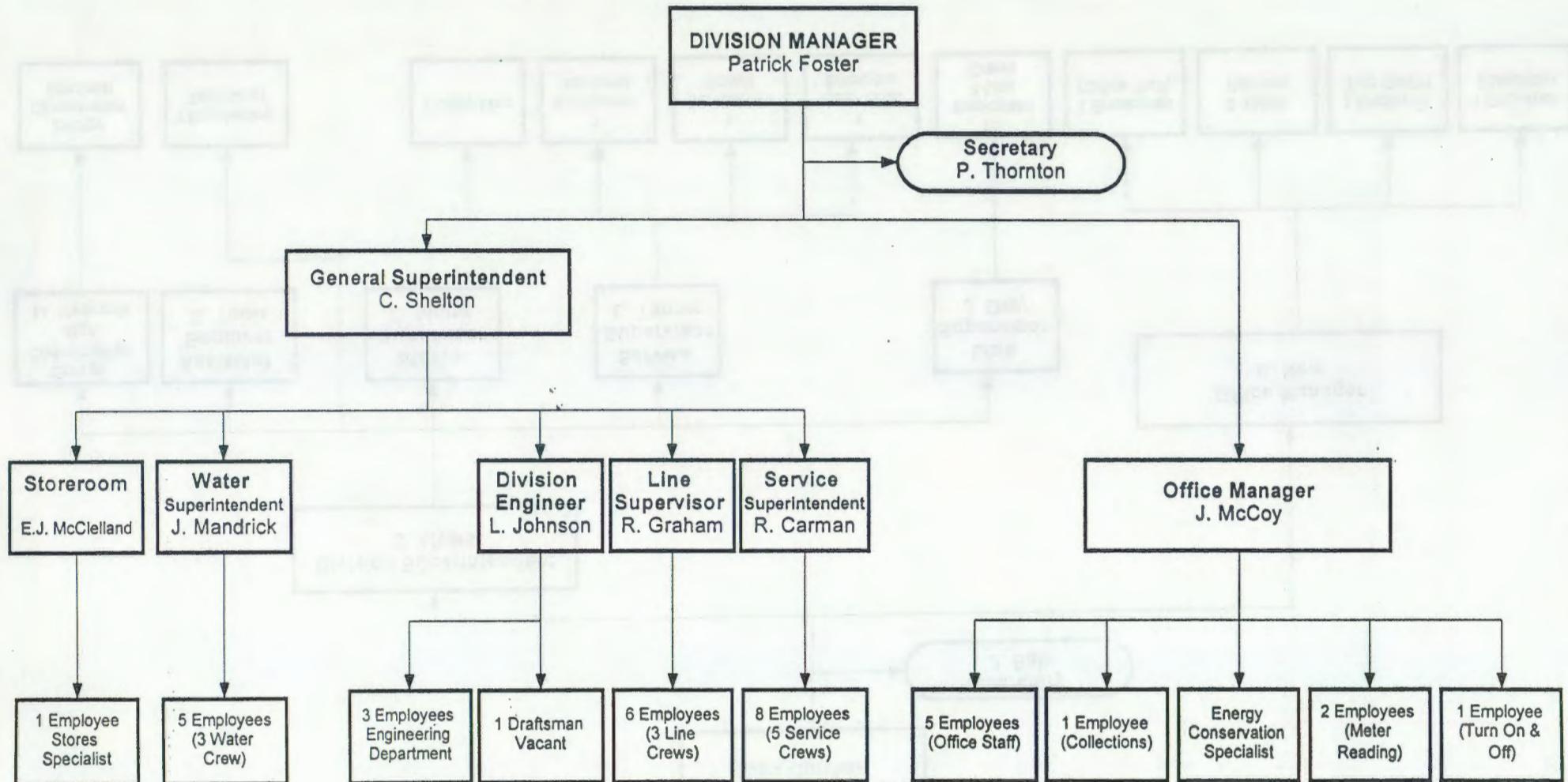
**FLORIDA PUBLIC UTILITIES COMPANY**  
Marketing Department Organizational Chart  
Chart E



Revised 03/18/98

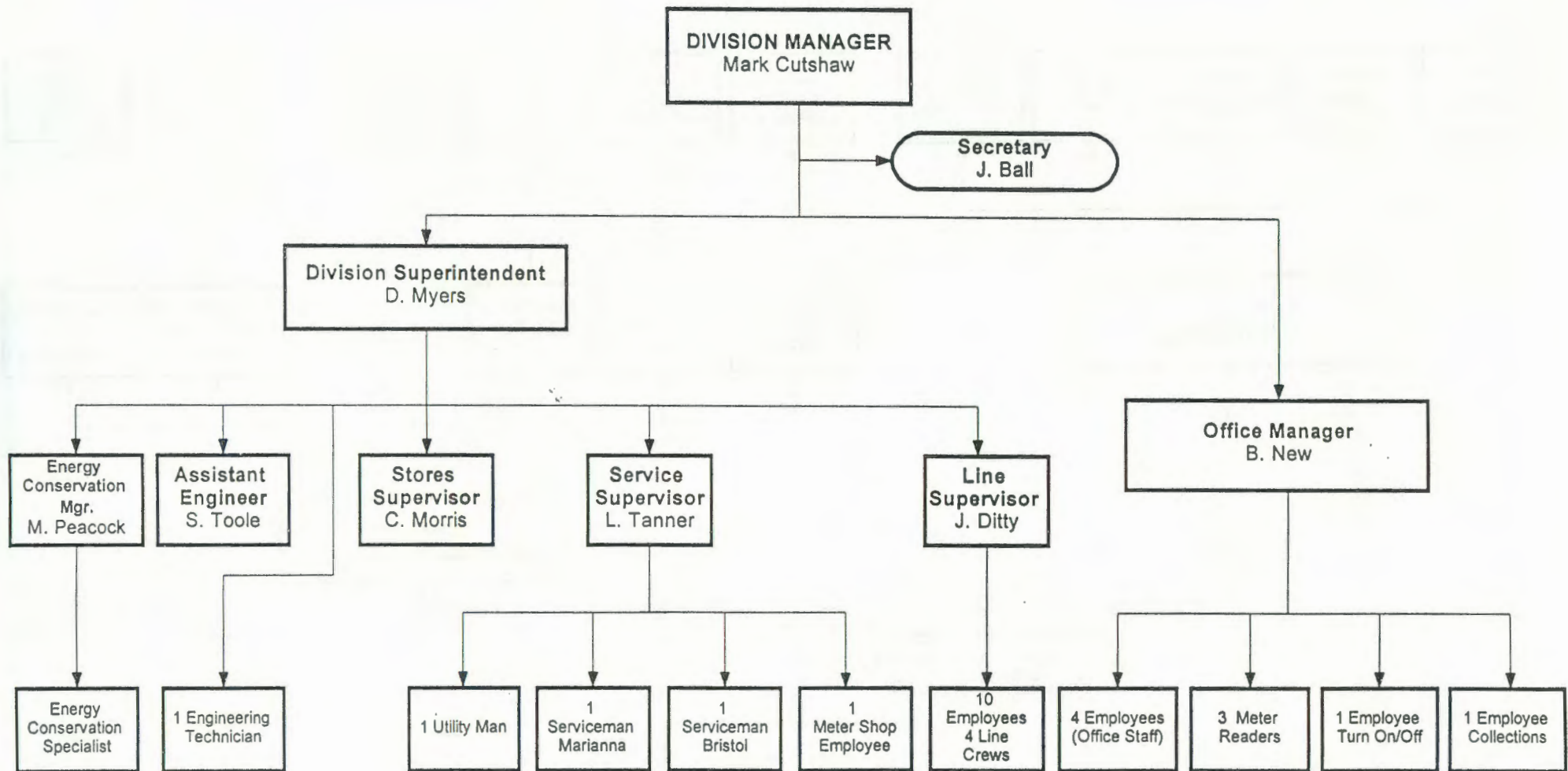


**FLORIDA PUBLIC UTILITIES COMPANY**  
Organizational Chart for Fernandina Beach Division  
Chart F



Revised 03/18/98

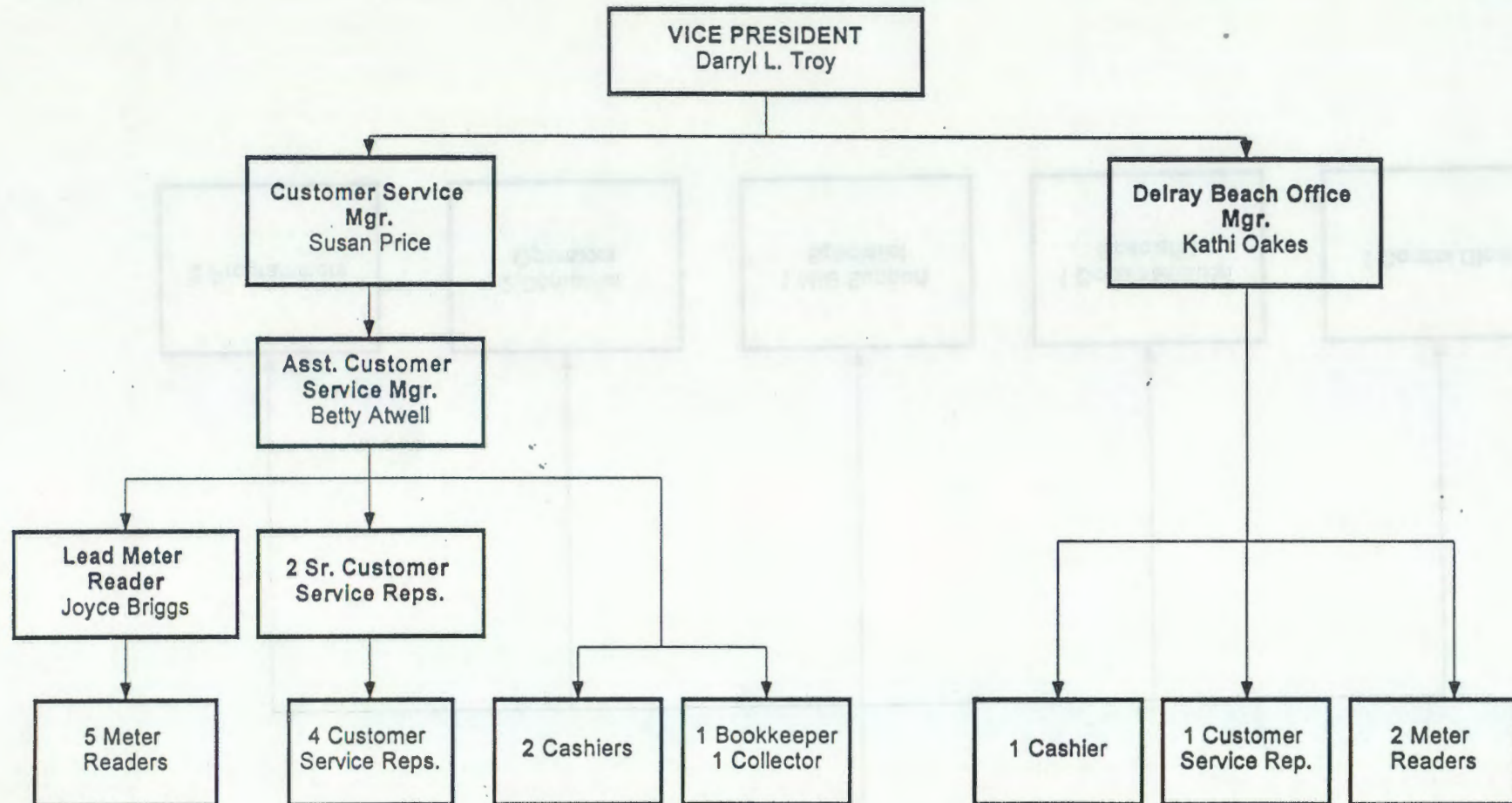
FLORIDA PUBLIC UTILITIES COMPANY  
Organizational Chart for Marianna Division  
Chart G



Revised 03/18/98

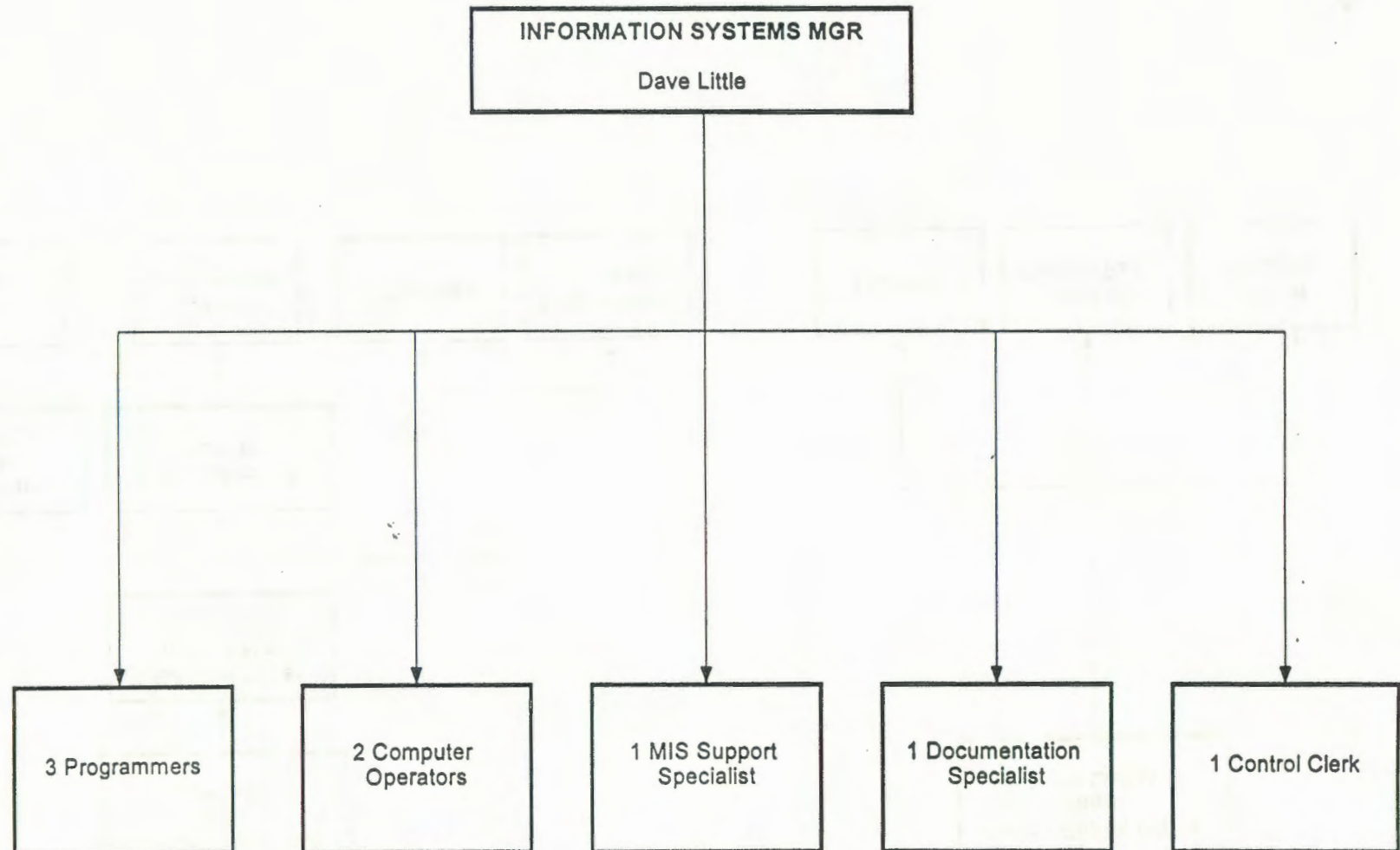


**FLORIDA PUBLIC UTILITIES COMPANY**  
Customer Service Organizational Chart  
Chart H



Revised 03/18/98

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



Revised 03/18/98



**Analysis of Diversification Activity**  
Summary of Affiliated Transfers and Cost Allocations

**Company: Florida Public Utilities Company**

**for the Year Ended December 31, 1997**

Grouped by affiliate, list each contract, agreement, or other business transaction exceeding a cumulative amount of \$300 in any one year, entered into between the Respondent and an affiliated business or financial organization, firm, or partnership identifying parties, amounts, dates, and product, asset, or service involved.

(a) Enter name of affiliate.

b) give description of type of service, or name the product involved.

(c) Enter contract or agreement effective dates.

(d) Enter the letter "p" if the service or product is a purchased by the Respondent; "s" if the service or product is sold by the Respondent.

e) Enter utility account number in which charges are recorded.

(f) Enter total amount paid, received, or accrued during the year for each type of service or product listed in column (C). Do not net amounts when services are both received and provided.

Name of Affiliate (a)	Type of Service and/or Name of Product (b)	Relevant Contract or Agreement and Effective Date (C)	"p" or "s" (d)	Total Charge for Year	
				Account Number (e)	Dollar Amount (f)
	SEE ATTACHED SCHEDULES				

## ANALYSIS OF DIVERSIFICATION ACTIVITY REPORT

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

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

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

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



**ANALYSIS OF DIVERSIFICATION ACTIVITY SUPPLEMENT**  
**FLO-GAS**  
**INCOME STATEMENT**  
**12 MONTHS ENDING 12/31/97**

	Year-to-Date Actual	Last Year-to-Date Actual
Operating Revenue	4,065,182	4,400,718
Operation Expenses	3,410,472	3,589,060
Maintenance Expenses	257,180	260,305
Depreciation Expense	343,430	344,066
Amortization of Utility Plant-		
Acquisition Adjustment	-	-
Tax Other Than Income Tax-Utility		
Operation Expense	71,193	69,347
Income Tax - Federal - Utility		
Operating Income	(119,475)	96,275
Income Tax - State - Utility		
Operating Income	(50,710)	20,238
Deferred Income Tax - Utility		
Operating Income	92,764	(124,920)
Investment Tax Credit - Utility		
Operating Income	(8,248)	(8,547)
Operating Income	<u>68,576</u>	<u>154,894</u>
<u>Other Income and Deductions</u>		
Interest and Dividend Income	-	-
Misc. Non-Operating Income	-	-
Other Income Deductions	-	4,550
Taxes Other Than Income - Other	-	-
Income Taxes-Federal-Other Income	(62)	(1,400)
Income Taxes-State-Other Income	50	(300)
Other (Income) and Deductions	<u>(12)</u>	<u>2,850</u>
<u>Interest Charges</u>		
Interest on Debt to Associated Companies	121,775	82,868
Other Interest Expense	19,506	16,614
Interest Charges	<u>141,281</u>	<u>99,482</u>
<u>Extraordinary Items</u>		
Cumulative Effect - Change in Accounting Principles - Net	-	-
Net Income	<u>(72,717)</u>	<u>58,262</u>

## ANALYSIS OF DIVERSIFICATION ACTIVITY SUPPLEMENT

## FLO-GAS

## BALANCE SHEET - 09

AS OF DECEMBER 31, 1997

Assets and Other Debits	Current	Last Year End
<b>Utility Plant</b>		
Utility Plant in Service	7,291,792	7,155,966
Utility Plant Purchased/Sold		
Completed Construction Not Classified		
Construction Work in Progress		
<b>Utility Plant</b>	<u>7,291,792</u>	<u>7,155,966</u>
<b>Accumulated Depreciation</b>		
Accumulated Dep. - Utility Plant in Service	(2,367,049)	(2,170,736)
Accumulated Dep. - Transportation Equip.	(389,991)	(370,489)
Retirement Work in Progress		
Accumulated Dep. - Rental Equipment		
<b>Accumulated Depreciation</b>	<u>(2,757,040)</u>	<u>(2,541,225)</u>
<b>Other Utility Plant</b>		
Utility Plant Acquisition Adj.	-	-
Accum. Amort. - Utility Acq. Adj.	-	-
<b>Other Utility Plant</b>	<u>-</u>	<u>-</u>
<b>Other Property and Investments</b>		
Investment in Assoc. Companies -		
Common Stock	116,262	159,505
<b>Other Property and Investments</b>	<u>116,262</u>	<u>159,505</u>
<b>Current and Accrued Assets</b>		
Customer Accounts Receivable	352,966	421,655
Allowance for Uncollectible Accounts	(2,276)	(7,920)
Accounts Rec. from Associated Companies		
Operating Supplies - Propane	897,788	977,388
Prepayments - Taxes		
Interest and Dividends Receivable		
Accrued Utility Revenues	93,797	93,797
<b>Current and Accrued Assets</b>	<u>1,342,275</u>	<u>1,484,920</u>
<b>Deferred Debits</b>		
Misc. Deferred Debits - Other W.I.P.		-
Misc. Deferred Debits - Miscellaneous	2,335	2,892
Accum. Deferred Income Taxes	4,445	89,454
<b>Deferred Debits</b>	<u>6,780</u>	<u>92,346</u>
<b>ASSETS AND OTHER DEBITS</b>	<u>6,000,069</u>	<u>6,351,512</u>



## ANALYSIS OF DIVERSIFICATION ACTIVITY SUPPLEMENT

## FLO-GAS

## BALANCE SHEET - 09

AS OF DECEMBER 31, 1997

Liabilities and Other Credits	<u>Current</u>	<u>Last Year End</u>
Proprietary Capital		
Common Stock Issued	10,000	10,000
Appropriated Retained Earnings	-	-
Unappropriated Retained Earnings	<u>1,945,237</u>	<u>2,386,976</u>
<b>Proprietary Capital</b>	<u><b>1,955,237</b></u>	<u><b>2,396,976</b></u>
Current and Accrued Liabilities		
Accounts Payable to Assoc. Companies	1,884,866	2,208,075
Customer Deposits	490,201	506,285
Taxes Accrued	(104,573)	108,885
Interest Accrued	17,454	14,787
Dividends Declared		(500,000)
Tax Collections Payable	29,576	31,712
Misc. Current and Accrued Liabilities	-	-
Customer Advances for Construction	-	-
Other Deferred Income Taxes - Other	-	-
Accumulated Deferred I.T.C.	<u>38,720</u>	<u>46,968</u>
<b>Current and Accrued Liabilities</b>	<u><b>2,356,244</b></u>	<u><b>2,416,712</b></u>
Operating Reserves		
Misc. Operating Reserves	-	-
Accum. Deferred Income Tax -		
Liberalized Depreciation	1,761,305	1,479,562
Accum. Deferred Income Taxes - Other	-	-
<b>Operating Reserves</b>	<u><b>1,761,305</b></u>	<u><b>1,479,562</b></u>
Year-to-Date Income/Loss	<u>(72,717)</u>	<u>58,262</u>
<b>LIABILITIES AND OTHER CREDITS</b>	<u><b>6,000,069</b></u>	<u><b>6,351,512</b></u>

## ***Analysis of Diversification Activity***

### ***Employee Transfers***

***Company: Florida Public Utilities Company***

***For the Year Ended December 31, 1997***

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
Flo-Gas Does Not Have Any Employees				



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**FLORIDA PUBLIC UTILITIES COMPANY  
ANNUAL STATUS REPORT FOR  
STORM DAMAGE RESERVE (MARIANNA)**

**Status of Reserve**

Beginning Balance 01/01/97		\$201,526.61
Accruals under Docket #93-0400 EI (03/94 - 12/95)	<u>99,996.00</u>	
Total Accruals During 1997		99,996.00
Additional Accrual from Overrecovery		37,148.00
Total Charges During 1997		<u>0.00</u>
Ending Balance, 12/31/97		<u><u>\$338,670.61</u></u>

**Reasonableness of Reserve**

**Distribution Plant - Book Cost**

Storm Damage Reserve Balance @ 12/31/97	\$338,670.61
Total Distribution Plant (per books) @ 12/31/97	<u>\$18,819,758.00</u>
Ratio of Reserve to Distribution Plant	<u><u>1.7995%</u></u>

**Distribution Plant - Replacement Cost**

Storm Damage Reserve Balance @ 12/31/97	\$338,670.61
Estimated Replacement Cost of Distribution Plant (Distribution Plant @ 12/31/97 times 2)	<u>\$37,639,516.00</u>
Ratio of Reserve to Replacement Distribution Plant	<u><u>0.8998%</u></u>

**Availability of Distribution Systems Insurance**

Insurance for the Distribution Systems is now available. The following information relates to the available insurance:

Broker: McGriff, Seibels, and William - Insurance Broker

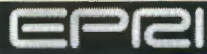
Coverage: The coverage is for the Transmission and Distribution Plant (overhead only) in an amount not to exceed \$5,000,000; replacement value of such plant is estimated at \$25,000,000.

Policy Term: 1 Year

Retention: \$2,000,000 minimum per occurrence.

Premium: Estimated at \$500,000 for \$5,000,000.



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## News Releases

### EPRI. Powering Progress

#### Excellent Drinking Water Disinfectant Coming Down In Price

**Palo Alto, California -- October 19, 1998 --** Ozone, according to the U.S. Environmental Protection Agency, is the most effective primary disinfectant for drinking water. Ozone also reduces tastes and odors, and can help cities and other water treatment operators meet increasingly strict regulations for contaminants. Moreover, the cost is now coming down for existing and new ozone-based water treatment plants.

"Improvements in technology and operating practices can reduce energy costs of operating ozone equipment by up to 30%, making it much more feasible economically," said Keith Carns, project manager at EPRI, the science and technology organization for the energy industry. EPRI's Municipal Water and Wastewater Program and the American Water Works Association (AWWA) Research Foundation are co-sponsors of an ongoing ozone energy optimization project, which began in 1995.

Studies show that ozone can be more than 300 times more effective against Giardia cysts than chlorine, which is the most common disinfectant in use in potable water plants in the United States, and has an oxidation capacity more than 50 % greater than chlorine.

Nearly 20 years ago, about 10 North American facilities used ozone for water treatment. By 1997, that number stood at more than 200. Experts expect a 150 % increase in the percentage of U.S. drinking water treated with ozone in the next decade.

Phase I of the Ozone Energy Optimization Project, conducted in 1995-96, developed a standardized protocol for evaluating the optimal use of ozone systems. Phase II, recently completed, documented the findings using that protocol at 11 North American water treatment plants.

The results showed that an average 16 % cost savings over most plants' current ozone costs is achievable through improved operation and maintenance and process control. Another 15 % average cost savings is possible through minor modifications to ozone facility design.

Research continues with Phase III, begun last year, to provide feedback to designers of ozone systems for maximizing efficiencies in new facilities.

The Mannheim Water Treatment Plant, operated by the Regional Municipality of Waterloo in Ontario, Canada, participated in Phase II of the study in conjunction with electric utilities Ontario Hydro and Kitchener Wilmot Hydro.

Plant Process/Supervisory Control and Data Acquisition System Supervisor Franklyn Smith said the research protocol helped the plant identify ozone production inefficiencies, resulting in a 20 % energy savings, which corresponds to an estimated savings of about \$20,000 annually.

Jerry McMillion, assistant water systems superintendent for the City of Fort Worth, Texas, said the use of ozone has greatly reduced the amount of coagulant chemicals required during the water treatment process at the Fort Worth-Eagle Mountain Water Treatment Plant. Coagulant chemicals react with particles and bacteria in the water to form clumps that settle at the bottom of treatment basins and thus get filtered out of the water to ensure its purity.

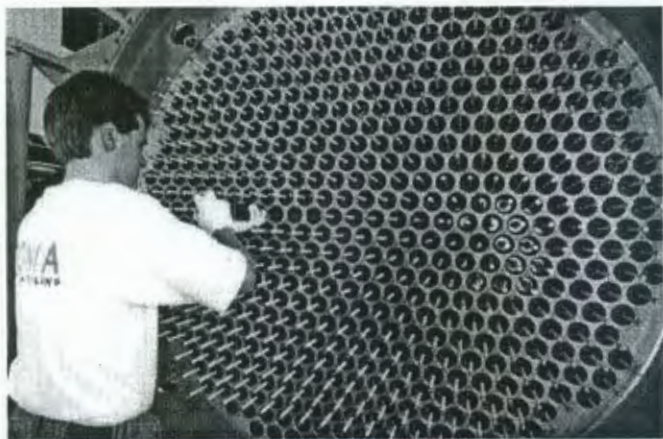
"Our coagulant dose is four times lower than that of many other water treatment plants, which helps offset the cost of the ozone process even more," he said.



TU Electric/Lone Star Gas in Texas has worked with the cities of Fort Worth and Dallas (both municipal water suppliers) on the research project. Paul Wolske, technical services consultant at the utility, noted, "Through the collaborative effort of projects like these, TU Electric/Lone Star Gas is able to provide a higher level of service to our water utility customers, which also benefits the whole community. And water utility customers gain valuable information that can be applied to the design of future ozone installations."

Besides the facilities in Ontario and Texas, the Ozone Energy Optimization Project evaluated procedures at plants operated by the following water utilities, in collaboration with their associated electric utility (also noted):

- Alameda County Water District (Fremont, Calif.) - Pacific Gas & Electric,
- Central Lake County Joint Action Water Agency (Lake Bluff, Ill.) - Commonwealth Edison,
- City of Fairfield (Fairfield, Calif.) - Pacific Gas & Electric,
- City of Montreal (Montreal, Quebec, Canada) - Hydro Quebec,
- City of White Plains (White Plains, N.Y.) - New York Power Authority,
- Costa Mesa Consolidated Water (Costa Mesa, Calif.) - Southern California Edison,
- East Bay Municipal Utility District (Oakland, Calif.) - Pacific Gas & Electric, and
- New Jersey American Water Company (Delran, N.J.) - Public Service Electric and Gas.



Ozone generator. Photo courtesy of Ozonia.

Photo is available from Jackie Turner at (650) 855-2272 or [jturner@epri.com](mailto:jturner@epri.com)

*Located in Denver, Colo., the AWWA Research Foundation is a nonprofit corporation that is dedicated to the implementation of a research effort to help drinking water utilities respond to regulatory requirements and traditional high-priority concerns of the industry.*

*EPRI, established in 1973 and headquartered in Palo Alto, California, manages science and technology programs for the energy and energy services industry worldwide.*

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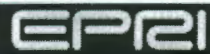
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## News Releases

### EPRI. Powering Progress

## DSTATCOM Provides Flexible Voltage Control For Increased Loads

### *New device protects distribution circuit from the effects of an erratic local load*

**Palo Alto, California -- October 7, 1998 --** Two major North American utilities have teamed with EPRI and Westinghouse to develop a distribution static compensator (DSTATCOM) that tames severe voltage flicker problems and saves up to \$1.2 million over traditional solutions.

When an International Forest Products (Interfor) lumber mill in the rural Canadian community of Adams Lake announced plans to install a new whole-log chipper driven by a single 1200-hp motor, a "red flag" went up at its energy provider, BC Hydro. In rural areas, it is not uncommon for residential properties to mingle with industrial operations such as lumber mills, and from previous experience with similar equipment, BC Hydro knew the chipper would cause voltage flicker for the nearest 100 neighbors on the 25-kV distribution feeder. Potentially, all 800 customers on the 30-km line could be adversely affected.

A similar problem faced an American Electric Power (AEP) customer in Swayzee, Ind. When Irving Materials expanded their rock crushing facility, the increased load caused flicker problems for other customers on AEP's distribution circuit. In order to maintain power quality on the 11-mile circuit—which serves approximately 1000 customers—only two of the three crushing plants were allowed to run at a time.

Both utilities turned to EPRI for advice. They learned that EPRI and Westinghouse were working on a novel distribution static compensator—DSTATCOM—and were looking for field sites for prototype testing. When computer simulation engineering studies at each site confirmed the suitability of each application, DSTATCOM controllers were installed.

A mobile DSTATCOM unit placed in service at the Interfor sawmill in January 1997 has proven itself in the field. Without it, the line's voltage flicker rate typically runs 7-8%; DSTATCOM reduces the flicker to an acceptable level of 4%. Now that the test is concluded, BC Hydro plans to move the unit to another site experiencing ongoing power disturbances. No repercussions will occur at the sawmill because Interfor has implemented in-plant design modifications that will reduce the impact of the chipper on the electrical system. BC Hydro hopes to repeat its success with another customer.

"DSTATCOM gives us the flexibility to work proactively and cost-effectively to ensure one customer's use of power equipment doesn't adversely affect other customers on the distribution line," says BC Hydro's Jim Clouston.

AEP's customer, Irving Materials, produces minerals for use in construction and agriculture at its stone crushing mills. They reduce raw material two-to-three feet in diameter to a final product that varies from inches across to powder, depending on the end use. Together, the three crushing plants include 17 high-horsepower electric motors. Starting the largest crusher motors creates a momentary inrush of 1800kVA with a 0.28 power factor.





**EPRI's DSTATCOM technology controlled voltage flicker on an American Electric Power distribution circuit, enabling a large industrial customer to expand its rock-crushing operations.**

Photo available from Christine Hopf-Lovette at (650) 855-2733 or [chopf@epri.com](mailto:chopf@epri.com)

"During normal plant operations the motors are rapidly loaded—sometimes to near stall—as truckloads of boulders are dumped into the crusher hoppers," says AEP's Dave Chen, senior engineer in Distribution Engineering & Planning. "This frequent, irregular loading of the motors from truckload to truckload goes on for the duration of an entire work shift."

The conventional solution to this problem would be for AEP to construct a new distribution station. Instead, AEP teamed with EPRI and Westinghouse to provide a considerably more cost-effective answer. DSTATCOM protects distribution circuits from the effects of an erratic local load by instantaneously adjusting the level of line compensation for changing load conditions. It provides voltage support through a shunt connection to distribution lines.

"We consider this a highly successful project," said Harry Vollkommer, staff engineer in AEP's Technology Delivery Group. "We will continue to monitor and evaluate the performance of the DSTATCOM system for about a year and to look for new sites to apply this new cost-effective technology." Design and installation at both sites were accomplished within one year. "This project exemplifies the true measure of teamwork between the customers, AEP, BC Hydro, EPRI, and Westinghouse," says Ashok Sundaram, EPRI Program Manager.

**For technical information, contact Ashok Sundaram at EPRI by phone (650) 855-2304 or e-mail [asundara@epri.com](mailto:asundara@epri.com).**

*EPRI, established in 1973 and headquartered in Palo Alto, California, manages science and technology programs for the energy and energy services industry worldwide.*

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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 01 through 20 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 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	Ref. Page No.	Total Current Year	Total Previous Year
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	\$16,860,543	\$18,623,142
3	Operating Expenses			
4	Operation Expenses (401)		12,871,968	14,705,414
5	Maintenance Expenses (402)		662,381	635,194
6	Depreciation Expense (403,405)		787,581	757,785
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)		1,183,179	1,156,452
14	Income Taxes - Federal (409.1)		278,497	153,645
15	- Other (409.1)		42,246	33,878
16	Provision for Deferred Inc. Taxes (410.1)	234,272-277	(59,733)	114,627
17	(Less) Provision for Deferred Income Taxes-Cr.(411.1)	234,272-277	-	-
18	Investment Tax Credit Adj. - Net (411.4)	266	(23,669)	(23,985)
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 4-18)		15,742,450	17,533,010
24	Net Utility Operating Income (Total of line 2 less 19) (Carry forward to page 117, line 25)		\$1,118,093	\$1,090,132



## 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 nest 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 observance 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	<b>1. INTANGIBLE PLANT</b>		
2	(301) Organization		
3	(302) Franchises and Consents		
4	(303) Miscellaneous Intangible Plant		
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	0	0
6	<b>2. PRODUCTION PLANT</b>		
7	<b>A. Steam Production Plant</b>		
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)	0	0
16	<b>B. Nuclear Production Plant</b>		
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)	0	0
24	<b>C. Hydraulic Production Plant</b>		
25	(330) Land and Land Rights	0	
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)	0	0
33	<b>D. Other Production Plant</b>		
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.
			\$0	(301)	1
			0	(302)	2
			0	(303)	3
0	0	0	0		4
					5
					6
			0	(310)	7
			0	(311)	8
			0	(312)	9
			0	(313)	10
			0	(314)	11
			0	(315)	12
			0	(316)	13
0	0	0	0		14
					15
			0	(320)	16
			0	(321)	17
			0	(322)	18
			0	(323)	19
			0	(324)	20
			0	(325)	21
0	0	0	0		22
					23
		0	0	(330)	24
			0	(331)	25
			0	(332)	26
			0	(333)	27
			0	(334)	28
			0	(335)	29
			0	(336)	30
0	0	0	0		31
					32
			0	(340)	33
			0	(341)	34
			0	(342)	35
			0	(343)	36
			0	(344)	37
			0	(345)	38
					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)	0	0
42	TOTAL Production Plant (Enter Total of lines 15, 23, 32, and 41)	0	0
43	3. TRANSMISSION PLANT		
44	(350) Land and Land Rights	0	
45	(352) Structures and Improvements	0	
46	(353) Station Equipment	0	
47	(354) Towers and Fixtures	0	
48	(355) Poles and Fixtures	0	
49	(356) Overhead Conductors and Devices	0	
50	(357) Underground Conduit	0	
51	(358) Underground Conductors and Devices	0	
52	(359) Roads and Trails	0	
53	TOTAL Transmission Plant (Enter Total of lines 44 through 52)	0	0
54	4. DISTRIBUTION PLANT		
55	(360) Land and Land Rights	23,941	
56	(361) Structures and Improvements	8,614	
57	(362) Station Equipment	845,121	2,703
58	(363) Storage Battery Equipment	0	0
59	(364) Poles, Towers, and Fixtures	4,092,399	292,459
60	(365) Overhead Conductors and Devices	4,553,122	167,769
61	(366) Underground Conduit	98,266	617
62	(367) Underground Conductors and Devices	410,739	54,305
63	(368) Line Transformers	4,280,716	185,965
64	(369) Services	1,947,044	124,900
65	(370) Meters	937,814	32,158
66	(371) Installations on Customer Premises	578,068	70,835
67	(372) Leased Property on Customer Premises	0	0
68	(373) Street Lighting and Signal Systems	220,927	20,221
69	TOTAL Distribution Plant (Enter Total of lines 55 through 68)	17,996,771	951,932
70	5. GENERAL PLANT		
71	(389) Land and Land Rights	4,766	
72	(390) Structures and Improvements	924,117	8,960
73	(391) Office Furniture and Equipment	128,069	6,187
74	(392) Transportation Equipment	907,059	147,701
75	(393) Stores Equipment	63,241	
76	(394) Tools, Shop and Garage Equipment	41,888	1,822
77	(395) Laboratory Equipment	31,131	1,515
78	(396) Power Operated Equipment	27,535	
79	(397) Communication Equipment	67,690	
80	(398) Miscellaneous Equipment	3,343	
81	SUBTOTAL (Enter Total of lines 71 through 80)	2,198,839	166,185
82	(399) Other Tangible Property	0	
83	TOTAL General Plant (Enter Total of lines 81 and 82)	2,198,839	166,185
84	TOTAL (Accounts 101 and 106)	20,195,610	1,118,117
85	(102) Electric Plant Purchased	0	
86	(Less) (102) Electric Plant Sold		
87	(103) Experimental Plant Unclassified	0	
88	TOTAL Electric Plant in Service	\$20,195,610	\$1,118,117

## 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.
			0	(346)	40
0	0	0	0		41
0	0		0		42
					43
			0	(350)	44
			0	(352)	45
			0	(353)	46
			0	(354)	47
			0	(355)	48
			0	(356)	49
			0	(357)	50
			0	(358)	51
			0	(359)	52
0	0	0	0		53
					54
			23,941	(360)	55
			8,614	(361)	56
8,572			856,396	(362)	57
			0	(363)	58
(36,943)	0		4,347,915	(364)	59
(23,147)	0		4,697,744	(365)	60
			98,883	(366)	61
(734)			464,310	(367)	62
(22,730)	0	0	4,443,951	(368)	63
(5,891)			2,066,053	(369)	64
(8,599)			961,373	(370)	65
(30,876)			618,027	(371)	66
			0	(372)	67
(8,598)	0		232,550	(373)	68
(128,946)	0	0	18,819,757		69
					70
			4,766	(389)	71
			933,077	(390)	72
0	0	(1,721)	132,535	(391)	73
(52,105)			1,002,655	(392)	74
			63,241	(393)	75
			43,710	(394)	76
			32,646	(395)	77
			27,535	(396)	78
			67,690	(397)	79
			3,343	(398)	80
(52,105)	0	(1,721)	2,311,198		81
				(399)	82
(52,105)	0	(1,721)	2,311,198		83
(181,051)	0	(1,721)	21,130,956		84
			0	(102)	85
					86
			0	(103)	87
(\$181,051)	\$0	(\$1,721)	21,130,956		88



## 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)
1.	Balance Beginning of Year	7,497,826	7,497,826		
2.	Depreciation Provisions for Year, Charged to				
3.	(403) Depreciation Expense	750,457	750,457		
4.	(413) Exp. of Elec. Plt. Leas. to Others				
5.	Transportation Expenses-Clearing	72,028	72,028		
6.	Other Clearing Accounts				
7.	Other Accounts (Specify):				
8.	Accrued Depreciation on Transfers	0	0		
9.	TOTAL Deprec. Prov. for Year (Enter Total of lines 3 thru 8)	822,485	822,485		
10.	Net Charges for Plant Retired:				
11.	Book Cost of Plant Retired	(181,053)	(181,053)		
12.	Cost of Removal	(66,545)	(66,545)		
13.	Salvage (Credit)	33,812	33,812		
14.	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 11 thru 13)	(213,786)	(213,786)		
15.	Other Debit or Credit Items (Describe)				
16.					
17.	Balance End of Year (Enter Total of lines 1, 9, 14, 15, and 16)	8,106,525	8,106,525		

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

18.	Steam Production				
19.	Nuclear Production				
20.	Hydraulic Production - Conventional	0	0		
21.	Hydraulic Production - Pumped Storage				
22.	Other Production	0			
23.	Transmission	0	0		
24.	Distribution	7,432,549	7,432,549		
25.	General	673,976	673,976		
26.	TOTAL (Enter Total of lines 18 thru 25)	8,106,525	8,106,525		

## 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

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 ©, (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	\$8,423,725	\$9,330,047
3	(442) Commercial and Industrial Sales		
4	Small (or Commercial)	6,846,571	7,253,529
5	Large (or Industrial)	1,296,211	1,528,477
6	(444) Public Street and Highway Lighting	129,801	125,679
7	(445) Other Sales to Public Authorities	132,886	142,119
8	(456.3) Unbilled Revenues	7,893	2,848
9	(448) Interdepartmental Sales		0
10			
11	TOTAL Sales to Ultimate Consumers	16,837,087	18,382,699
12	(447) Sales for Resale		
13			
14	TOTAL Sales of Electricity	16,837,087	18,382,699
15	(Less) (449.1) Provision for Rate Refunds	12,857	(49,000)
16			
17	TOTAL Revenue Net of Provision for Refunds	16,849,944	18,333,699
18	Other Operating Revenues		
19	(450) Forfeited Discounts		
20	(451) Miscellaneous Service Revenues	82,041	82,019
21	(453) Sales of Water and Water Power		
22	(454) Rent from Electric Property	70,912	69,819
23	(455) Interdepartmental Rents		
24	(456.2) Other Electric Revenues	1,027	11,696
25	(456.1) Overrecoveries Purchase Electric	(56,695)	144,500
26	(456.6) Conservation Overrecoveries	(86,686)	(18,591)
27			
28			
29	TOTAL Other Operating Revenues	10,599	289,443
30			
31	TOTAL Electric Operating Revenues	\$16,860,543	\$18,623,142



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, 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		Line No.
Amount for Year (d)	Amount for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	
121,357	125,659	9,618	9,533	1
				2
				3
121,261	120,736	2,008	1,984	4
28,194	30,197	4	4	5
1,151	1,149	45	43	6
2,050	2,109	101	99	7
634	(149)			8
	0	0	0	9
				10
274,647	279,701	11,776	11,663	11
				12
				13
274,647	279,701	11,776	11,663	14
				15
				16
274,647	279,701	11,776	11,663	17
				18
				19
				20
				21
				22
				23
				24
				25
				26
				27
				28
				29
				30
				31

ELECTRIC OPERATION AND MAINTENANCE EXPENSES

Account		Amount for Current Year	Amount for Previous Year
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	0	0
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	0	0
20	TOTAL Power Production Expenses-Steam Plant	0	0
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	0	0
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	0	0
40	TOTAL Power Production Expenses-Nuclear Power	0	0
41	C. Hydraulic Power Generation		
42	Operation		
43	(535) Operation Supervision and Engineering	0	0
44	(536) Water for Power		
45	(537) Hydraulic Expenses	0	0
46	(538) Electric Expenses	0	0
47	(539) Miscellaneous Hydraulic Power Generation Expenses	0	0
48	(540) Rents		
49	TOTAL Operation	0	0



## 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	0	0
54 (543) Maintenance of Reservoirs, Dams, and Waterways	0	0
55 (544) Maintenance of Electric Plant	0	0
56 (545) Maintenance of Miscellaneous Hydraulic Plant		
57 TOTAL Maintenance	0	0
58 TOTAL Power Production Expenses-Hydraulic Power	0	0
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	0	0
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	0	
72 TOTAL Maintenance	0	0
73 TOTAL Power Production Expenses-Other Power	0	0
74 E. Other Power Supply Expenses		
75 (555) Purchased Power	11,224,570	13,080,816
76 (556) System Control and Load Dispatching		
77 (557) Other Expenses		
78 TOTAL Other Power Supply Expenses	11,224,570	13,080,816
79 TOTAL Power Production Expenses	11,224,570	13,080,816
80 2. TRANSMISSION EXPENSES		
81 Operation		
82 (560) Operation Supervision and Engineering		
83 (561) Load Dispatching		
84 (562) Station Expenses		
85 (563) Overhead Line Expenses		
86 (564) Underground Line Expenses		
87 (565) Transmission of Electricity by Others		
88 (566) Miscellaneous Transmission Expenses		
89 (567) Rents		
90 TOTAL Operation	0	0
91 Maintenance		
92 (568) Maintenance Supervision and Engineering		
93 (569) Maintenance of Structures		
94 (570) Maintenance of Station Equipment		
95 (571) Maintenance of Overhead Lines		
96 (572) Maintenance of Underground Lines		
97 (573) Maintenance of Miscellaneous Transmission Plant		
98 TOTAL Maintenance	0	0
99 TOTAL Transmission Expenses	0	0
100 3. DISTRIBUTION EXPENSES		
101 Operation		
102 (580) Operation Supervision and Engineering	116,450	107,515
103 (581) Load Dispatching		



## ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

Account	Amount for Current Year	Amount for Previous Year
104 3. DISTRIBUTION EXPENSES (Continued)		
105 (582) Station Expenses	4,756	4,749
106 (583) Overhead Line Expenses	53,737	54,617
107 (584) Underground Line Expenses	4,339	3,535
108 (585) Street Lighting and Signal System Expenses	11,621	10,283
109 (586) Meter Expenses	126,768	115,698
110 (587) Customer Installations Expenses	29,523	31,906
111 (588) Miscellaneous Distribution Expenses	53,699	52,962
112 (589) Rents	695	752
113 TOTAL Operation	401,588	382,017
114 Maintenance		
115 (590) Maintenance Supervision and Engineering	26,382	32,610
116 (591) Maintenance of Structures		
117 (592) Maintenance of Station Equipment	3,200	5,928
118 (593) Maintenance of Overhead Lines	504,608	486,530
119 (594) Maintenance of Underground Lines	10,050	5,178
120 (595) Maintenance of Line Transformers	50,085	45,447
121 (596) Maintenance of Street Lighting and Signal Systems	11,015	8,980
122 (597) Maintenance of Meters	9,609	8,487
123 (598) Maintenance of Miscellaneous Distribution Plant	20,021	13,700
124 TOTAL Maintenance	634,970	606,860
125 TOTAL Distribution Expenses	1,036,558	988,877
126 4. CUSTOMER ACCOUNTS EXPENSES		
127 Operation		
128 (901) Supervision	39,744	38,104
129 (902) Meter Reading Expenses	127,068	119,993
130 (903) Customer Records and Collection Expenses	293,142	288,307
131 (904) Uncollectible Accounts	43,506	39,796
132 (905) Miscellaneous Customer Accounts Expenses	21,032	22,420
133 TOTAL Customer Accounts Expenses	524,492	508,620
134 5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
135 Operation		
136 (907) Supervision	28,190	17,617
137 (908) Customer Assistance Expenses	50,968	896
138 (909) Informational and Instructional Expenses	18,636	14,399
139 (910) Misc. Cust. Service & Informational -Includes underrecovery (906)	3,303	1,104
140 TOTAL Cust. Service and Informational Expenses	101,097	34,016
141 6. SALES EXPENSES		
142 Operation		
143 (911) Supervision		
144 (912) Demonstrating and Selling Expenses	0	0
145 (913) Advertising Expenses	1,166	456
146 (916) Miscellaneous Sales Expenses	0	109
147 TOTAL Sales Expenses	1,166	565
148 7. ADMINISTRATIVE AND GENERAL EXPENSES		
149 Operation		
150 (920) Administrative and General Salaries	215,675	217,603
151 (921) Office Supplies and Expenses	49,469	47,521
152 (Less) (922) Administrative expenses Transferred-Cr.	0	0
153 (923) Outside Services Employed	24,556	36,308
154 (924) Property Insurance	109,668	110,620
155 (925) Injuries and Damages	129,848	129,671
156 (926) Employee Pensions and Benefits	61,134	120,291



ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

Account	Amount for Current Year	Amount for Previous Year
157 7. ADMINISTRATIVE AND GENERAL EXPENSES		
158 (927) Franchise Requirements		
159 (928) Regulatory Commission Expenses	8,434	12,028
160 (Less) (929) Duplicate Charges-Cr.		
161 (930.1) General Advertising Expenses	146	0
162 (930.2) Miscellaneous General Expenses	18,337	23,108
163 (931) Rents	1,787	2,229
164 TOTAL Operation	619,054	699,379
165 Maintenance		
166 (935) Maintenance of General Plant	27,412	28,334
167 TOTAL Administrative and General Expenses	646,466	727,713
168 TOTAL Electric Operation and Maintenance Expenses	13,534,349	15,340,607

NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES

- 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.
- 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.
- 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)	11/02/97
2	Total Regular Full-Time Employees	35
3	Total Part-Time and Temporary Employees	0
4	Total Employees	35

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	0			0
5	Hydraulic Production Plant-Pumped Storage	0			0
6	Other Production Plant *	17,479			17,479
7	Transmission Plant	0			0
8	Distribution Plant	703,391			703,391
9	General Plant	47,063			47,063
10	Common Plant-Electric *	19,648			19,648
11	TOTAL	\$787,581	\$0	\$0	\$787,581

B. Basis for Amortization Charges

\* Not included on page 219, Line 3.



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 01 through 20 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 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	Ref. Page No.	Total Current Year	Total Previous Year
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	\$21,822,109	\$22,077,714
3	Operating Expenses			
4	Operation Expenses (401)		17,007,822	17,265,891
5	Maintenance Expenses (402)		553,973	529,068
6	Depreciation Expense (403,405)		881,405	831,409
7	Amort. & Depl. of Utility Plant (404-405)		0	-
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)		1,669,219	1,678,232
14	Income Taxes - Federal (409.1)		336,856	195,707
15	- Other (409.1)		52,081	39,733
16	Provision for Deferred Inc. Taxes (410.1)	234,272-277	(20,589)	187,487
17	(Less) Provision for Deferred Income Taxes-Cr.(411.1)	234,272-277	-	-
18	Investment Tax Credit Adj. - Net (411.4)	266	(25,873)	(25,922)
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 4-18)		20,454,894	20,701,605
24	Net Utility Operating Income (Total of line 2 less 19) (Carry forward to page 117, line 25)		\$1,367,215	\$1,376,109



## 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 observance 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	<b>1. INTANGIBLE PLANT</b>		
2	(301) Organization		
3	(302) Franchises and Consents		
4	(303) Miscellaneous Intangible Plant		
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	0	0
6	<b>2. PRODUCTION PLANT</b>		
7	<b>A. Steam Production Plant</b>		
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)	0	0
16	<b>B. Nuclear Production Plant</b>		
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)	0	0
24	<b>C. Hydraulic Production Plant</b>		
25	(330) Land and Land Rights	0	
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)	0	0
33	<b>D. Other Production Plant</b>		
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.
			\$0	(301)	1
			0	(302)	2
			0	(303)	3
0	0	0	0		4
					5
					6
			0	(310)	7
			0	(311)	8
			0	(312)	9
			0	(313)	10
			0	(314)	11
			0	(315)	12
			0	(316)	13
0	0	0	0		14
					15
			0	(320)	16
			0	(321)	17
			0	(322)	18
			0	(323)	19
			0	(324)	20
			0	(325)	21
0	0	0	0		22
					23
			0	(330)	24
			0	(331)	25
			0	(332)	26
			0	(333)	27
			0	(334)	28
			0	(335)	29
			0	(336)	30
0	0	0	0		31
					32
			0	(340)	33
			0	(341)	34
			0	(342)	35
			0	(343)	36
			0	(344)	37
			0	(345)	38
					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)	0	0
42	TOTAL Production Plant (Enter Total of lines 15, 23, 32, and 41)	0	0
43	3. TRANSMISSION PLANT		
44	(350) Land and Land Rights	74,148	
45	(352) Structures and Improvements	19,003	0
46	(353) Station Equipment	1,784,394	154,176
47	(354) Towers and Fixtures	244,665	
48	(355) Poles and Fixtures	1,612,886	115,523
49	(356) Overhead Conductors and Devices	960,987	0
50	(357) Underground Conduit	0	
51	(358) Underground Conductors and Devices	0	
52	(359) Roads and Trails	6,788	
53	TOTAL Transmission Plant (Enter Total of lines 44 through 52)	4,702,872	269,699
54	4. DISTRIBUTION PLANT		
55	(360) Land and Land Rights	10,160	
56	(361) Structures and Improvements	33,577	
57	(362) Station Equipment	1,531,350	371,351
58	(363) Storage Battery Equipment	0	
59	(364) Poles, Towers, and Fixtures	1,386,576	80,145
60	(365) Overhead Conductors and Devices	2,484,703	111,901
61	(366) Underground Conduit	1,089,651	64,629
62	(367) Underground Conductors and Devices	2,044,204	110,412
63	(368) Line Transformers	4,348,254	395,221
64	(369) Services	2,522,961	201,331
65	(370) Meters	1,509,533	97,798
66	(371) Installations on Customer Premises	219,983	18,424
67	(372) Leased Property on Customer Premises	0	
68	(373) Street Lighting and Signal Systems	352,056	40,489
69	TOTAL Distribution Plant (Enter Total of lines 55 through 68)	17,533,009	1,491,701
70	5. GENERAL PLANT		
71	(389) Land and Land Rights	68,696	
72	(390) Structures and Improvements	436,112	0
73	(391) Office Furniture and Equipment	207,392	66,445
74	(392) Transportation Equipment	872,677	0
75	(393) Stores Equipment	23,739	
76	(394) Tools, Shop and Garage Equipment	68,603	0
77	(395) Laboratory Equipment	55,264	
78	(396) Power Operated Equipment	77,973	0
79	(397) Communication Equipment	92,808	2,125
80	(398) Miscellaneous Equipment	20,229	
81	SUBTOTAL (Enter Total of lines 71 through 80)	1,923,493	68,570
82	(399) Other Tangible Property		
83	TOTAL General Plant (Enter Total of lines 81 and 82)	1,923,493	68,570
84	TOTAL (Accounts 101 and 106)	24,159,375	1,829,970
85	(102) Electric Plant Purchased	0	
86	(Less) (102) Electric Plant Sold		
87	(103) Experimental Plant Unclassified	0	
88	TOTAL Electric Plant in Service	\$24,159,375	\$1,829,970



## 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.
			0	(346)	40
0	0	0	0		41
0	0		0		42
					43
			74,148	(350)	44
			19,003	(352)	45
			1,938,570	(353)	46
			244,665	(354)	47
(19,820)			1,708,589	(355)	48
			960,987	(356)	49
			0	(357)	50
			0	(358)	51
			6,788	(359)	52
(19,820)	0	0	4,952,751		53
					54
			10,160	(360)	55
			33,577	(361)	56
			1,902,701	(362)	57
			0	(363)	58
(4,360)			1,462,361	(364)	59
(43,530)			2,553,074	(365)	60
			1,154,280	(366)	61
(2,940)			2,151,676	(367)	62
(1,396)			4,742,079	(368)	63
(2,438)			2,721,853	(369)	64
(5,805)	0		1,601,526	(370)	65
(1,931)			236,476	(371)	66
			0	(372)	67
(10,309)			382,237	(373)	68
(72,709)	0	0	18,952,001		69
					70
			68,696	(389)	71
			436,112	(390)	72
0		6,130	279,967	(391)	73
0		0	872,677	(392)	74
			23,739	(393)	75
			68,603	(394)	76
			55,264	(395)	77
0	0		77,973	(396)	78
			94,933	(397)	79
			20,229	(398)	80
0	0	6,130	1,998,193		81
				(399)	82
0	0	6,130	1,998,193		83
(92,529)	0	6,130	25,902,946		84
			0	(102)	85
					86
			0	(103)	87
(\$92,529)	\$0	\$6,130	25,902,946		88

## 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)
1.	Balance Beginning of Year	8,434,517	8,434,517		
2.	Depreciation Provisions for Year, Charged to				
3.	(403) Depreciation Expense	860,650	860,650		
4.	(413) Exp. of Elec. Plt. Leas. to Others				
5.	Transportation Expenses-Clearing	62,797	62,797		
6.	Other Clearing Accounts				
7.	Other Accounts (Specify):				
8.	Accrued Depreciation on Transfers	4,010	4,010		
9.	TOTAL Deprec. Prov. for Year (Enter Total of lines 3 thru 8)	927,457	927,457		
10.	Net Charges for Plant Retired:				
11.	Book Cost of Plant Retired	(92,529)	(92,529)		
12.	Cost of Removal	(25,660)	(25,660)		
13.	Salvage (Credit)	13,188	13,188		
14.	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 11 thru 13)	(105,001)	(105,001)		
15.	Other Debit or Credit Items (Describe)				
16.					
17.	Balance End of Year (Enter Total of lines 1, 9, 14, 15, and 16)	9,256,973	9,256,973		

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

18.	Steam Production				
19.	Nuclear Production				
20.	Hydraulic Production - Conventional	0	0		
21.	Hydraulic Production - Pumped Storage				
22.	Other Production	0	0		
23.	Transmission	1,540,530	1,540,530		
24.	Distribution	6,832,337	6,832,337		
25.	General	884,106	884,106		
26.	TOTAL (Enter Total of lines 18 thru 25)	9,256,973	9,256,973		



## 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	\$9,853,646	\$10,395,916
3	(442) Commercial and Industrial Sales		
4	Small (or Commercial)	5,819,098	5,857,783
5	Large (or Industrial)	5,965,724	5,484,220
6	(444) Public Street and Highway Lighting	98,863	102,547
7	(445) Other Sales to Public Authorities	337,455	322,124
8	(456.3) Unbilled Revenues	67,341	(34,990)
9	(448) Interdepartmental Sales	133,454	132,363
10			
11	TOTAL Sales to Ultimate Consumers	22,275,581	22,259,963
12	(447) Sales for Resale		
13			
14	TOTAL Sales of Electricity	22,275,581	22,259,963
15	(Less) (449.1) Provision for Rate Refunds	(303,340)	(105,651)
16			
17	TOTAL Revenue Net of Provision for Refunds	21,972,241	22,154,312
18	Other Operating Revenues		
19	(450) Forfeited Discounts		
20	(451) Miscellaneous Service Revenues	53,134	38,124
21	(453) Sales of Water and Water Power		
22	(454) Rent from Electric Property	27,618	22,609
23	(455) Interdepartmental Rents		
24	(456.2) Other Electric Revenues	2,321	7,027
25	(456.1) Overrecoveries Purchase Electric	(99,805)	(144,358)
26	(456.6) Overrecoveries Conservation	(133,400)	
27			
28			
29	TOTAL Other Operating Revenues	(150,132)	(76,598)
30			
31	TOTAL Electric Operating Revenues	\$21,822,109	\$22,077,714

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, 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		Line No.
Amount for Year (d)	Amount for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	
145,431	147,942	10,600	10,189	1
				2
				3
98,775	96,441	1,185	1,161	4
108,646	93,784	2	2	5
911	904	9	9	6
5,797	5,351	101	93	7
5,288	(2,903)			8
2,396	2,340	3	3	9
				10
367,244	343,859	11,900	11,457	11
				12
				13
367,244	343,859	11,900	11,457	14
				15
				16
367,244	343,859	11,900	11,457	17
				18
				19
				20
				21
				22
				23
				24
				25
				26
				27
				28
				29
				30
				31



ELECTRIC OPERATION AND MAINTENANCE EXPENSES

Account		Amount for Current Year	Amount for Previous Year
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	0	0
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	0	0
20	TOTAL Power Production Expenses-Steam Plant	0	0
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	0	0
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	0	0
40	TOTAL Power Production Expenses-Nuclear Power	0	0
41	C. Hydraulic Power Generation		
42	Operation		
43	(535) Operation Supervision and Engineering	0	0
44	(536) Water for Power		
45	(537) Hydraulic Expenses	0	0
46	(538) Electric Expenses	0	0
47	(539) Miscellaneous Hydraulic Power Generation Expenses	0	0
48	(540) Rents		
49	TOTAL Operation	0	0

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	0	0
54 (543) Maintenance of Reservoirs, Dams, and Waterways	0	0
55 (544) Maintenance of Electric Plant	0	0
56 (545) Maintenance of Miscellaneous Hydraulic Plant		
57 TOTAL Maintenance	0	0
58 TOTAL Power Production Expenses-Hydraulic Power	0	0
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	0	0
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	0	0
72 TOTAL Maintenance	0	0
73 TOTAL Power Production Expenses-Other Power	0	0
74 E. Other Power Supply Expenses		
75 (555) Purchased Power	15,789,102	16,100,272
76 (556) System Control and Load Dispatching		
77 (557) Other Expenses		
78 TOTAL Other Power Supply Expenses	15,789,102	16,100,272
79 TOTAL Power Production Expenses	15,789,102	16,100,272
80 2. TRANSMISSION EXPENSES		
81 Operation		
82 (560) Operation Supervision and Engineering		
83 (561) Load Dispatching		
84 (562) Station Expenses	15,859	14,536
85 (563) Overhead Line Expenses		
86 (564) Underground Line Expenses		
87 (565) Transmission of Electricity by Others		
88 (566) Miscellaneous Transmission Expenses		
89 (567) Rents		
90 TOTAL Operation	15,859	14,536
91 Maintenance		
92 (568) Maintenance Supervision and Engineering		
93 (569) Maintenance of Structures		
94 (570) Maintenance of Station Equipment	22,752	13,265
95 (571) Maintenance of Overhead Lines	24,422	20,126
96 (572) Maintenance of Underground Lines		
97 (573) Maintenance of Miscellaneous Transmission Plant	27	0
98 TOTAL Maintenance	47,201	33,391
99 TOTAL Transmission Expenses	63,060	47,927
100 3. DISTRIBUTION EXPENSES		
101 Operation		
102 (580) Operation Supervision and Engineering	75,410	63,034
103 (581) Load Dispatching	73	45



## FERNANDINA DIVISION

## ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

Account		Amount for Current Year	Amount for Previous Year
104	3. DISTRIBUTION EXPENSES (Continued)		
105	(582) Station Expenses	6,789	5,082
106	(583) Overhead Line Expenses	2,476	4,662
107	(584) Underground Line Expenses	15,475	11,675
108	(585) Street Lighting and Signal System Expenses	5,105	8,058
109	(586) Meter Expenses	59,670	41,993
110	(587) Customer Installations Expenses	14,438	15,746
111	(588) Miscellaneous Distribution Expenses	81,552	68,738
112	(589) Rents		
113	TOTAL Operation	260,988	219,033
114	Maintenance		
115	(590) Maintenance Supervision and Engineering	24,413	19,510
116	(591) Maintenance of Structures	1,656	2,579
117	(592) Maintenance of Station Equipment	21,417	38,297
118	(593) Maintenance of Overhead Lines	286,281	267,956
119	(594) Maintenance of Underground Lines	106,687	89,968
120	(595) Maintenance of Line Transformers	19,854	30,163
121	(596) Maintenance of Street Lighting and Signal Systems	9,577	8,290
122	(597) Maintenance of Meters	6,091	10,788
123	(598) Maintenance of Miscellaneous Distribution Plant	5,855	7,783
124	TOTAL Maintenance	481,831	475,334
125	TOTAL Distribution Expenses	742,819	694,367
126	4. CUSTOMER ACCOUNTS EXPENSES		
127	Operation		
128	(901) Supervision	32,297	30,421
129	(902) Meter Reading Expenses	48,640	45,241
130	(903) Customer Records and Collection Expenses	229,646	221,555
131	(904) Uncollectible Accounts	31,145	24,140
132	(905) Miscellaneous Customer Accounts Expenses	22,011	20,018
133	TOTAL Customer Accounts Expenses	363,739	341,375
134	5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
135	Operation		
136	(907) Supervision	25,744	(402)
137	(908) Customer Assistance Expenses	70,954	19,837
138	(909) Informational and Instructional Expenses	13,141	12,732
139	(910) Misc. Cust. Service and Informational -Includes underrecovery	(11,901)	1,095
140	TOTAL Cust. Service and Informational Expenses	97,938	33,262
141	6. SALES EXPENSES		
142	Operation		
143	(911) Supervision		
144	(912) Demonstrating and Selling Expenses	0	0
145	(913) Advertising Expenses	1,945	2,659
146	(916) Miscellaneous Sales Expenses	0	
147	TOTAL Sales Expenses	1,945	2,659
148	7. ADMINISTRATIVE AND GENERAL EXPENSES		
149	Operation		
150	(920) Administrative and General Salaries	185,072	177,705
151	(921) Office Supplies and Expenses	48,304	44,659
152	(Less) (922) Administrative expenses Transferred-Cr.	0	0
153	(923) Outside Services Employed	29,454	49,153
154	(924) Property Insurance	33,122	34,353
155	(925) Injuries and Damages	113,262	126,558
156	(926) Employee Pensions and Benefits	47,957	92,835

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

Account	Amount for Current Year	Amount for Previous Year
157 7. ADMINISTRATIVE AND GENERAL EXPENSES		
158 (927) Franchise Requirements		
159 (928) Regulatory Commission Expenses	1,607	5,209
160 (Less) (929) Duplicate Charges-Cr.		
161 (930.1) General Advertising Expenses	718	
162 (930.2) Miscellaneous General Expenses	17,209	22,375
163 (931) Rents	1,549	1,906
164 TOTAL Operation	478,253	554,753
165 Maintenance		
166 (935) Maintenance of General Plant	24,940	20,345
167 TOTAL Administrative and General Expenses	503,193	575,098
168 TOTAL Electric Operation and Maintenance Expenses	17,561,795	17,794,960

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)	10/31/96
2	Total Regular Full-Time Employees (Equivalent Employees from joint functions -6)	35
3	Total Part-Time and Temporary Employees	0
4	Total Employees	35



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	0			0
5	Hydraulic Production Plant-Pumped Storage	0			0
6	Other Production Plant *	0			0
7	Transmission Plant	130,299			130,299
8	Distribution Plant	671,694			671,694
9	General Plant	58,657			58,657
10	Common Plant-Electric *	20,756			20,756
11	TOTAL	\$881,406	\$0	\$0	\$881,406

B. Basis for Amortization Charges

\* Not included on page 219, Line 3.

**FLORIDA PUBLIC UTILITIES COMPANY**  
**MARIANNA BEACH ELECTRIC DIVISION**  
**REPORT OF DEPRECIATION DATA UNDER RULE 25-6.0436(8)**

**1997**

**PLANT IN SERVICE (\$)**

Plant Acct	Beginning Balance	Purchases & Additions	Adjustments	Transfers	Retirements	Ending Balance
360	7,941					7,941
3601	16,000					16,000
361	8,614					8,614
362	845,121	2,703			8,572	856,396
364	4,092,400	292,459			(36,943)	4,347,916
365	4,553,122	167,769			(23,147)	4,697,744
366	98,266	617				98,883
367	410,739	54,305			(733)	464,311
368	4,280,717	185,965			(22,730)	4,443,952
369	1,947,044	124,900			(5,891)	2,066,053
370	937,813	32,158			(8,599)	961,372
371	578,067	70,835			(30,876)	618,026
373	220,927	20,221			(8,598)	232,550
389	4,766					4,766
390	924,117	8,961				933,078
3911	21,269	594				21,863
3912	22,426					22,426
3913	84,373	5,593		(1,721)		88,245
3921	16,001					16,001
3922	160,231	34,941			(8,000)	187,172
3923	709,095	112,760			(44,106)	777,749
3924	21,733					21,733
3931	62,694					62,694
3932	547					547
3941	13,319					13,319
3942	28,569	1,822				30,391
3951	16,904					16,904
3952	14,227	1,515				15,742
396	27,535					27,535
397	67,690					67,690
398	3,343					3,343
	20,195,610	1,118,118	0	(1,721)	(181,051)	21,130,956

**RESERVE (\$)**

**(CREDIT BALANCES)**

Plant Acct	Beginning Balance	Retirements	Accruals	Salvage	Cost of Removal	Purchases & Adjustments	Transfers	Reclass- ifications	Ending Balance
350									
3501									
352									
353									
354									
355									
356									
359									
360	372	0	372	0	0				744
3601	1,185	0	0	0	0				1,185
361	2,833	0	192	0	0				3,025
362	327,020	8,572	24,721	0	0				360,313
364	1,582,583	(36,943)	146,627	1,557	(34,004)				1,659,820
365	1,778,404	(23,147)	171,713	5,380	(18,529)				1,913,821
366	18,668	0	1,975	0					20,643
367	80,341	(733)	11,873	681	(46)				92,116
368	1,785,921	(22,730)	174,698	360	(2,180)				1,936,069
369	685,188	(5,891)	91,808	3,788	(5,798)				769,095
370	474,234	(8,599)	38,873	0	(106)				504,402
371	101,763	(30,876)	33,931	6,875	(3,756)				107,937
373	67,101	(8,598)	8,608	392	(2,126)				63,377
389	0	0	0	0	0				0
390	79,015	0	19,419	0	0				98,434
3911	19,494	0	480	0	0				19,974
3912	17,469	0	950	0	0				18,419
3913	41,274	0	12,720	0	0				53,994
3921	14,801	0	(1,201)	0	0				13,600
3922	68,394	(8,000)	22,509	1,000	0				83,903
3923	204,720	(44,106)	50,109	13,780	0				224,503
3924	5,719	0	612	0	0				6,331
3931	18,720	0	3,324	0	0				22,044
3932	547	0	0	0	0				547
3941	5,461	0	504	0	0				5,965
3942	25,990	0	790	0	0				26,780
3951	7,510	0	576	0	0				8,086
3952	10,249	0	720	0	0				10,969
396	7,704	0	1,764	0	0				9,468
397	61,318	0	6,305	0	0				67,623
398	3,828	0	(485)	0	0				3,343
	7,497,826	(181,051)	822,487	33,813	(66,545)	0	0	0	8,106,530



**FLORIDA PUBLIC UTILITIES COMPANY**  
**FERNANDINA BEACH ELECTRIC DIVISION**  
**REPORT OF DEPRECIATION DATA UNDER RULE 25-6.0436(8)**  
**1997**

PLANT IN SERVICE (\$)						
Plant	Beginning	Purchases &		Ending		
Acct	Balance	Additions	Adjustments	Transfers	Retirements	Balance
350	17,629					17,629
3501	56,519					56,519
352	19,003					19,003
353	1,784,394	154,176				1,938,570
354	244,865					244,865
355	1,612,887	115,523			(19,820)	1,708,590
356	960,987					960,987
359	6,788					6,788
360	9,972					9,972
3601	188					188
361	33,577					33,577
362	1,531,350	371,351				1,902,701
364	1,388,576	80,145			(4,360)	1,462,361
365	2,484,703	111,901			(43,530)	2,553,074
366	1,089,651	64,629				1,154,280
367	2,044,205	110,412			(2,940)	2,151,677
368	4,348,254	395,221			(1,398)	4,742,079
369	2,522,982	201,331			(2,438)	2,721,855
370	1,509,532	97,798			(5,805)	1,601,525
371	219,983	18,424			(1,931)	236,476
373	352,056	40,489			(10,309)	382,236
389	68,896					68,896
390	436,112					436,112
3911	21,259					21,259
3912	18,788					18,788
3913	167,346	66,445		6,130		239,921
3921	45,169					45,169
3922	261,616					261,616
3923	551,816					551,816
3924	14,075					14,075
3931	20,488					20,488
3932	3,251					3,251
3941	11,381					11,381
3942	57,222					57,222
3951	36,574					36,574
3952	18,690					18,690
396	77,974					77,974
397	92,808	2,125				94,933
398	20,229					20,229
	24,159,375	1,829,970		6,130	(92,529)	25,902,946

RESERVE (\$)					(CREDIT BALANCES)				
Plant	Beginning	Retirements		Cost of		Purchases &		Reclass-	Ending
Acct	Balance	Retirements	Accruals	Salvage	Removal	Adjustments	Transfers	ifications	Balance
350	21,392		1,356						22,748
3501									
352	9,600		300						9,900
353	533,232		41,725						574,957
354	135,339		4,404						139,743
355	397,309	(19,820)	55,538						433,027
356	331,519		26,904						358,423
359	1,861		72						1,733
360	73								73
3601									
361	15,735		636		(60)				16,311
362	612,509		39,816						652,325
364	514,995	(4362)	58,206	6,410	(10,419)				564,830
365	832,156	(43,530)	90,778	3,436	(7,478)				875,362
366	191,400		22,455		(188)				213,669
367	643,801	(2,939)	64,788		(1,802)				703,848
368	1,689,250	(1,395)	210,554	1,674	(4,095)				1,895,988
369	798,811	(2,439)	99,195		(890)				894,677
370	728,269	(5,805)	57,355		(190)				779,629
371	83,852	(1,930)	12,799	551					95,272
373	134,972	(10,309)	15,113	1,117	(540)				140,353
389	6,704								6,704
390	141,597		8,292						149,889
3911	20,358		192						20,550
3912	14,467		972						15,439
3913	46,537		30,284				4,010		80,811
3921	18,604		10,836						29,440
3922	135,407		10,728						146,135
3923	171,785		40,836						212,621
3924	8,055		396						8,451
3931	11,217		816						12,033
3932	3,251								3,251
3941	4,173		343						4,516
3942	42,218		2,724						44,942
3951	6,857		1,320						8,177
3952	17,832		144						17,976
396	50,791		2,964						53,755
397	40,678		10,098						50,776
398	18,111		528						18,639
	8,434,517	(92,529)	923,447	13,188	(25,660)		4,010		9,256,973