

Independent Auditors' Report

Board of Directors and Stockholder
Florida Public Utilities Company

We have audited the accompanying financial statements of Florida Public Utilities Company – Electric Division, which comprise the balance sheets - regulatory basis as of December 31, 2019 and 2018, and the related statements of income - regulatory basis for each of the two years in the period ended December 31, 2019 and the statements of retained earnings and cash flows - regulatory basis for the year ended December 31, 2019, and the related notes to the financial statements, included on pages 110 through 122 of the accompanying Annual Report of Major Electric Utilities, Licensees and Other, as filed with the Florida Public Service Commission.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions 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. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and proprietary capital of Florida Public Utilities Company - Electric Division as of December 31, 2019 and 2018, and its income and expenses for the years then ended in accordance with the financial reporting provisions of the Florida Public Service Commission, which are 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 described in Note 1.

Regulatory Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. As described in Note 1 to the financial statements, the financial statements are prepared by Florida Public Utilities Company - Electric Division on the basis of the financial reporting provisions of the Florida Public Service Commission, which are substantially equivalent to the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Restriction on Use

Our report is intended solely for the information and use of the board of directors and management of Chesapeake Utilities Corporation and Florida Public Utilities Company – Electric Division and for filing with the Florida Public Service Commission and is not intended to be and should not be used by anyone other than these specified parties.

Baker Tilly Virchow Krause, LLP

Philadelphia, Pennsylvania
April 30, 2020

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

IDENTIFICATION		
01 Exact Legal Name of Respondent FLORIDA PUBLIC UTILITIES COMPANY	02 Year of Report December 31, 2019	
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) 208 Wildlight Avenue, Yulee, FL 32097		
05 Name of Contact Person Michael Cassel	06 Title of Contact Person Assistant Vice President, Regulatory & Governmental Affairs	
07 Address of Contact Person (Street, City, State, Zip Code) 208 Wildlight Avenue, Yulee, FL 32097		
08 Telephone of Contact Person, Including Area Code (561) 252-0250	09 This Report Is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr) April 30, 2020
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 Beth W. Cooper	02 Title Executive Vice President, Chief Financial Officer and Assistant Corporate Secretary	
03 Signature <i>Beth W. Cooper</i>	04 Date Signed (Mo, Da, Yr) 04-29-2020	
<small>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.</small>		

Name of Respondent	This Report is:	Date of Report	Year of Report
Florida Public Utilities Company Electric Division	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) April 30, 2020	December 31, 2019

LIST OF SCHEDULES (Electric Utility)

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

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

Title of Schedule (A)	Reference Page No. (B)	Date Revised (C)	Remarks (D)
GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS			
General Information.....	101	Ed. 12-87	
Control Over Respondent.....	102	Ed. 12-87	None
Corporations Controlled by Respondent.....	103	Ed. 12-95	
Officers.....	104	Ed. 12-87	
Directors.....	105	Ed. 12-95	
Security Holders and Voting Powers.....	106-107	Ed. 12-87	pg. 107 - None
Important Changes During the Year.....	108-109	Ed. 12-90	
Comparative Balance Sheet.....	110-113	Rev. 12-94	
Statement of Income for the Year.....	114-117	Rev. 12-95	Pg. 116-None
Statement of Retained Earnings for the Year.....	118-119	Ed. 12-94	
Statement of Cash Flows.....	120-121	Rev. 12-94	
Notes to Financial Statements.....	122-123	Ed. 12-88	Pg. 123-None
BALANCE SHEET SUPPORTING SCHEDULES (Assets and Other Debits)			
Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization, and Depletion.....	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	None
General Description of Construction Overhead Procedure.....	218	Ed. 12-88	None
Accumulated Provision for Depreciation of Electric Utility Plant..	219	Ed. 12-88	
Nonutility Property.....	221	Ed. 12-95	None
Investment in Subsidiary Companies.....	224-225	Ed. 12-89	None
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	
BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other credits)			
Capital Stock.....	250-251	Ed. 12-90	None
Capital Stock Subscribed, Capital Stock Liability for Conversion, Premium on Capital Stock, and Installments Received on Capital Stock.....	252	Rev. 12-95	None
Other Paid-in Capital.....	253	Ed. 12-87	None
Discount on Capital Stock.....	254	Ed. 12-87	None
Capital Stock Expense.....	254	Ed. 12-86	None
Long-Term Debt.....	256-257	Ed. 12-91	

Name of Respondent Florida Public Utilities Company Electric Division	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2020	Year of Report December 31, 2019
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LIST OF SCHEDULES (Electric Utility)(Continued)

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

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

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

Name of Respondent Florida Public Utilities Company Electric Division	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 30, 2020	Year of Report December 31, 2019
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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)
ELECTRIC PLANT STATISTICAL DATA (CONTINUED)			
Transmission Line Statistics.....	422-423	Ed. 12-87	
Transmission Lines Added During Year.....	424-425	Ed. 12-86	None
Substations.....	426-427	Ed. 12-96	
Electric Distribution Meters and Line Transformers.....	429	Ed. 12-88	None
Environmental Protection Facilities.....	430	Ed. 12-88	None
Environmental Protection Expenses.....	431	Ed. 12-88	None
Footnote Data.....	450	Ed. 12-87	None
Affiliated Officers and Directors	451		
Business Contracts with Officers, Directors and Affiliates	452		
Reconciliation of Gross Operating Revenues			
Annual Report versus Regulatory Assessment Fee Return	453		
Analysis of Diversification Activity			
Changes in Corporate Structure	454		
Analysis of Diversification Activity			
New or Amended Contracts with Affiliated Companies	455		
Analysis of Diversification Activity			
Individual Affiliated Transactions in Excess of \$500,000	456		
Analysis of Diversification Activity			
Summary of Affiliated Transfers and Cost Allocations	457		
Analysis of Diversification Activity			
Assets or Rights Purchased from or Sold to Affiliates	458		
Analysis of Diversification Activity			
Employee Transfers	459		
Analysis of Diversification Activity			
Non-Tariffed Services and Products Provided by the Utility	460		
Non-Utility Property	461		
Number of Electric Department Employees	462		
Particulars Concerning Certain Income Deductions and Interest Charges			
Accounts	463		
Stockholders' Reports			
	<input type="checkbox"/>		Four Copies will be submitted.
	<input checked="" type="checkbox"/>		No annual report to stockholders is prepared.

Florida Public Utilities Company Electric Division	An Original	For the Year Ended December 31, 2019
GENERAL INFORMATION		
<p>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.</p>		
<p style="margin-left: 40px;"> Beth W. Cooper Executive Vice President, Chief Financial Officer and Assistant Corporate Secretary 909 Silver Lake Boulevard Dover, Delaware 19904 </p> <p style="margin-left: 40px;"> Location of general corporate books: 100 Commerce Drive Newark, Delaware 19713 </p>		
<p>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.</p>		
<p style="margin-left: 40px;"> State of Florida March 6, 1924; Reincorporated April 25, 1929 </p>		
<p>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.</p>		
<p style="margin-left: 40px;">N/A</p>		
<p>4. State the classes of utility and other services furnished by respondent during the year in each State in which the respondent operated.</p>		
<p style="margin-left: 40px;"> The Electric Division of Florida Public Utilities Company ("FPU") provides electric distribution service in Florida. FPU also has three natural gas divisions, which provide natural gas distribution services in Florida </p>		
<p>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?</p>		
<p>(1) YES</p> <p>(2) <input checked="" type="checkbox"/> NO</p>		

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.

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.

Line No.	Title (a)	Name of Officer (b)		Salary for Year (c)
1	Director, Chairman (FPU), President & CEO (CUC)	Jeffry M. Householder	\$	32,400
2	Executive Vice President/Secretary/General Counsel/Chief Policy Risk Officer	James Moriarty	\$	15,090
4	Executive Vice President/Chief Financial Officer/Assistant Secretary	Beth W. Cooper	\$	15,152
5	President (FPU); Senior Vice President (CUC)	Kevin J. Webber (1)	\$	29,667
6	President (FPU)	Jeffrey S. Sylvester (2)	\$	233
7	Vice President/Controllor	Joseph D. Steinmetz	\$	15,703
8	Vice President/Chief Accounting Officer	Michael D. Galtman	\$	10,776
9	Chief Information Officer	Vikrant A. Gadgil	\$	22,597
12	Vice President/Treasurer	Thomas E. Mahn	\$	12,657
13	Vice President	Cheryl Martin	\$	23,306
15	Chief Human Resources Officer	Lou J. Anatrella	\$	23,901
16	Assistant Vice President	Devon S. Rudloff	\$	16,561
17	Assistant Vice President	Nicole T. Carter (3)	\$	32,133
18	Assistant Vice President	Michael D. Cassel	\$	33,433
19	Assistant Vice President	Barry D. Kennedy	\$	-
20	Assistant Vice President	Drane A. Shelley	\$	91,391
21	Assistant Vice President	Stacie L. Roberts	\$	8,552
22	Vice President	John J. Lewnard (4)	\$	6,403
23	Vice President	Mark L. Eisenhower (5)	\$	5,372
24	Senior Vice President	Stephen C. Thompson (6)	\$	3,538
25				
26	Note: The salaries above represent only that portion allocated to FPU's natural gas division			
27	(1) Effective January 2020 Senior Vice President, Unregulated Energy Delivery and Business Development (CUC)			
28	(2) Effective December 2019 President of FPU, Senior Vice President of Pipeline Transmission and Regulated Gas and Electric Distribution (CUC)			
29	(3) Effective February 2020 no longer with the Company			
30	(4) Effective June 2019 no longer with the Company			
31	(5) Effective May 2019 no longer with the Company			
32	(6) Effective January 2020 no longer with the Company			
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F

Electric Division

For the Year Ended

December 31, 2019

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)

Jeffry M. Householder, Chairman**

909 Silver Lake Blvd., Dover Delaware 19904

Eugene H. Bayard, Director

909 Silver Lake Blvd., Dover Delaware 19904

Thomas J. Bresnan, Director

909 Silver Lake Blvd., Dover Delaware 19904

Ronald G. Forsythe, Jr., Ph.D., Director

909 Silver Lake Blvd., Dover Delaware 19904

Thomas P. Hill, Jr., Director

909 Silver Lake Blvd., Dover Delaware 19904

Dennis S. Hudson, III, Director

909 Silver Lake Blvd., Dover Delaware 19904

Paul L. Maddock, Jr., Director

909 Silver Lake Blvd., Dover Delaware 19904

Calvert A. Morgan, Jr., Director

909 Silver Lake Blvd., Dover Delaware 19904

Dianna F. Morgan, Director

909 Silver Lake Blvd., Dover Delaware 19904

John R. Schimkaitis, Director

909 Silver Lake Blvd., Dover Delaware 19904

Lila A. Jaber (1)

909 Silver Lake Blvd., Dover Delaware 19904

Michael P. McMasters, Director (2)

909 Silver Lake Blvd., Dover Delaware 19904

(1) - Appointed Director in November 2019, effective January 1, 2020

(2) - Michael McMasters - Director January through May 2019

SECURITY HOLDERS AND VOTING POWERS

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

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

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

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

4. Furnish particulars (details) concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by any officer, director, associated company, or any of the ten largest security holders.

VOTING SECURITIES

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

IMPORTANT CHANGES DURING THE YEAR

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquires. Each inquiry should be answered. Enter "none" "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important information to franchise rights:

Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.

2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give name of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.

3. Purchase or sale of an operating unit or system: Give brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.

4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other conditions. State name of Commission authorizing lease and give reference to such authorization.

5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases,

development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements etc.

6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less.

Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.

7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.

8. State the estimated annual effect and nature of any important wage scale changes during the year.

9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.

10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.

11. (Reserved)

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

PAGE 108 INTENTIONALLY LEFT BLANK
SEE PAGE 109 FOR REQUIRED INFORMATION

IMPORTANT CHANGES DURING THE YEAR

- 1 None
- 2 None
- 3 None
- 4 None
- 5 None
- 6 None
- 7 None
- 8 None
- 9 None
- 10 None
- 11 None

Florida Public Utilities Company Electric Division		For the Year Ended December 31, 2019		
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)				
Line No.	Title of Account	Ref. Page No.	Balance at Beginning of Year *	Balance at End of Year
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	134,515,962	162,276,514
3	Construction Work in Progress (107)	200-201	28,069,180	1,549,735
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		162,585,142	163,826,249
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 111, 115)	200-201	(57,306,619)	(62,535,464)
6	Net Utility Plant (Enter Total of line 4 less 5)		105,278,523	101,290,785
7	Nuclear Fuel (120.1-102.4, 120.6)		-	-
8	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)		-	-
9	Net Nuclear Fuel (Enter Total of line 7 less 8)		-	-
10	Net Utility Plant (Enter Total of lines 6 and 9)		105,278,523	101,290,785
11	Utility Plant Adjustments (116)		-	-
12	Gas Stored Underground-Noncurrent (117)		-	-
13	OTHER PROPERTY AND INVESTMENTS			
14	Nonutility Property (121)		-	-
15	(Less) Accum. Prov. for Depr. and Amort. (122)		-	-
16	Investments in Associated Company (123)		-	-
17	Investment in Subsidiary Companies (123.1)		-	-
18	(For Cost of Account 123.1, See Footnote Page 224, line 42)		-	-
19	Noncurrent Portion of Allowances		-	-
20	Other Investments (124-128, 171)		-	-
21	Special Funds		-	-
22	TOTAL Other Property and Investments (Total of lines 14 through 20)		-	-
23	CURRENT AND ACCRUED ASSETS			
24	Cash (131)		160,607	605,442
25	Special Deposits (132-133)		-	-
26	Working Funds (135)		8,000	8,000
27	Temporary Cash Investments (136)		-	-
28	Notes Receivable (141)		-	-
29	Customer Accounts Receivable (142)		8,706,480	5,867,282
30	Other Accounts Receivable (143)		(46,178)	(144,151)
31	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		(216,087)	(243,871)
32	Notes Receivable from Associated Companies (145)		-	-
33	Accounts Receivable from Assoc. Companies (146)		-	-
34	Fuel Stock (151)		-	-
35	Fuel Stock Expense Undistributed (152)		-	-
36	Residuals (Elec) and Extracted Products (Gas) (153)		-	-
37	Plant Material and Operating Supplies (154)	227	3,017,155	2,177,347
38	Merchandise (155)		-	-
39	Other Material and Supplies (156)		-	-
40	Nuclear Materials Held for Sale (157)		-	-
41	Allowances (158.1 and 158.2)		-	-
42	(Less) Noncurrent Portion of Allowances		-	-
43	Stores Expenses Undistributed (163)		-	-
44	Gas Stored Underground - Current (164.1)		-	-
45	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		-	-
46	Prepayments (165)		184,247	366,136
47	Advances for Gas (166-167)		-	-
48	Interest and Dividends Receivable		-	-
49	Rents Receivable (172)		-	-
50	Accrued Utility Revenues (173)		2,855,546	2,264,749
51	Miscellaneous Current and Accrued Assets (174)		-	-
52	TOTAL Current and Accrued Assets (Enter Total of lines 24 through 51)		14,669,770	10,900,934

FLORIDA PUBLIC UTILITIES COMPANY		An Original	For the Year Ended	
Electric Division			December 31, 2019	
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)		-	4,044
55	Extraordinary Property Losses (182.1)		-	-
56	Unrecovered Plant and Regulatory Study Costs (182.2)		-	-
57	Other Regulatory Assets (182.3)	232	5,957,288	5,783,133
58	Prelim. Survey and Investigation Charges (Electric) (183)		-	-
59	Prelim. Survey and Investigation Charges (Gas) (183.1, 183.2)		-	-
60	Clearing Accounts (184)		22,414	7,588
61	Temporary Facilities (185)		-	-
62	Miscellaneous Deferred Debits (186)	233	35,455,205	45,395,364
63	Def. Losses from Disposition of Utility Plant. (187)		-	-
64	Research, Devel. and Demonstration Expend. (188)		-	-
65	Unamortized Loss on Reacquired Debt (189)		-	-
66	Accumulated Deferred Income Taxes (190)	234	1,267,808	4,686,834
67	Unrecovered Purchased Gas Costs (191)		-	-
68				
69	TOTAL Deferred Debits (Enter Total of lines 54 through 67)		42,702,715	55,876,963
70	TOTAL Assets and other Debits (Enter Total of lines 10, 11, 12, 22, 52, and 68)		162,651,008	168,068,682

FLORIDA PUBLIC UTILITIES COMPANY		An Original	For the Year Ended	
Electric Division			December 31, 2019	
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)		-	-
3	Preferred Stock Issued (204)		-	-
4	Capital Stock Subscribed (202, 205)		-	-
5	Stock Liability for Conversion (203, 206)		-	-
6	Premium on Capital Stock (207)		-	-
7	Other Paid-In Capital (208-211)		217,904	-
8	Installments Received on Capital Stock (212)		-	-
9	(Less) Discount on Capital Stock (213)		-	-
10	(Less) Capital Stock Expense (214)		-	-
11	Retained Earnings (215, 215.1, 216)	118-119	55,134,725	55,559,536
12	Unappropriated Undistributed Subsidiary Earnings (216.1)		-	-
13	(Less) Reacquired Capital Stock (217)		-	-
14	TOTAL Proprietary Capital (Enter Total of lines 2 through 13)		55,352,629	55,559,536
15	LONG-TERM DEBT			
16	Bonds (221)		-	-
17	(Less) Reacquired Bonds (222)		-	-
18	Advances from Associated Companies (223)		-	-
19	Other Long-Term Debt (224)		-	-
20	Unamortized Premium on Long-Term Debt (225)		-	-
21	(Less) Unamortized Discount on Long-Term Debt-Dr. (226)		-	-
22	TOTAL Long-Term Debt (Enter Total of lines 16 through 21)		-	-
23	OTHER NONCURRENT LIABILITIES			
24	Obligations Under Capital Leases - Noncurrent (227)		-	142,361
25	Accumulated Provision for Property Insurance (228.1)		1,812	780,360
26	Accumulated Provision for Injuries and Damages (228.2)		20	210,312
27	Accumulated Provision for Pensions and Benefits (228.3)		5,514,702	4,876,174
28	Accumulated Miscellaneous Operating Provisions (228.4)		-	-
29	Accumulated Provision for Rate Refunds (229)		-	40,415
30	TOTAL Other Noncurrent Liabilities (Enter Total of lines 24 through 29)		5,516,534	6,049,622
31	CURRENT AND ACCRUED LIABILITIES			
32	Notes Payable (231)		-	30,000,000
33	Accounts Payable (232)		35,658,727	5,323,497
34	Notes Payable to Associated Companies (233)		-	-
35	Accounts Payable to Associated Companies (234)		48,255,077	44,835,839
36	Customer Deposits (235)		3,257,856	3,348,352
37	Taxes Accrued (236)	262-263	(5,246,286)	(7,693,037)
38	Interest Accrued (237)		76,357	115,571
39	Dividends Declared (238)		-	-
40	Long-Term Debt Current(239)		-	-
41	Matured Interest (240)		-	-
42	Tax Collections Payable (241)		1,014,629	729,512
43	Miscellaneous Current and Accrued Liabilities (242)		1,065,202	836,799
44	Obligations Under Capital Leases-Current (243)		-	50,808
45	TOTAL Current and Accrued Liabilities (Enter Total of lines 32 through 44)		84,081,562	77,547,341

FLORIDA PUBLIC UTILITIES COMPANY		An Original	For the Year Ended	
Electric Division			December 31, 2019	
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)		1,027,520	1,366,107
48	Accumulated Deferred Investment Tax Credits (255)	266-267	-	-
49	Deferred Gains from Disposition of Utility Plant (256)		-	-
50	Other Deferred Credits (253)	269	41,630	0
51	Other Regulatory Liabilities (254)	278	5,995,489	5,751,880
52	Unamortized Gain on Reacquired Debt (257)		-	-
53	Accumulated Deferred Income Taxes (281-283)	274-277	10,635,644	21,794,196
54	TOTAL Deferred Credits (Enter Total of lines 47 through 53)		17,700,283	28,912,183
55	TOTAL Liabilities and Other Credits (Enter Total of lines 14,22,30 45 and 53)		162,651,008	168,068,682

STATEMENT OF INCOME FOR THE YEAR

<p>1. Report amounts for Accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (i,k,m,o) in a similar manner to a utility department. Spread the amount (s) over lines 02 through 24 as appropriate. Include these amounts in columns (c) and (d) totals.</p> <p>2. Report amounts in Account 414, Other Utility Operating Income, in the same manner as Accounts 412 and 413 above.</p> <p>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.</p> <p>4. Use page 122-123 for important notes regarding the statement of income or any account thereof.</p>	<p>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.</p> <p>6. Give concise explanations concerning significant amounts of any refunds made or received during the year</p>
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Line No.	Account (a)	Ref. Page No. (b)	TOTAL Current Year (c)	TOTAL Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	83,077,145	83,209,477
3	Operating Expenses			
4	Operation Expenses (401)		65,060,317	64,900,874
5	Maintenance Expenses (402)		3,430,157	3,082,524
6	Depreciation Expense (403)		4,785,374	4,244,965
7	Amort. & Depl. of Utility Plant (404-405)		(284,871)	(276,929)
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)		211,392	59,876
12	(Less) Regulatory Credits (407.4)		-	-
13	Taxes Other Than Income Taxes (408.1)		6,989,327	6,800,281
14	Income Taxes - Federal (409.1)		(6,996,978)	(100,933)
15	- Other (409.1)		-	-
16	Provision for Deferred Inc. Taxes (410.1) *		12,470,589	1,776,461
17	(Less) Provision for Deferred Income Taxes-Cr.(411.1)		(5,048,718)	(785,695)
18	Investment Tax Credit Adj. - Net (411.4)		-	-
19	(Less) Gains from Disp. of Utility Plant (411.6)		-	-
20	Losses from Disp. of Utility Plant (411.7)		-	-
21	(Less) Gains from Disposition of Allowances (411.8)		-	-
22	Losses from Disposition of Allowances (411.9)		-	-
23	TOTAL Utility Operating Expenses (Total of lines 4-22)		80,616,589	79,701,424
24	Net Utility Operating Income (Total of line 2 less 23) (Carry forward to page 117, line 25)		2,460,556	3,508,053

STATEMENT OF INCOME FOR THE YEAR (Continued)

resulting from settlement of any rate proceeding affecting allocations and apportionments from those used in the pre-revenues received or costs incurred for power or gas pur- ceding year. Also give the approximate dollar effect of such chases, and a summary of the adjustments made to changes.

balance sheet, income, and expense accounts. 9. Explain in a footnote if the previous year's figures are different from that reported in prior reports.

7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes must be attached at page 122. 10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 1 to 19, and report the information in the blank space on page 122 or in a supplemental statement.

8. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY - WATER		Line No.
Current Year (e)	Previous Year (f)	Current Year (g)	Previous Year (h)	Current Year (i)	Previous Year (j)	
						1
83,077,145	83,209,477	-	-	-	-	2
						3
65,060,317	64,900,874	-	-	-	-	4
3,430,157	3,082,524	-	-	-	-	5
4,785,374	4,244,965	-	-	-	-	6
(284,871)	(276,929)	-	-	-	-	7
		-	-	-	-	8
-	-	-	-	-	-	9
-	-	-	-	-	-	10
211,392	59,876	-	-	-	-	11
		-	-	-	-	12
6,989,327	6,800,281	-	-	-	-	13
(6,996,978)	(100,933)	-	-	-	-	14
-	-	-	-	-	-	15
12,470,589	1,776,461	-	-	-	-	16
(5,048,718)	(785,695)	-	-	-	-	17
		-	-	-	-	18
-	-	-	-	-	-	19
-	-	-	-	-	-	20
-	-	-	-	-	-	21
-	-	-	-	-	-	22
80,616,589	79,701,424	-	-	-	-	23
2,460,556	3,508,053	-	-	-	-	24

STATEMENT OF INCOME FOR THE YEAR (Continued)

Line No.	Account	Ref. Page No.	TOTAL	
			Current Year	Previous Year
25	Net Utility Operating Income (Carried forward from page 114)	--	2,460,556	3,508,053
26	Other Income and Deductions			
27	Other Income	--		
28	Nonutility Operating Income	--		
29	Revenues From Merchandising, Jobbing and Contract Work (415)	--	140	-
30	(Less) Costs and Exp. of Merchandising, Job & Contract Work (416)	--	360	-
31	Revenues From Nonutility Operations (417)	--	-	-
32	(Less) Expenses of Nonutility Operations (417.1)	--	-	-
33	Nonoperating Rental Income (418)	--	-	-
34	Equity in Earnings of Subsidiary Companies (418.1)	119	-	-
35	Interest and Dividend Income (419)	--	-	-
36	Allowance for Other Funds Used During Construction (419.1)	--	-	-
37	Miscellaneous Nonoperating Income (421)	*	-	-
38	Gain on Disposition of Property (421.1)	--	-	-
		--	-	-
39	TOTAL Other Income (Enter Total of lines 29 through 38)	--	500	-
40	Other Income Deductions	--		
41	Loss on Disposition of Property (421.2)	--	-	-
42	Miscellaneous Amortization (425)	340	-	-
43	Miscellaneous Income Deductions (426.1-426.5)	463	(3,543)	(8,799)
44	TOTAL Other Income Deductions (Total of lines 41 through 43)		(3,543)	(8,799)
45	Taxes Applic. to Other Income and Deductions	--		
46	Taxes Other Than Income Taxes (408.2)	262-263	-	-
47	Income Taxes - Federal (409.2)	262-263	67,877	51,602
48	Income Taxes - Other (409.2)	262-263	-	-
49	Provision for Deferred Income Taxes (410.2)	234,272-277	-	-
50	(Less) Provision for Deferred Income Taxes - Cr. (411.2)	234,272-277	-	-
51	Investment Tax Credit Adj.- Net (411.5)	--		
52	(Less) Investment Tax Credits (420)	--		
53	TOTAL Taxes on Other Inc. and Ded. (Enter Total of 46 through 52)	--	67,877	51,602
54	Net Other Income and Deductions (Enter Total of lines 39,44,53)	--	64,834	42,803
55	Interest Charges			
56	Interest on Long-Term Debt (427)	--	1,282,321	704,261
57	Amortization of Debt Disc. and Expense (428)	--	39,812	12,658
58	Amortization of Loss on Reacquired Debt (428.1)	--	18,978	22,745
59	(Less) Amort. of Premium on Debt - Credit (429)	--		
60	(Less) Amortization of Gain on Reacquired Debt - Credit (429.1)	--		
61	Interest on Debt to Assoc. Companies (430)	463		
62	Other Interest Expense (431)	463	543,908	562,520
63	(Less) Allow. for Borrowed Funds Used During Const. - Cr. (432)	--		
64	Net Interest Charges (Total of lines 56 through 63)	--	1,885,019	1,302,184
65	Income Before Extraordinary Items (Enter Total of lines 25, 54 and 64)	--	640,371	2,248,672
66	Extraordinary Items			
67	Extraordinary Income (434) Cum.	--		
68	(Less) Extraordinary Deductions (435)	--		
69	Net Extraordinary Items (Enter Total of line 67 less line 68)	--		
70	Income Taxes - Federal and Other (409.3)	262-263		
71	Extraordinary Items After Taxes (Enter Total of line 69 less line 70)	--		
72	Net Income (Enter Total of lines 65 and 71)		640,371	2,248,672

STATEMENT OF RETAINED EARNINGS FOR THE YEAR

1. Report all changes in appropriate retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).
3. State the purpose and amount for each reservation or appropriation of retained earnings.
4. List first Account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items, in that order.
5. Show dividends for each class and series of capital stock.
6. Show separately the state and federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
7. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservations or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
8. If any notes appearing in the report to stockholders are applicable to this statement attach them at page 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)		
1	Balance - Beginning of Year		55,134,725
2	Changes (Identify by prescribed retained earnings accounts)		
3	Adjustments to Retained Earnings (Account 439)		
4	Credit:		
5	Credit:		
6	Credit:		
7	Credit:		
8	Credit:		
9	TOTAL Credits to Retained Earnings (Account 439) (Enter Total of lines 4 through 8)		
10	Debit: Chesapeake Utilities Corporations Acquisition of FPU		
11	Debit:		
12	Debit:		
13	Debit:		
14	Debit:		
15	TOTAL Debits to Retained Earnings (Account 439) (Enter Total of lines 10 through 14)		
16	Balance Transferred from Income (Account 433 less Account 418.1)		640,371
17	Appropriations of Retained Earnings (Account 436)		
18	Employer Stock - Rabbi Trust		(215,560)
19			
20			
21	TOTAL Appropriations of Retained Earnings (Account 436)		
22	(Enter Total of lines 18 through 21)		(215,560)
23	Dividends Declared - Preferred Stock (Account 437)		
24	Preferred		
25			
26			
27			
28	TOTAL Dividends Declared - Preferred Stock (Account 437)		
29	(Enter Total of lines 24 through 28)		-
30	Dividends Declared - Common Stock (Account 438)		
31	Common - Cash		
32			
33			
34			
35	TOTAL Dividends Declared - Common Stock (Account 438)		
36	(Enter Total of lines 31 through 35)		-
37	Transfers from Acct. 216.1, Unappropriated Undistributed Subsidiary Earnings		-
38	Balance - End of Year (Enter Total of lines 01, 09, 15, 16, 22, 29, 36 and 37)		<u>55,559,536</u>

STATEMENT OF RETAINED EARNINGS FOR THE YEAR (Continued)

Line No.	Item (a)	Amount (b)
	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	
	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)	55,559,536
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)	
49	Balance - Beginning of Year (Debit or Credit)	
50	Equity in Earnings for Year (Credit) (Account 418.1)	640,371
51	(Less) Dividends Received (Debit)	-
52	Other Changes (Explain) Cost of shares issued for employee stock plan	-
53	Balance - End of year (Total of Lines 49 Thru 52)	640,371

STATEMENT OF CASH FLOWS

1. If the notes to the cash flow statement in the respondent's annual stockholders report are applicable to this statement, such notes should be attached to page 122-123. Information about noncash investing and financing activities should be provided on page 122-123. Provide also on page 122-123 a reconciliation between "Cash and Cash Equivalents at end of Year" with related amounts on the balance sheet.

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

3. Operating Activities - Other: include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on page 122-123 the amounts of interest paid (net of amounts capitalized) and income taxes paid.

Line No.	Description (See Instruction No.5 for Explanation of Codes) (a)	Amounts (b)
1	Operating Activities	In thousands
2	Net Income - Electric	\$ 640,371
3	Adjustments to reconcile net income to net operating cash:	
4	Depreciation and amortization	4,168,682
5	Depreciation and accretion included in other costs	884,607
6	Deferred income taxes, net	7,436,107
7	Other, net	-
8	Changes in assets and liabilities:	
9	Accounts receivable and accrued utility revenue	3,555,752
10	Plant material and operating supplies	839,808
11	Regulatory assets	12,500
12	Prepayments	(181,889)
13	Other deferred charges	(9,929,376)
14	Accounts payable and other accrued liabilities	(7,391,363)
15	Taxes accrued	(2,446,751)
16	Interest accrued	39,214
17	Customer deposits	90,496
18	Regulatory liabilities	826,753
19	Other liabilities	349,221
20	Net cash used by operating activities	<u>\$ (1,105,868)</u>
21		
22	Investing Activities	
23	Property, plant and equipment expenditures	(22,625,917)
24	Net cash used by investing activities	<u>\$ (22,625,917)</u>
25		
26	Financing Activities	
	Notes Payable	30,000,000
27	Inter-company receivable (payable)	(5,823,378)
28	Net cash provided by financing activities	<u>\$ 24,176,622</u>
29		
30	Net Increase (Decrease) in Cash and Cash Equivalents	444,837
31	Cash and Cash Equivalents — Beginning of Period	160,607
32	Cash and Cash Equivalents — End of Period	<u>\$ 605,444</u>

CONSOLIDATED 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 122-123.
Do not include on this statement the dollar amount of leases capitalized per USofA General instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost on page 122-123.

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

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

Line No.	Description (See Instruction No.5 for Explanation of Codes) (a)	Amounts (b)
	See Page 120	

Name of Respondent	For the Year Ended
Florida Public Utilities Company	
Electric Division	December 31, 2019
NOTES TO THE FINANCIAL STATEMENTS ON A CONSOLIDATED BASIS	
<p>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.</p> <p>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.</p> <p>3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, 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.</p> <p>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.</p> <p>5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.</p> <p>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 8-10, such notes may be attached hereto.</p> <p>* See Word File Attached</p>	

Florida Public Utilities Company	An Original		For the Year Ended
Electric Division			December 31, 2019
NOTES TO FINANCIAL STATEMENTS			

1. Organization and Basis of Presentation

Florida Public Utilities Company (“FPU”) is a utility engaged in the natural gas and electric distribution business in Florida. The electric division of FPU (“we,” “our” or “us”) is engaged in the distribution of electricity. We deliver electricity to approximately 32,000 residential, commercial and industrial customers located in Jackson, Liberty, Calhoun and Nassau counties in Florida. Our rates and services are subject to regulation by the Florida Public Service Commission (“FPSC”). FPU is a wholly-owned subsidiary of Chesapeake Utilities Corporation (“Chesapeake Utilities”).

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

- lack of reclassification of certain negative balances on the balance sheets;
- the presentation of deferred income tax assets and liabilities separately rather than as a single amount;
- the presentation of cost of removal as a component of accumulated depreciation rather than as a regulatory liability;
- lack of detail property, plant and equipment component costs disclosure;
- lack of detail regulatory assets and liability disclosure;
- the omission of the statement of cash flows for prior year for a comparative presentation;
- the omission of the statement of retained earnings for prior year for a comparative presentation;
- the presentation of pass-through revenue taxes, such as gross receipts taxes, franchise taxes and sales taxes, as revenues and operating expenses rather than on a net basis;
- the presentation of the components of net benefit costs in operating expenses whereas for US GAAP only the service component is presented in operating expenses; and
- the presentation of operating leases’ right-of-use asset and lease liability in the FERC balance sheet accounts for capital lease assets and liabilities.

We do not have any ownership interests in investments accounted for using the equity method or any variable interests in a variable interest entity. We have assessed and reported on subsequent events through April 30, 2020, the date these financial statements are available to be issued.

In March 2020, the World Health Organization declared a global pandemic related to the rapidly growing outbreak of a novel strain of coronavirus (“COVID-19”). In response to this declaration and the rapid spread of COVID-19 within the United States, federal, state and local governments throughout the country imposed varying degrees of restrictions on social and commercial activity to promote social distancing in an effort to slow the spread of the illness. As a result, these restrictions have significantly impacted economic conditions in the United States, which are expected to continue as the need for social distancing restrictions remain in place. The Company is considered an “essential business,” which allows the Company to continue its operational activities and construction projects while the social distancing restrictions remain in place. In response to the COVID-19 pandemic and these social distancing restrictions, the Company has implemented its pandemic response plan, which includes having office staff work remotely to promote social distancing and field employees utilizing personal protective equipment where necessary to reduce the spread of COVID-19. Any future impact on the Company’s results of operations or financial position from COVID-19, particularly from continued social distancing restrictions, cannot be estimated at this time. The Company will continue to monitor developments affecting its workforce, its customers and its suppliers and take additional precautions as warranted to comply with the applicable social distancing restrictions.

2. Summary of Significant Accounting Policies

Use of Estimates

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

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available, or actual amounts are determined, recorded estimates are revised. Consequently, operating results can be affected by revisions to prior accounting estimates.

Utility Plant

Utility Plant is stated at the lower of original cost less accumulated depreciation or fair value if impaired. Costs include direct labor, materials and third-party construction contractor costs, allowance for funds used during construction (“AFUDC”) and certain indirect costs related to equipment and employees engaged in construction. The costs of repairs and minor replacements are charged to expense as incurred, and the costs of major renewals and betterments are capitalized. Upon retirement or disposition of utility plant, the gain or loss, net of salvage value, is charged to accumulated depreciation or deferred as a regulatory asset or liability as required by the FPSC.

Customer contributions or advances in aid of construction reduce utility plant unless the amounts are refundable to customers. Contributions or advances may be refundable to customers after a number of years based on the amount of revenues generated from the customers or the duration of the service provided to the customers. Refundable contributions or advances are recorded initially as liabilities. The amounts that are determined to be non-refundable will reduce utility plant at the time of such determination. As of December 31, 2018, there were \$0.3 million of non-refunded contributions or advances reducing utility plant and none at December 31, 2019.

AFUDC represents the estimated cost of funds, from both debt and equity sources, used to finance the construction of major projects. AFUDC is capitalized in rate base for rate making purposes when the completed projects are placed in service. We did not capitalize AFUDC on utility plant for the years ended December 31, 2019 and 2018.

Asset Impairment Evaluations

We periodically evaluate whether events or circumstances have occurred, which indicate that other long-lived assets may not be fully recoverable. The determination of whether an impairment has occurred is based on an estimate of undiscounted future cash flows attributable to the asset, compared to the carrying value of the asset. When such events or circumstances are present, we record an impairment loss equal to the excess of the asset's carrying value over its fair value, if any.

Depreciation

We compute depreciation expense by applying composite, annual rates as approved by the FPSC. Depreciation and amortization expenses are provided at an annual rate averaging 3.4 percent for the years 2019 and 2018.

In accordance with the accounting requirements of the FERC, we include the accretion of the cost of removal for future retirements of utility plant as depreciation expense. For the years ended December 31, 2019 and 2018, \$0.8 million and \$0.7 million, respectively, of such accretion was included in depreciation expense. We also report certain depreciation expenses, mainly related to vehicle, computer software, and hardware, as operation expenses rather than depreciation and amortization expense to comply with the requirements of the FERC. For the years ended December 31, 2019 and 2018, \$0.4 million and \$0.3 million, respectively, of such depreciation was reported as operation expenses.

Regulated Operations

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

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

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Revenue Recognition

Our operating revenues are based on rates approved by the FPSC. Customers' base rates may not be changed without formal approval by the FPSC. We read meters and bill customers on monthly cycles that do not coincide with the accounting periods used for financial reporting purposes. We accrue unbilled revenues for the charges associated with electricity delivered, but not yet billed, at the end of an accounting period to the extent that they do not coincide.

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

Operation and Maintenance Expenses

Operation and maintenance expenses are costs associated with the operation and maintenance of our electric distribution systems. Major cost components include operation and maintenance salaries and benefits, materials and supplies, usage of vehicles, tools and equipment, payments to contractors, utility plant maintenance, customer service, professional fees and other outside services, insurance expense, minor amounts of depreciation, accretion of cost of removal for future retirement of utility assets, and other administrative expenses.

Cash and Cash Equivalents

We consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Excess cash generated by our receipts may be transferred to and invested in Chesapeake Utilities' overnight income-producing accounts. We are allocated the portion of interest income generated from those accounts, which reduced interest expense in the accompanying statements of income.

Accounts Receivable and Allowance for Doubtful Accounts

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

Inventories

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

Pension and Other Postretirement Plans

Our eligible employees participate in FPU's pension and other postretirement plans. FPU allocates our share of its pension and other postretirement plan costs based on a portion of the benefits related to providing our service. FPU's pension and other postretirement plan costs and liabilities are determined on an actuarial basis and are affected by numerous assumptions and estimates including the fair value of plan assets, estimates of the expected returns on plan assets, assumed discount rates, the level of contributions made to the plans, and current demographic and actuarial mortality data. FPU's management annually reviews the estimates and assumptions underlying our pension and other postretirement plan costs and liabilities with the assistance of third-party actuarial firms.

The assumed discount rates and the expected returns on plan assets are the assumptions that generally have the most significant impact on FPU's pension costs and liabilities. The assumed discount rates, the assumed health care cost trend rates and the assumed rates of retirement generally have the most significant impact on FPU's postretirement plan costs and liabilities. A 0.25 percent change in the discount rate could change FPU's annual pension and postretirement costs by an immaterial amount. A 0.25 percent change in the rate of return could change FPU's annual pension cost by an immaterial amount, and would not have an impact on the postretirement and plan because this plan is not funded.

Income Taxes

Deferred tax assets and liabilities are recorded for the income tax effect of temporary differences between the financial statement basis and tax basis of assets and liabilities and are measured using the enacted income tax rates in effect in the years in which the differences are expected to reverse. The portions of our deferred tax liabilities, which have not been

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reflected in current service rates, represent income taxes recoverable through future rates. Deferred tax assets are recorded net of any valuation allowance when it is more likely than not that such tax benefits will be realized.

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

We account for contingencies associated with taxes other than income when the likelihood of a loss is both probable and estimable. In assessing the likelihood of a loss, we do not consider the existence of current inquiries, or the likelihood of future inquiries, by tax authorities as a factor. Our assessment is based solely on our application of the appropriate statutes and the likelihood of a loss assuming the proper inquiries are made by tax authorities.

Financial Instruments

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

Financial assets with carrying values approximating fair value include accounts receivable. Financial liabilities with carrying values approximating fair value include accounts payable and other accrued liabilities.

Recently Adopted Accounting Standards

Leases (ASC 842) - In February 2016, the FASB issued Accounting Standards Update (“ASU”) 2016-02, *Leases*, which requires lessees to recognize leases on the balance sheet and disclose key information about leasing arrangements. The standard establishes a right of use model that requires a lessee to recognize a right of use asset and lease liability for all leases with a term greater than 12 months. The update also expands the required quantitative and qualitative disclosures surrounding leases. ASC 842 was subsequently amended by ASU No. 2018-01, *Land Easement Practical Expedient for Transition to Topic 842*; ASU No. 2018-10, *Codification Improvements to Topic 842, Leases*; ASU No. 2018-11, *Targeted Improvements*; and ASU No. 2019-01, *Codification Improvements*. FPU adopted ASU 2016-02 and the related amendments on January 1, 2019, and used the optional transition method for all existing leases. The optional transition method enabled us to adopt the new standard as of the beginning of the period of adoption and did not require restatement of prior period financial information. As a result, prior period financial information was not recast and continues to be reported under the accounting guidance effective during those periods.

At adoption, FPU elected the following practical expedients: (1) the ‘package of practical expedients,’ pursuant to which we did not need to reassess our prior conclusions about lease identification, lease classification and initial direct costs, (2) the ‘use-of-hindsight’ practical expedient, which allowed us to use hindsight in assessing impairment of our existing land easements, (3) the creation of an accounting policy for short-term leases resulting in lease payments being recorded as an expense on a straight-line basis over the lease term, and (4) the aggregation, rather than separation, of the lease and non-lease components for all leases.

See Note 6, *Leases* for additional information.

Recent Accounting Standards Yet to be Adopted

Financial Instruments - Credit Losses (ASC 326) - In June 2016, the FASB issued ASU 2016-13, *Measurement of Credit Losses on Financial Instruments*, which changes how entities account for credit losses for most financial assets and certain other instruments, and subsequent guidance which served to clarify or amend the original standard. ASU 2016-13 and the related amendments require entities to estimate lifetime expected credit losses for trade receivables and to provide additional disclosure related to credit losses. ASU 2016-13 will be effective for our financial statements beginning January 1, 2020 and is not expected to have a material impact on our financial position or results of operations.

Fair Value Measurement (ASC 820) - In August 2018, the FASB issued ASU 2018-13, *Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement*, which removes, modifies and adds certain disclosure requirements on fair value measurements in ASC 820. ASU 2018-13 will be effective for our annual and interim financial

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statements beginning January 1, 2020, and since the changes only impact disclosures, will not have a material impact on our financial position or results of operations.

3. Transactions with Affiliates

Financing Arrangements

Our excess cash is transferred to Chesapeake Utilities to be invested in overnight income-producing accounts. We utilize Chesapeake Utilities' short-term borrowing facility and long-term debt to satisfy our financing needs. For the years ended December 31, 2019 and 2018, Chesapeake Utilities allocated to us \$3.3 million and \$1.3 million, respectively, in interest expense, which represents a portion of interest from Chesapeake Utilities' short-term and long-term debt, net of a portion of interest income from the overnight income-producing accounts.

Allocated Costs from Affiliates

Chesapeake Utilities provides us with administrative and support services. These services include certain managerial, accounting, information technology, payroll, human resources, and treasury services. For each of the years ended December 31, 2019 and 2018, Chesapeake Utilities charged us \$4.4 million and \$3.2 million, respectively for these services. Chesapeake Utilities also provides us with shared services, which includes safety and customer care services. For the years ended December 31, 2019 and 2018, Chesapeake Utilities charged us \$1.8 million and \$1.6 million, respectively for these services.

Advances from Affiliates

As of December 31, 2019 and 2018, we had advances from Chesapeake Utilities and its subsidiaries of \$44.8 million and \$48.3 million, respectively. These amounts are reflected as accounts payable to associated companies in the accompanying balance sheet.

Electric Purchase

Eight Flags Energy, LLC ("Eight Flags"), a subsidiary of Chesapeake Utilities' OnSight Services, LLC, generates electricity and steam at its Combined Heat and Power plant located on Amelia Island, Florida. Eight Flags sells the electricity generated from the plant to us for distribution to our customers. For the years ended December 31, 2019 and 2018, we incurred \$13.8 million and \$14.1 million, respectively, in cost associated with the purchase of electricity from Eight Flags, which was included in the cost of fuel and our fuel cost recovery mechanism.

Letter of Credit

As of December 31, 2019, Chesapeake Utilities issued a letter of credit for \$1.0 million, which expires in September 2020, related to electric transmission services for our northwest division.

4. Income Taxes

FPU is included in the Chesapeake Utilities consolidated federal income tax return, along with all of Chesapeake Utilities' other subsidiaries. At December 31, 2019, Chesapeake Utilities' federal income tax returns for tax years 2015 through 2018 are under examination, and no report has been issued at this time. FPU files a separate state income tax return in the state of Florida. Income taxes in the accompanying consolidated statements of income have been allocated to us as if we were a separate taxpayer. State income tax returns for FPU for tax years after 2015 are subject to examination.

Income taxes are allocated to us as if we were a separate tax payer. FPU had a state net operating loss in Florida of \$15.7 million as of December 31, 2019 and none for 2018. In March 2020, President Trump signed into law, the Coronavirus Aid, Relief, and Economy Stimulus ("CARES") Act. Under the CARES Act, a taxpayer that generates a NOL in 2020 (or generated a NOL in 2019 or 2018) can elect to carryback such NOL to the prior five years to offset prior years' taxable income and claim a tax refund(s) of previously paid federal income taxes. We are currently evaluating the impact of the CARES Act and have not reached a conclusion on whether we will elect to carryback any NOL generated in 2018 and 2019.

Federal Tax Reform

On December 22, 2017, President Trump signed into law the Tax Cuts and Jobs Act of 2017 ("TCJA"). Substantially all of the provisions of the TCJA are effective for taxable years beginning on or after January 1, 2018. The provisions

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significantly impacting Chesapeake Utilities include the reduction of the corporate federal income tax rate from 35 percent to 21 percent. Chesapeake Utilities' federal income tax expense for periods beginning on January 1, 2018 are based on the new federal corporate income tax rate. The TCJA included changes to the Internal Revenue Code, which materially impacted Chesapeake Utilities' 2017 financial statements. ASC 740, *Income Taxes*, requires recognition of the effects of changes in tax laws in the period in which the law is enacted. ASC 740 requires deferred tax assets and liabilities to be measured at the enacted tax rate expected to apply when temporary differences are to be realized or settled. During 2018, Chesapeake Utilities completed the assessment of the impact of accounting for certain effects of the TCJA. At the date of enactment in 2017, Chesapeake Utilities re-measured deferred income taxes based upon the new corporate tax rate. See Note 10, *Rates and other Regulatory Activities*, for discussion on effects of TCJA on rate payers.

The components of federal and state income tax expense (benefit) are:

For the Year Ended December 31,	2019	2018
<i>(in thousands)</i>		
Current	(\$7,065)	(\$153)
Deferred	7,422	991
Total Income Tax Expense	\$357	\$838

Deferred tax expense results primarily from the use of accelerated depreciation for tax purposes and deferred fuel costs. Total income tax expense results primarily from applying the federal income tax statutory rate to book income before tax.

For the Year Ended December 31,	2019	2018
<i>(in thousands)</i>		
Federal income tax expense, 21% in 2019 and 2018	\$209	\$648
State income tax	43	134
Other	105	56
Total Income Tax Expense	\$357	\$838

Deferred tax assets and liabilities at December 31, 2019 were \$4.7 million and \$21.8 million, respectively. Deferred tax assets and liabilities at December 31, 2018 were \$1.3 million and \$10.6 million, respectively. Deferred tax assets are primarily the result of timing differences associated with storm reserves and state decoupling as well as the impact of rate changes due to the TCJA. Deferred tax liabilities are primarily the result of depreciation-related timing differences.

5. Customer Concentration

We operate entirely in the electricity distribution business. Our operations include the transportation of electricity in intra-state commerce. We did not have any customer that accounted for more than 10 percent of our revenues for the years ended December 31, 2019 and 2018.

6. Leases

FPU has entered into operating lease arrangements for office and warehouse space. These lease arrangements enable us to better conduct business operations in our service territory, provide adequate workspace for all our employees and to store equipment and materials used in repairs and maintenance for our businesses. FPU has allocated to us the right-of-use asset, lease liability and lease expense for our use of these leased facilities. Both of the operating lease right-of-use asset and liability in the FERC balance sheet accounts for capital lease assets and liabilities at December 31, 2019, were \$0.1 million. Operating lease cost included in our consolidated statements of income was \$0.1 million for both of the years ended December 31, 2019 and 2018. The following table presents the future undiscounted maturities of operating leases allocated to us at December 31, 2019 and for each of the next five years and thereafter:

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<i>(in thousands)</i>	Operating Leases
2020	\$ 51
2021	28
2022	29
2023	29
2024	14
Thereafter	11
Total Lease Payments	162
Less: Interest	13
Present Value of Lease Liabilities	\$ 149

7. Supplemental Cash Flow Disclosures

Cash paid for income taxes, net of refunds, for the year ended December 31, 2019 was none. Capital property and equipment acquired on account, but not paid as of December 31, 2019 was immaterial.

8. Employee Benefit Plans

Eligible FPU employees participate in various benefit plans sponsored by FPU and Chesapeake Utilities. They allocate to us a portion of the benefit costs associated with these plans. Our share of the costs is based on a portion of the benefits related to providing services to us. For the years ended December 31, 2019 and 2018, we recorded the benefit costs of \$0.7 million and \$0.5 million, respectively, related to these plans.

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

FPU measures the assets and obligations of the defined benefit pension plan and other postretirement benefit plans to determine the plans’ funded status as of the end of the year as an asset or a liability on its consolidated balance sheets. A portion of this asset or liability related to us is reflected on our balance sheet. At December 31, 2019 and 2018, \$4.9 million and \$5.5 million, respectively, of the pension and postretirement benefit liabilities were assigned to us.

Defined Benefit Pension Plan

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The following schedule sets forth the funded status at December 31, 2019 and 2018 and the net periodic cost for the years ended December 31, 2019 and 2018 for the FPU Pension Plan:

<u>At December 31,</u>	<u>2019</u>	<u>2018</u>
<i>(in thousands)</i>		
Change in benefit obligation:		
Benefit obligation — beginning of year	\$59,377	\$64,664
Interest cost	2,452	2,339
Actuarial (gain) loss	6,508	(4,739)
Benefits paid	(3,033)	(2,887)
Benefit obligation — end of year	<u>\$65,304</u>	<u>\$59,377</u>
Change in plan assets:		
Fair value of plan assets — beginning of year	\$43,601	\$48,396
Actual return on plan assets	7,978	(3,113)
Employer contributions	1,157	1,205
Benefits paid	(3,033)	(2,887)
Fair value of plan assets — end of year	<u>\$49,703</u>	<u>\$43,601</u>
Reconciliation:		
Funded status	<u>(15,601)</u>	<u>(15,776)</u>
Accrued pension cost	<u>(\$15,601)</u>	<u>(\$15,776)</u>
Assumptions:		
Discount rate	3.25 %	4.25 %
Expected return on plan assets	<u>6.50 %</u>	<u>6.50 %</u>
<u>For the Years Ended December 31,</u>	<u>2019</u>	<u>2018</u>
<i>(in thousands)</i>		
Components of net periodic pension cost:		
Interest cost	\$2,452	\$2,339
Expected return on assets	(2,770)	(3,091)
Amortization of actuarial loss	505	404
Net periodic pension cost	<u>187</u>	<u>(348)</u>
Amortization of pre-merger regulatory asset	543	761
Total periodic cost	<u>\$730</u>	<u>\$413</u>
Assumptions:		
Discount rate	4.25 %	3.75 %
Expected return on plan assets	<u>6.50 %</u>	<u>6.50 %</u>

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Included in the net periodic costs for the FPU Pension Plan is continued amortization of FPU's pension regulatory asset, which represents the portion attributable to FPU's regulated operations for the changes in funded status that occurred but were not recognized as part of net periodic cost prior to the merger with Chesapeake Utilities in October 2009. This was previously deferred as a regulatory asset by FPU prior to the merger to be recovered through rates pursuant to an order by the FPSC. At December 31, 2019, this regulatory asset was fully amortized. Excluding the service cost component, the other components of the net periodic costs have been recorded or reclassified to other expense, net of tax, in the consolidated statements of income.

FPU's funding policy provides that payments to the trustee shall be equal to at least the minimum funding requirements of the Employee Retirement Income Security Act of 1974. The following schedule summarizes the assets of the FPU Pension Plan, by investment type, at December 31, 2019 and 2018:

Asset Category	As of December 31,	
	2019	2018
Equity securities	53%	50%
Debt securities	37%	41%
Other	10%	9%
Total	100%	100%

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

The following allocation range of asset classes is intended to produce a rate of return sufficient to meet FPU Pension Plan's goals and objectives:

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

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

At December 31, 2019 and 2018, the assets of the FPU Pension Plan were comprised of the following investments:

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Asset Category <i>(in thousands)</i>	Fair Value Measurement Hierarchy							
	December 31, 2019				December 31, 2018			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Mutual Funds - Equity securities								
U.S. Large Cap ⁽¹⁾	\$ 3,553	\$ -	\$ -	\$ 3,553	\$ 2,853	\$ -	\$ -	\$ 2,853
U.S. Mid Cap ⁽¹⁾	1,604	-	-	1,604	1,221	-	-	1,221
U.S. Small Cap ⁽¹⁾	726	-	-	726	579	-	-	579
International ⁽²⁾	9,855	-	-	9,855	7,702	-	-	7,702
Alternative Strategies ⁽³⁾	4,739	-	-	4,739	4,799	-	-	4,799
	<u>20,477</u>	<u>-</u>	<u>-</u>	<u>20,477</u>	<u>17,154</u>	<u>-</u>	<u>-</u>	<u>17,154</u>
Mutual Funds - Debt securities								
Fixed income ⁽⁴⁾	15,938	-	-	15,938	15,554	-	-	15,554
High Yield ⁽⁴⁾	2,476	-	-	2,476	2,350	-	-	2,350
	<u>18,414</u>	<u>-</u>	<u>-</u>	<u>18,414</u>	<u>17,904</u>	<u>-</u>	<u>-</u>	<u>17,904</u>
Mutual Funds - Other								
Commodities ⁽⁵⁾	1,708	-	-	1,708	1,596	-	-	1,596
Real Estate ⁽⁶⁾	2,288	-	-	2,288	1,851	-	-	1,851
Guaranteed deposit ⁽⁷⁾	-	-	759	759	-	-	433	433
	<u>3,996</u>	<u>-</u>	<u>759</u>	<u>4,755</u>	<u>3,447</u>	<u>-</u>	<u>433</u>	<u>3,880</u>
Total Pension Plan Assets	<u>\$ 42,887</u>	<u>\$ -</u>	<u>\$ 759</u>	<u>\$ 43,646</u>	<u>\$ 38,505</u>	<u>\$ -</u>	<u>\$ 433</u>	<u>\$ 38,938</u>
Investments Measured at net asset value ⁽⁸⁾				<u>6,057</u>				<u>4,663</u>
Total Pension Plan Assets				<u>\$49,703</u>				<u>\$ 43,601</u>

(1) Includes funds that invest primarily in United States common stocks.

(2) Includes funds that invest primarily in foreign equities and emerging markets equities.

(3) Includes funds that actively invest in both equity and debt securities, funds that sell short securities and funds that provide long-term capital appreciation. The funds may invest in debt securities below investment grade.

(4) Includes funds that invest in investment grade and fixed income securities.

(5) Includes funds that invest primarily in commodity-linked derivative instruments and fixed income securities.

(6) Includes funds that invest primarily in real estate.

(7) Includes investment in a group annuity product issued by an insurance company.

(8) Certain investments that were measured at net asset value per share have not been classified in the fair value hierarchy. These amounts are presented to reconcile to total pension plan assets.

At December 31, 2019 and 2018, all of the investments were classified under the same fair value measurement hierarchy (Level 1 through Level 3). Level 1 investments are recorded at fair value based on unadjusted quoted prices in active markets for identical investments. The Level 3 investments are recorded at fair value based on the contract value of annuity products underlining guaranteed deposit accounts, which was calculated using discounted cash flow models. The contract value of these products represented deposits made to the contract, plus earnings at guaranteed crediting rates, less withdrawals and fees.

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The following table sets forth the summary of the changes in the fair value of Level 3 investments for the FPU Pension Plan for the years ended December 31, 2019 and 2018:

	For the Year Ended December 31,	
	2019	2018
<i>(in thousands)</i>		
Balance, beginning of year	\$433	\$274
Purchases	1,157	1,206
Transfers in	2,530	2,188
Disbursements	(3,401)	(3,248)
Investment income	40	13
Balance, end of year	\$759	\$433

Other Postretirement Benefits Plan

The following sets forth the funded status for the FPU Medical Plan at December 31, 2019 and 2018 and the net periodic cost for the years ended December 31, 2019 and 2018:

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	As of December 31,	
	2019	2018
<i>(in thousands)</i>		
Change in benefit obligation:		
Benefit obligation — beginning of year	\$ 1,187	\$ 1,287
Interest cost	48	47
Plan participants contributions	38	41
Actuarial loss (gain)	47	(89)
Benefits paid	(96)	(99)
Benefit obligation — end of year	<u>1,224</u>	<u>1,187</u>
Change in plan assets:		
Fair value of plan assets — beginning of year	-	-
Employer contributions ⁽¹⁾	58	58
Plan participants contributions	38	41
Benefits paid	(96)	(99)
Fair value of plan assets — end of year	<u>-</u>	<u>-</u>
Reconciliation:		
Funded status	<u>(1,224)</u>	<u>(1,187)</u>
Accrued postretirement cost	<u>\$ (1,224)</u>	<u>\$ (1,187)</u>
Assumptions:		
Discount rate	<u>3.25 %</u>	<u>4.25 %</u>

(1) The FPU Medical Plan did not receive a significant Medicare part-D subsidy for the post-merger period.

	For the Years Ended December 31,	
	2019	2018
<i>(in thousands)</i>		
Net periodic cost interest cost	\$ 48	\$ 47
Amortization of pre merger regulatory asset	8	8
Total periodic cost	<u>\$ 56</u>	<u>\$ 55</u>
Assumptions		
Discount Rate	4.25%	3.75%

The following table presents the amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive income/loss or as a regulatory asset as of December 31, 2019:

	FPU Pension Plan	FPU Medical Plan	Total
<i>(in thousands)</i>			
Net loss	\$19,339	(\$32)	\$19,307
Accumulated other comprehensive loss pre tax ⁽¹⁾	\$3,674	(\$6)	\$3,668
Post merger regulatory asset	15,665	(26)	15,639
Subtotal	\$19,339	(\$32)	\$19,307
Pre merger regulatory asset	-	6	6
Total unrecognized cost	<u>\$19,339</u>	<u>(\$26)</u>	<u>\$19,313</u>

(1) The total amount of accumulated other comprehensive loss recorded in FPU's balance sheet as of December 31, 2019 is net of income tax benefit of \$0.9 million

Assumptions

The assumptions used for the discount rate to calculate the benefit obligations of the FPU plans were based on the interest

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rates of high-quality bonds in 2019, reflecting the expected lives of the plans. In determining the average expected return on plan assets for the FPU Pension Plan, various factors, such as historical long-term return experience, investment policy and current and expected allocation, were considered.

The health care inflation rate for 2019 used to calculate the benefit obligation is 5.0 percent for the FPU Medical Plan.

Estimated Future Benefit Payments

In 2020, FPU expects to contribute \$3.2 million and \$0.1 million to the FPU Pension Plan and FPU Medical Plan, respectively. The schedule below shows the estimated future benefit payments for each of the plans previously described:

<i>(in thousands)</i>	FPU Pension Plan⁽¹⁾	FPU Medical Plan⁽²⁾
2020	\$ 3,281	\$ 86
2021	\$ 3,348	\$ 90
2022	\$ 3,424	\$ 91
2023	\$ 3,498	\$ 79
2024	\$ 3,549	\$ 80
Years 2025 through 2029	\$ 18,429	\$ 389

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

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

Retirement Savings Plan

Prior to January 1, 2012, we maintained a separate 401(k) Retirement Savings Plan for our employees. Effective January 1, 2012, our employees became eligible to participate in the Chesapeake Utilities Corporation 401(k) Retirement Savings Plan, which is a plan sponsored by Chesapeake Utilities. We offer the Chesapeake Utilities 401(k) Retirement Savings Plan to all eligible employees who have completed three months of service, except for employees represented by a collective bargaining agreement that does not specifically provide for participation in the plan, non-resident aliens with no U.S. source income and individuals classified as consultants, independent contractors or leased employees. Chesapeake Utilities matches 100 percent of eligible participants' pre-tax contributions to the Retirement Savings Plan up to a maximum of six percent of eligible compensation. The employer matching contribution is made in cash and is invested based on a participant's investment directions. In addition, Chesapeake Utilities may make a discretionary supplemental contribution to participants in the plan, without regard to whether or not they make pre-tax contributions. Any supplemental employer contribution is generally made in Chesapeake Utilities common stock. With respect to the employer match and supplemental employer contribution, employees are 100 percent vested after two years of service or upon reaching 55 years of age while still employed by Chesapeake Utilities. Employees with one year of service are 20 percent vested and will become 100 percent vested after two years of service. Employees who do not make an election to contribute or do not opt out of the Chesapeake Utilities 401(k) Retirement Savings Plan will be automatically enrolled at a deferral rate of three percent, and the automatic deferral rate will increase by one percent per year up to a maximum of six percent. In 2019, the maximum automatic deferral rate will be increased to ten percent. All contributions and matched funds can be invested among the mutual funds available for investment. Our contributions to the Chesapeake Utilities 401(k) Retirement Savings Plan, net of a portion capitalized, totaled \$0.3 million for both years ended December 31, 2019 and 2018.

Non-Qualified Deferred Compensation Plan

Chesapeake Utilities' executive officers and directors are eligible to participate in the Chesapeake Utilities Corporation Non-Qualified Deferred Compensation Plan. Executive officers can defer up to 80 percent of their base compensation, cash bonuses or any amount of their stock bonuses (net of required withholdings). Executive officers may receive a matching contribution on their cash compensation deferrals up to six percent of their compensation, provided it does not duplicate a match they receive in the Chesapeake Utilities 401(k) Retirement Savings Plan. For each of the years ended December 31, 2019 and 2018, the amounts matched to FPU's participants in this plan, who are our employees were immaterial.

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9. Share-Based Compensation

One of our executives has been granted share-based awards through Chesapeake Utilities' Stock Incentive Compensation Plan ("SICP"). We record these share-based awards as compensation costs over the respective service period for which services are received in exchange for an award of equity or equity-based compensation. The compensation cost is based primarily on the fair value of the shares awarded, using the estimated fair value of each share on the date it was granted and the number of shares to be issued at the end of the service period.

These awards are based on multi-year performance plans, which are earned based upon the successful achievement of long-term goals, growth and financial results, which comprised both market-based and performance-based conditions or targets. The fair value of each share of stock tied to a performance-based condition or target is equal to the market price of Chesapeake Utilities common stock on the date of the grant. For the market-based conditions, we used the Black-Scholes pricing model to estimate the fair value of each share of market-based award granted.

For the year ended December 31, 2019, we were allocated \$0.1 million in total compensation expense related primarily to the FPU officer that participates in Chesapeake Utilities' share-based compensation plan. The amount allocated to us for the year ended December 31, 2018, was immaterial.

The weighted average grant-date fair value of Chesapeake Utilities SICP awards granted during 2019 and 2018 was \$92.74 and \$67.76, respectively. The intrinsic value of these awards was \$0.9 million and \$1.4 million for 2019 and 2018, respectively. At December 31, 2019, there was \$0.4 million of unrecognized compensation cost related to these awards, which is expected to be recognized during 2020 and 2021, assuming certain performance levels are achieved.

10. Rates and Other Regulatory Activities

Electric Limited Proceeding-Storm Recovery (Pre-Hurricane Michael): In February 2018, we filed a petition with the Florida PSC, requesting recovery of incremental storm restoration costs related to several hurricanes and tropical storms, along with the replenishment of the storm reserve to its pre-storm level of \$1.5 million. As a result of these hurricanes and tropical storms, our storm reserve was depleted and, at the time of filing the petition, had a deficit of \$0.8 million. This matter went to hearing in December 2018 and was subsequently approved at the March 2019 Agenda with the Final Order issued on March 25, 2019. We received approval to begin a surcharge on customer bills for two years beginning in April 2019, to recover storm-related costs and replenish the storm reserve.

Hurricane Michael: In October 2018, Hurricane Michael passed through our electric distribution operation's service territory in Northwest Florida. The hurricane caused widespread and severe damage to our infrastructure resulting in the loss of electric service to 100 percent of our customers in the Northwest Florida service territory. After exerting extraordinary hurricane restoration efforts, we restored service to those customers who were able to accept it. We expended more than \$65.0 million to restore service, which was recorded as new plant and equipment, charged against our accumulated depreciation or charged against our storm reserve. Additionally, amounts currently being reviewed by the FPSC for regulatory asset treatment have been recorded as receivables and other deferred charges. In December 2018 and January 2019, Chesapeake Utilities executed two 13-month unsecured term loans as temporary financing for the Hurricane Michael-related expenditures, each in the amount of \$30.0 million. The interest cost associated with these loans is the one-month LIBOR rate plus 75 basis points. In December 2019, Chesapeake Utilities utilized the proceeds from the issuance of uncollateralized senior notes to repay the term notes issued in December 2018.

In August 2019, we filed a limited proceeding requesting recovery of storm-related costs associated with Hurricane Michael (capital and expenses) through a change in base rates. We also requested treatment and recovery of certain storm-related costs as regulatory assets for items currently not allowed to be recovered through the storm reserve as well as the recovery of capital replaced as a result of the storm. Recovery of these costs includes a component of an overall return on capital additions and regulatory assets. In the fourth quarter of 2019, we along with the Office of Public Counsel in Florida, filed a joint motion with the FPSC to approve an interim rate increase, subject to refund, pending the final ruling on the recovery of the restoration costs incurred. The petition was approved by the FPSC in November 2019 and temporary rate increases were implemented effective January 2020. We continue to work with the FPSC and expect to reach a final ruling in the second half of 2020.

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Effect of the TCJA on Customers: In January 2019, the FPSC issued an order approving amortization of excess accumulated deferred income taxes through purchase power cost recovery, storm reserve and rates. The excess accumulated deferred income taxes as of December 31, 2019 was \$5.8 million. The FPSC order stated that TCJA benefit will flow back to customers through a combination of reductions to the fuel cost recovery rate, base rates, as well as application to the storm reserve over the next several years.

Electric Depreciation Study: In September 2019, we filed a petition, with the FPSC, for approval of its consolidated electric depreciation rates. The new rates will be effective January 1, 2020. The petition has not been scheduled for approval by the FPSC.

11. Other Commitments and Contingencies

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

Electric Supply

We have entered into contractual commitments to purchase electricity from various suppliers. The contracts have various expiration dates. The total purchase obligations for electric supplies are \$6.3 million for 2020, \$12.8 million for 2021-2022, \$12.8 million for 2023-2024 and \$38.9 million thereafter with an aggregate total of \$70.8 million.

Our electric fuel supply contracts require us to maintain an acceptable standard of creditworthiness based on specific financial ratios. Our agreement with FPL requires us to meet or exceed a debt service coverage ratio of 1.25 times based on the results of the prior 12 months. If this ratio is not met, we must provide an irrevocable letter of credit or pay all amounts outstanding under the agreement within five business days. Our electric fuel supply agreement with Gulf Power requires us to meet the following ratios based on the average of the prior six quarters: (a) funds from operations interest coverage ratio (minimum of 2 times), and (b) total debt to total capital (maximum of 65 percent). If we fail to meet the requirements, we have to provide the supplier a written explanation of actions taken, or proposed to be taken, to become compliant. Failure to comply with the ratios specified in the Gulf Power agreement could also result in us having to provide an irrevocable letter of credit. As of December 31, 2019, we were in compliance with all of the requirements of these fuel supply contracts.

Eight Flags Energy, LLC ("Eight Flags"), an affiliate of Chesapeake Utilities, provides electricity and steam generation services through its Combined Heat and Power ("CHP") plant located on Amelia Island, Florida. In June 2016, Eight Flags began selling power generated from the CHP plant to us pursuant to a 20-year power purchase agreement for distribution to our retail customers.

12. Revenue from Contracts with Customers

Customer Revenue

We recognize revenue when our performance obligations under contracts with customers have been satisfied, which generally occurs when we have delivered electricity to customers. We bill customers for both the delivery of electricity and the related commodity, as our customers are also required to purchase the commodity from us. We consider the delivery of electricity and the related commodity sale as one performance obligation because the commodity and its delivery are highly interrelated with two-way dependency on one another. Our performance obligation is satisfied over time as electricity is delivered and consumed by the customer. We recognize revenues based on monthly meter readings, which are based on the quantity of electricity used and rates approved by the FPSC. We accrue unbilled revenues for electricity that have been delivered, but not yet billed, at the end of an accounting period, to the extent that billing and delivery do not coincide. We exclude sales taxes and other similar taxes from the transaction price. Typically, our customers pay for the goods and/or services we provide in the month following the satisfaction of our performance obligation. We report revenue taxes, such as gross receipts taxes, franchise taxes, and sales taxes, on a net basis.

Contract Balances

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The timing of revenue recognition, customer billings and cash collections results in trade receivables, unbilled receivables (contract assets), and customer advances (contract liabilities) in our consolidated balance sheets. As of December 31, 2019 and 2018, the balance of our trade receivables, net of provision for uncollectable accounts, was \$5.9 million and \$8.7 million, respectively. As of December 31, 2019 and 2018, there were no material contract assets or liabilities recorded on the Comparative Balance Sheet.

Remaining performance obligations

We have long-term fixed fee contracts with customers in which revenues are recognized as performance obligations are satisfied over the contract term. Revenue for the remaining performance obligations at December 31, 2019 are expected to be recognized as follows:

<i>(in thousands)</i>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025 and thereafter</u>
Remaining performance obligations	\$ 566	\$ 566	\$ 566	\$ 566	\$ 566	\$ 1,100

Practical expedients

For agreements that contain variable consideration, we use the invoice practical expedient method. We determined that the amounts invoiced to customers correspond directly with the value to our customers and our performance to date.

Florida Public Utilities Company Electric Division		For the Year Ended December 31, 2019		Florida Public Utilities Company Electric Division		An Original		For the Year Ended December 31, 2019	
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION				SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION (Continued)					
Line No.	Item (a)	Total (b)	Electric (c)	Gas (d)	Water (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
1	UTILITY PLANT								1
2	In Service								2
3	Plant in Service (Classified)	162,272,823	162,272,823						3
4	Property Under Capital Leases	-	-						4
5	Plant Purchased or Sold	-	-						5
6	Completed Construction not Classified	-	-						6
7	Experimental Plant Unclassified	-	-						7
8	TOTAL (Enter Total of lines 3 thru 7)	162,272,823	162,272,823						8
9	Leased to Others	-	-						9
10	Held for Future Use	-	-						10
11	Construction Work in Progress	1,549,735	1,549,735						11
12	Acquisition Adjustment	3,691	3,691						12
13	TOTAL Utility Plant (Enter Total of lines 8 thru 12)	163,826,249	163,826,249						13
14	Accum. Prov. for Depr., Amort., & Depl.	62,535,464	62,535,464						14
15	Net Utility Plant (Enter total of line 13 less 14)	101,290,785	101,290,785						15
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION								16
17	In Service:								17
18	Depreciation	62,531,773	62,531,773						18
19	Amort. and Depl. of Producing Nat. Gas Land and Land Rights	-	-						19
20	Amort. of Underground Storage Land and Land Rights	-	-						20
21	Amort. of Other Utility Plant	-	-						21
22	TOTAL In Service (Enter Total of lines 18 thru 21)	62,531,773	62,531,773						22
23	Leased to Others								23
24	Depreciation	-	-						24
25	Amortization and Depletion	-	-						25
26	TOTAL Leased to Others (Enter Total of lines 24 and 25)	-	-						26
27	Held for Future Use								27
28	Depreciation	-	-						28
29	Amortization	-	-						29
30	TOTAL Held for Future Use (Ent. Tot. of lines 28 and 29)	-	-						30
31	Abandonment of Leases (Natural Gas)								31
32	Amort. of Plant Acquisition Adjustment	3,691	3,691						32
33	TOTAL Accumulated Provisions (Should agree with line 14 above)(Enter Total of lines 22, 26, 30, 31, and 32)	62,535,464	62,535,464						33

Florida Public Utilities Company Electric Division		An Original For the Year Ended December 31, 2019	Florida Public Utilities Company Electric Division		An Original For the Year Ended December 31, 2019			
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106)			ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)					
<p>1. Report below the original cost of electric plant in service according to the prescribed accounts.</p> <p>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</p> <p>3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.</p> <p>4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.</p> <p>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</p>			<p>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.</p>		<p>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.</p> <p>7. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement</p>		<p>showing subaccount classifications of such plant conforming to the requirements of these pages.</p> <p>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.</p>	
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
1	1. INTANGIBLE PLANT							1
2	(301) Organization	-					-	(301)
3	(302) Franchises and Consents	-					-	(302)
4	(303) Miscellaneous Intangible Plant	-					-	(303)
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	-	-	-	-	-	-	
6	2. PRODUCTION PLANT							6
7	A. Steam Production Plant							7
8	(310) Land and Land Rights	-					-	(310)
9	(311) Structures and Improvements	-					-	(311)
10	(312) Boiler Plant Equipment	-					-	(312)
11	(313) Engines and Engine Driven Generators	-					-	(313)
12	(314) Turbogenerator Units	-					-	(314)
13	(315) Accessory Electric Equipment	-					-	(315)
14	(316) Misc. Power Plant Equipment	-					-	(316)
15	TOTAL Steam Production Plant (Enter Total of lines 8 through 14)	-	-	-	-	-	-	
16	B. Nuclear Production Plant							16
17	(320) Land and Land Rights	-					-	(320)
18	(321) Structures and Improvements	-					-	(321)
19	(322) Reactor Plant Equipment	-					-	(322)
20	(323) Turbogenerator Units	-					-	(323)
21	(324) Accessory Electric Equipment	-					-	(324)
22	(325) Misc. Power Plant Equipment	-					-	(325)
23	TOTAL Nuclear Production Plant (Enter Total of lines 17 through 22)	-	-	-	-	-	-	
24	C. Hydraulic Production Plant							24
25	(330) Land and Land Rights	-					-	(330)
26	(331) Structures and Improvements	-					-	(331)
27	(332) Reservoirs, Dams, and Waterways	-					-	(332)
28	(333) Water Wheels, Turbines, and Generators	-					-	(333)
29	(334) Accessory Electric Equipment	-					-	(334)
30	(335) Misc. Power Plant Equipment	-					-	(335)
31	(336) Roads, Railroads, and Bridges	-					-	(336)
32	TOTAL Hydraulic Production Plant (Enter Total of lines 25 through 31)	-	-	-	-	-	-	
33	D. Other Production Plant							33
34	(340) Land and Land Rights	-					-	(340)
35	(341) Structures and Improvements	-					-	(341)
36	(342) Fuel Holders, Products and Accessories	-					-	(342)
37	(343) Prime Movers	-					-	(343)
38	(344) Generators	-					-	(344)
39	(345) Accessory Electric Equipment	-					-	(345)

Florida Public Utilities Company Electric Division		An Original For the Year Ended December 31, 2019		Florida Public Utilities Company Electric Division		An Original For the Year Ended December 31, 2019		
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106)				ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)				
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
40	(346) Misc. Power Plant Equipment	-	-	-	-	-	-	(346)
41	TOTAL Other Production Plant (Enter Total of lines 34 through 40)	-	-	-	-	-	-	41
42	TOTAL Production Plant (Enter Total of lines 15, 23, 32, and 41)	-	-	-	-	-	-	42
43	3. TRANSMISSION PLANT	-	-	-	-	-	-	43
44	(350) Land and Land Rights	17,629	-	-	-	-	17,629	(350)
45	(352) Structures and Improvements	1,919,496	-	-	-	-	1,919,496	(352)
46	(353) Station Equipment	6,961,693	839,765	-	-	-	7,801,458	(353)
47	(354) Towers and Fixtures	224,802	-	-	-	-	224,802	(354)
48	(355) Poles and Fixtures	5,462,477	-	-	-	-	5,462,477	(355)
49	(356) Overhead Conductors and Devices	3,093,939	42,966	-	-	-	3,136,905	(356)
50	(357) Underground Conductors	-	-	-	-	-	-	(357)
51	(358) Underground Conductors and Devices	-	-	-	-	-	-	(358)
52	(359) Roads and Trails	6,788	-	-	-	-	6,788	(359)
53	TOTAL Transmission Plant (Enter Total of lines 44 through 52)	17,686,824	882,731	-	-	-	18,569,555	53
54	4. DISTRIBUTION PLANT	-	-	-	-	-	-	54
55	(a) (360) Land and Land Rights	70,567	-	-	320,005	-	390,572	(360)
56	(361) Structures and Improvements	1,198,983	-	-	-	-	1,198,983	(361)
57	(362) Station Equipment	12,929,998	336,695	-	-	-	13,266,693	(362)
58	(363) Storage Battery Equipment	-	-	-	-	-	-	(363)
59	(364) Poles, Towers, and Fixtures	16,331,424	8,744,989	(60,383)	-	-	25,016,029	(364)
60	(365) Overhead Conductors and Devices	14,716,175	5,707,298	(36,282)	-	-	20,387,191	(365)
61	(366) Underground Conduit	6,603,482	310,089	-	-	-	6,913,571	(366)
62	(367) Underground Conductors and Devices	9,347,185	550,723	(1,230)	-	-	9,896,677	(367)
63	(368) Line Transformers	18,493,234	5,089,395	(116,689)	-	-	23,465,940	(368)
64	(369) Services	11,260,229	3,177,204	(472,770)	-	-	13,964,663	(369)
65	(370) Meters	4,349,608	831,645	(47,052)	-	-	5,134,161	(370)
66	(371) Installations on Customer Premises	3,469,952	493,801	(485,905)	-	-	3,477,848	(371)
67	(372) Leased Property on Customer Premises	-	-	-	-	-	-	(372)
68	(373) Street Lighting and Signal Systems	2,357,767	418,549	(127,651)	-	-	2,648,665	(373)
69	TOTAL Distribution Plant (Enter Total of lines 55 through 68)	101,127,604	25,660,388	(1,348,002)	320,005	-	125,759,993	69
70	5. GENERAL PLANT	-	-	-	-	-	-	70
71	(a) (380) Land and Land Rights	320,005	-	-	(320,005)	-	-	(380)
72	(389) Land and Land Rights	1,009,764	1,251	-	-	-	1,011,015	(389)
73	(390) Structures and Improvements	4,065,722	1,917,288	-	-	-	5,983,010	(390)
74	(391) Office Furniture and Equipment	3,045,075	105,445	(141,031)	-	-	3,009,489	(391)
75	(392) Transportation Equipment	5,389,959	290,493	-	16,353	10,809	5,707,614	(392)
76	(393) Stores Equipment	149,712	-	-	-	-	149,712	(393)
77	(394) Tools, Shop and Garage Equipment	439,047	3,759	-	-	-	442,806	(394)
78	(395) Laboratory Equipment	119,512	-	-	-	-	119,512	(395)
79	(396) Power Operated Equipment	894,704	13,819	-	-	-	908,523	(396)
80	(397) Communication Equipment	428,944	96,074	-	-	-	525,019	(397)
81	(398) Miscellaneous Equipment	65,919	14,437	-	-	-	80,356	(398)
82	SUBTOTAL (Enter Total of lines 71 through 80)	15,918,364	2,442,567	(141,031)	(303,652)	10,809	17,927,056	82
83	(399) Other Tangible Property	16,220	-	-	-	-	16,220	(399)
84	TOTAL General Plant (Enter Total of lines 81 and 82)	15,934,584	2,442,567	(141,031)	(303,652)	10,809	17,943,276	84
85	TOTAL (Accounts 101 and 106)	134,749,011	28,985,686	(1,489,033)	16,353	10,809	162,272,824	85
86	(102) Electric Plant Purchased	-	-	-	-	-	-	(102)
87	(Less) (102) Electric Plant Sold	-	-	-	-	-	-	87
88	(103) Experimental Plant Unclassified	-	-	-	-	-	-	(103)
89	TOTAL Electric Plant in Service	134,749,011	28,985,686	(1,489,033)	16,353	10,809	162,272,824	89

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	Meters	\$ 277,908
2	Poles	114,573
3	U/G Conduit	167,582
4	U/G Conductors	399,558
5	O/H Conductors	182,318
6	Station Equipment	32,689
9 **	Line Transformers-Buried	(122,459)
11	Structures and Improvements	24,609
12	Damage Claims	3,804
13 *	Other	469,152
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
34		
35		
36	* Grouped Items	
37	** Includes CIAC (Cash In Aid of Construction)	
38		
39	TOTAL	1,549,735

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

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

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

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
	Item				
1.	Balance Beginning of Year	57,376,626	57,376,626		
2.	Depreciation Provisions for Year, Charged to				
3.	(403) Depreciation Expense	4,785,374	4,785,374		
4.	(413) Exp. of Elec. Plt. Leas. to Others	-	-		
5.	Transportation Expenses-Clearing	386,679	386,679		
6.	Other Clearing Accounts	48,368	48,368		
7.	Other Accounts (Specify):	-	-		
8.	Accrued Depreciation on Transfers	-	-		
9.	TOTAL Deprec. Prov. for Year (Enter Total of lines 3 thru 8)	5,220,421	5,220,421		
10.	Net Charges for Plant Retired:				
11.	Book Cost of Plant Retired	(1,489,034)	(1,489,034)		
12.	Cost of Removal	1,362,832	1,362,832		
13.	Salvage (Credit)	4,484	4,484		
14.	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 11 thru 13)	(121,718)	(121,718)		
15.	Other Debit or Credit Items (Describe)-Transfers	60,135	60,135		
16.	Balance End of Year (Enter Total of lines 1, 9, 14, 15, and 16)	62,535,464	62,535,464		

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

18.		-	-		
19.	Nuclear Production	-	-		
20.	Hydraulic Production - Conventional	-	-		
21.	Hydraulic Production - Pumped Storage	-	-		
22.	Other Production	-	-		
23.	Transmission	3,821,437	3,821,437		
24.	Distribution	50,361,284	50,361,284		
25.	General	8,352,744	8,352,744		
26.	TOTAL (Enter Total of lines 18 thru 25)	62,535,464	62,535,464		

MATERIALS AND SUPPLIES

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

Line No.	Account	Balance Beginning of Year	Balance End of Year	Department or Departments Which Use Material
	(a)	(b)	(c)	(d)
1	Fuel Stock (Account 151)			
2	Fuel Stock Expenses Undistributed (Account 152)			
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials and Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)	2,262,866	1,633,010	Operations
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)			
8	Transmission Plant (Estimated)			
9	Distribution Plant (Estimated)	754,289	544,337	Operations
10	Assigned to - Other			
11	TOTAL Account 154 (Enter Total of lines 5 thru 10)	3,017,155	2,177,347	
12	Merchandise (Account 155)	-	-	
13	Other Materials and Supplies (Account 156)	-	-	
14	Nuclear Materials Held for Sale (Account 157) (Not applicable to Gas Utilities)			
15	Stores Expense Undistributed (Account 163)			
16				
17				
18				
19				
20	TOTAL Materials and Supplies (per Balance Sheet)	3,017,155	2,177,347	
Physical Inventories were taken and the appropriate adjustments recorded in the following:				
		Amount	Account Debited	Account Credited
114	Northwest Electric Division - Materials & Supplies	(23,890)	146, 154, 596	146, 596
115	Northeast Electric Materials & Supplies	8,661	107, 146, 596	146, 154, 596
121	South Florida - Materials & Supplies	-		
	South Florida Gas Division - Merchandise	-		
123	Central Florida - Materials & Supplies	-		
	Central Florida Gas Division - Merchandise	-		
993	Central Florida Propane Division - Merchandise	-		
995	Northeast Florida Propane Division - Materials & Supplies	-		
	Northeast Florida Propane Division - Merchandise	-		

OTHER REGULATORY ASSETS

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

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

	Description and Purpose of Other Regulatory Assets (a)	Balance Beginning of Year	Debits (b)	Credits		Balance End of Year (e)
				Account Charged (c)	Amounts (d)	
1						
2	Regulatory Asset Retirement Plan	5,299,785		228.3	32,400	5,332,185
3	Regulatory Asset 35% Federal Tax	166,247		407	(9,876)	156,371
4	Regulatory Asset Risk FPU	102,718		407	(74,556)	28,162
5	Regulatory Asset Storm Reserve	388,539		228.1	(122,124)	266,415
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
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36						
37						
38						
39						
40						
41	TOTAL	\$ 5,957,289	\$ -		\$ (174,156)	\$ 5,783,133

MISCELLANEOUS DEFERRED DEBITS (Account 186)

<p>1. Report below the particulars (details) called for concerning miscellaneous deferred debits.</p> <p>2. For any deferred debit being amortized, show period of amortization in column (a).</p>	<p>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.</p>
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	Description of Miscellaneous Deferred Debit (a)	Balance at Beginning of Year (b)	Debits (c)	Account Charged (d)	Credit Amount (e)	Balance End of Year (f)
1	Deferred Rate Case	29,578,669	11,751,314	928	(148,629)	41,181,354
2	Unrecovered PGC/FEC	5,817,320	-		(1,851,550)	3,965,770
3	Gain on sale of asset	59,216			-	59,216
4	Conservation Cost Recovery	-			189,024	189,024
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
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31						
32						
33						
34						
35						
36	TOTAL	35,455,205			(1,811,155)	45,395,364

ACCUMULATED DEFERRED INCOME TAXES (Account 190)

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

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Amounts Charged to 410 and 411 (c)	Adjustments (d)	Balance at End of Year (e)
1	Electric				
2	Customer based intangible asset for tax	91,816	(4,349)	-	87,467
3	Bad debt provision	54,768	7,042	(1)	61,809
4	NOL	-	3,285,605	(81,450)	3,204,155
5	Bonus	114,719	-	20,899	135,618
6	OPRB	68,712	18,051	883	87,646
7	State decoupling asset	565,427	(123,586)	-	441,841
8	State NOL	-	681,373	167	681,540
9	Capitalized Overhead	-	40,591	(370)	40,221
10	Conservation Costs	10,551	(58,459)	47,908	-
11	Rabbi Trust	54,634	-	(54,634)	-
12	SERP	134,066	-	(134,066)	-
13	Reacquired Debt	173,115	-	(227,963)	(54,848)
14	Self insurance			1,385	1,385
15	TOTAL Electric (Lines 2 thru 13)	1,267,808	3,846,268	(427,242)	4,686,834
16	Gas				
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27	TOTAL Gas (Lines 15 thru 25)	-	-	-	-
28					
29	Other (Specify) Common				
30	TOTAL (Account 190)(Lines 14, 26 & 28)	1,267,808	3,846,268	(427,242)	4,686,834

Florida Public Utilities Company Electric Division			Original LONG-TERM DEBT (Accounts 221, 222, 223, and 224)			For the Year Ended December 31, 2019			Florida Public Utilities Company Electric Division			An Original LONG-TERM DEBT (Accounts 221, 222, 223, and 224) (Continued)			For the Year Ended December 31, 2019		
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.			such certificates were issued.			6. In column (b) show the principal amount of bonds or other long-term debt originally issued.			10. Identify separate undisclosed amounts applicable to issues which were redeemed in prior years.			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.		
2. In column (a), for new issues, give Commission authorization numbers and dates.			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.			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.			16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.					
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.			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			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.								
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 name of the court and date of court order under which																	
Line No.	(a)	Principal Amount of Debt Issued (b)	Total Expense Premium or Discount (c)	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.							
1	Unamortized Issuance Costs (DRP)	\$ 20,000,000	\$ 131,808	12/12/2006	10/12/2020	12/12/2006	10/12/2020	\$ 2,000,000	\$ 195,861	1							
2	Senior Note 6 - 5.5%	\$ 30,000,000	\$ 79,566	10/31/2008	10/31/2023	10/31/2008	10/31/2023	\$ 12,000,000	\$ 815,375	2							
3	Senior Note 7 - 5.93%	\$ 29,000,000	\$ 34,794	6/24/2011	6/30/2026	6/24/2011	6/30/2026	\$ 20,300,000	\$ 1,235,400	3							
4	Senior Note 8 - 5.68%	\$ 7,000,000	\$ 12,789	5/2/2013	5/2/2028	5/2/2013	5/2/2028	\$ 6,300,000	\$ 420,093	4							
5	Senior Note 9 - 6.43%	\$ 20,000,000	\$ 68,794	12/16/2013	12/16/2028	12/16/2013	12/16/2028	\$ 18,000,000	\$ 742,892	5							
6	Senior Note 10 - 3.73%	\$ 50,000,000	\$ 192,790	5/15/2014	5/15/2029	5/15/2014	5/15/2029	\$ 50,000,000	\$ 1,940,000	6							
7	Senior Note 11 - 3.88%	\$ 70,000,000	\$ 150,539	4/21/2017	4/30/2032	4/21/2017	4/30/2032	\$ 70,000,000	\$ 2,275,000	7							
8	Senior Note 12 - 3.25%	\$ 70,000,000	\$ 152,706	12/20/2019	12/20/2034	12/20/2019	12/20/2034	\$ 70,000,000	\$ 57,945	8							
9	Senior Note 16 - 2.98%	\$ 50,000,000	\$ 99,400	5/1/2018	5/31/2038	5/1/2018	5/31/2038	\$ 50,000,000	\$ 1,740,000	9							
10	Tranche 1	\$ 50,000,000	\$ 76,938	11/1/2018	11/1/2038	11/1/2018	11/1/2038	\$ 50,000,000	\$ 1,819,833	10							
11	Tranche 2	\$ 100,000,000	\$ 12,164	8/1/2019	8/1/2039	8/1/2019	8/1/2039	\$ 100,000,000	\$ 1,536,722	11							
12	Tranche 3	\$ 30,000,000	\$ 8,996	12/21/2018	12/21/2020	12/21/2018	12/21/2020	\$ -	\$ 921,272	12							
13	Interim Term Note 1	\$ 30,000,000	\$ 21,786	1/31/2019	2/28/2020	1/31/2019	2/28/2020	\$ 30,000,000	\$ 838,320	13							
14	Interim Term Note 2	\$ 8,000,000	\$ 122,010	6/1/1992	6/1/2022			\$ 8,000,000	\$ 726,400	14							
15	FPU Bond - 9.08%		\$ 58,133	10/8/2015	10/8/2030	10/8/2015	10/8/2030	\$ -	\$ -	15							
16	Shelf Facility-Prudential		\$ 34,250	3/2/2017				\$ -	\$ -	16							
17	Shelf Facility-Met Life		\$ 8,636	3/2/2017	5/31/2038			\$ -	\$ -	17							
18	Shelf Facility-New York Life		\$ 21,500	10/8/2015	10/8/2016	10/8/2015	10/8/2016	\$ -	\$ -	18							
19	Bank Credit Facility (Annual)		\$ 21,500	10/8/2016	10/8/2017	10/8/2016	10/8/2017	\$ -	\$ -	19							
20	Bank Credit Facility (Annual)		\$ 21,500	10/8/2017	10/8/2018	10/8/2017	10/8/2018	\$ -	\$ -	20							
21	Bank Credit Facility (Annual)		\$ 21,500	10/8/2018	10/8/2019	10/8/2018	10/8/2019	\$ -	\$ -	21							
22	Bank Credit Facility (Annual)		\$ 21,500	10/8/2019	10/8/2020	10/8/2019	10/8/2020	\$ -	\$ -	22							
23	Bank Credit Facility (Annual)		\$ 21,500	10/8/2019	10/8/2020	10/8/2019	10/8/2020	\$ -	\$ -	23							
24	Bank Credit Facility (Five Years)		\$ 466,119	10/8/2015	10/8/2020	10/8/2015	10/8/2020	\$ -	\$ -	24							
25	Subtotal									25							
26	Less current maturities							\$ (45,600,000)		26							
27	Totals	\$ 564,000,000	\$ 1,879,236					\$ 441,000,000	\$ 15,265,113	27							
28	2019 Annual Amortization of Premiums or Discounts:									28							
29	Allocation to Florida Public Utilities-Electric Division		\$ 39,812			Allocation to Florida Public Utilities - Electric Division			\$ 1,282,321	29							
30	Allocation to Other Jurisdictions		\$ 94,537			Allocation to Other Jurisdictions			\$ 13,982,792	30							
31	Total		\$ 134,349						\$ 15,265,113	31							
32	Note: Schedule lists total long-term debt for Chesapeake Utilities Corporation.									32							
33	Line number 31 indicates the amount that is allocated to the Florida Public Utilities - Electric Division.									33							
34										34							
35										35							
36										36							
37										37							
38										38							
39										39							
40										40							
41										41							
42										42							
43										43							

**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME
FOR FEDERAL INCOME TAXES**

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.

2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year	640,371
2		
3	Taxable Income Not Reported on Books	
4	Taxable service contribution	-
5		
9	Deductions Recorded on Books Not Deducted for Return	
10	Federal income tax expense	(5,399,132)
11	Deferred income tax expense	7,421,871
12	P100: 50% Meals Deduction	37,491
13	P102: Not Deductible for Tax-Other	1,821
14	25RE: Repairs Deduction	872,501
15	25WR: Storm Reserve	778,548
16	25DP.01: Depreciation	615,638
17	25PG: Purchased Gas Costs	548,607
18	25SI.01: Self Insurance (Current)	284,848
19	25OH: 263A Capitalized Interest/Overhead	160,153
20	25RC: Rate Case	148,630
21	25PR.02: Post Retirement Benefits (Non-Current)	73,279
22	25BD: Bad Debts	27,784
23		
24		
25	Income Recorded on Books Not Included in Return	
26		-
27		
28	Deductions On Return Not Recorded on Books	
29	25PN: Pension	(8,621)
30	25AM: Customer Based Intangibles	(17,158)
31	25DP.04: Asset Gain/Loss	(59,357)
32	25ID: Reserve for Insurance Deductibles	(179,367)
33	25CN: Conservation	(230,654)
34	25DP.03: Cost of Removal	(7,263,139)
35	25RG: ADIT Reg Asset	(11,769,470)
36		
37		
38		
39		
40		
41	Federal Taxable Net Income	(13,315,356)
42	Net Operating Loss Adjustment	2,992,860
43	Federal Taxable Income (Post-NOL)	(10,322,496)
44	Show Computatation of Tax:	
45	Federal Income Tax @ 21%	(2,167,724)
46		
47	Prior Period Adjustment	(3,231,408)
48		
49	Federal Income Tax Expense	(5,399,132)

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

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

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

Line No.	Kind of Tax (See Instruction 5) (a)	BALANCE AT BEGINNING OF YEAR			Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)	Taxes Charged During Year (d)		
1	Federal Taxes:					
2	Income Tax	(5,286,243)	-	(5,399,132)	2,558,528	(19,011)
3	Total Federal Taxes	(5,286,243)	-	(5,399,132)	2,558,528	(19,011)
4						
5	State of Florida:					
6	Income	39,957	-	(1,665,723)	1,567,941	110,418
7	Total State of Florida Taxes	39,957	-	(1,665,723)	1,567,941	110,418
8						
9						
10	Reclassified to Prepaid Taxes					
11	Federal Taxes:					
12	Income Tax					
13	State of Florida:					
14	Income					
15						
16	Payroll Taxes	-	-	242,922	(242,922)	-
17	Property Taxes	-	-	929,373	(929,373)	-
18	Franchise Tax	-	-	3,479,779	(3,479,779)	-
19	Gross Receipts Tax	-	-	2,198,862	(2,198,862)	-
20	Other Taxes	-	-	80,868	(80,868)	-
21						
22						
23	TOTAL	(5,246,286)	-	(133,051)	(2,805,335)	91,407

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	Conservation Over/Under Recovery	(41,630)		41,630		0
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41						
42	TOTAL	(41,630)		41,630		0
43						
44						

Florida Public Utilities Company Electric Division ACCUMULATED DEFERRED INCOME TAXES-OTHER PROPERTY (Account 282)				Florida Public Utilities Company Electric Division ACCUMULATED DEFERRED INCOME TAXES-OTHER PROPERTY (Account 282) (Continued)							
An Original		For the Year Ended December 31, 2019		An Original		For the Year Ended December 31, 2019					
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization.				2. For Other (Specify), include deferrals relating to other income and deductions. 3. Use footnotes as required.							
Line No.	Account Subdivisions	CHANGES DURING YEAR		CHANGES DURING YEAR		ADJUSTMENTS		Balance at End of Year	Line No.		
		Balance at Beginning of Year	Amounts Debited (Account 410.1)	Amounts Credited (Account 411.1)	Amounts Debited (Account 410.2)	Amounts Credited (Account 411.2)	Acct. Debited (g)			Acct. Credited (i)	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	
1	Account 282										1
2	Electric	8,604,119	1,975,233	(516,885)	-	-	254,282	(50,750)	-	10,011,717	2
3	Gas	-	-	-	-	-	-	-	-	-	3
4	Other - Water	-	-	-	-	-	-	-	-	-	4
5	Other - Common	-	-	-	-	-	-	-	-	-	5
6	TOTAL (Lines 2 thru 4)	8,604,119	1,975,233	(516,885)	-	-	(50,750)	-	-	10,011,717	6
7	Other (Specify)										7
8											8
9											9
10											10
11	TOTAL Account 282 (Lines 5 thru 8)	8,604,119	1,975,233	(516,885)	-	-	(50,750)	-	-	10,011,717	11
12											12
13	Classification of TOTAL										13
14	Federal Income Tax	6,736,980	1,546,597	(404,718)	-	-	(39,737)	-	-	7,839,122	14
15	State Income Tax	1,867,139	428,636	(112,167)	-	-	(11,013)	-	-	2,172,595	15
16	Local Income Tax	-	-	-	-	-	-	-	-	-	16
17	Total	8,604,119	1,975,233	(516,885)	-	-	(50,750)	-	-	10,011,717	17
18											18
19											19
20											20
21											21
22											22
23	Total	8,604,119	1,975,233	(516,885)	-	-	(50,750)	-	-	10,011,717	23

Florida Public Utilities Company Electric Division				Florida Public Utilities Company Electric Division								
An Original				An Original								
For the Year Ended December 31, 2019				For the Year Ended December 31, 2019								
ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)				ACCUMULATED DEFERRED INCOME TAXES-OTHER (Account 283)(Continued)								
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.				3. Provide in the space below explanations for pages 276 and 277. Include amounts relating to insignificant items under Other.								
2. For Other (Specify), include deferrals relating to other income and deductions.				4. Use footnotes required.								
CHANGES DURING THE YEAR				Debits				Credits				
Line No.	Account Subdivisions	Balance at Beginning of Year	Amounts Debited (Account 410.1)	Amounts Credited (Account 411.1)	Amounts Debited (Account 410.2)	Amounts Credited (Account 411.2)	Acct. Credited	Amount	Acct. Debited	Amount	Balance at End of Year	Line No.
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	
1	Account 283											1
2	Electric											2
3	Tax Normalization for Tax Rate Increase	-	-	-	-	-	-	-	-	-	-	3
4	Insurance	30,564	45,465	-	-	-	-	282	298	76,327	4	4
5	Conservation	-	-	-	-	-	-	190	47,908	47,908	5	5
6	Rate Case Costs	41,342	-	(37,671)	-	-	-	-	-	3,671	6	6
7	Litigation	-	-	-	-	-	-	-	-	-	7	7
8	Weather Reserve	268,064	7,225,358	(197,367)	-	-	-	-	-	7,296,055	8	8
9	Regulatory Liability	216,047	2,982,972	-	-	-	283	(108,129)	-	3,090,890	9	9
10	Purchased Fuel Cost	1,144,082	4,644	(143,601)	-	-	-	-	-	1,005,125	10	10
11	Pension	260,616	2,185	-	-	-	283	(366,012)	-	(103,211)	11	11
12	Self Insurance	70,810	-	(72,195)	-	-	-	-	190	1,385	12	12
13	TOTAL Electric (Total Lines 3-9)	2,031,525	10,260,624	(450,834)	-	-	-	(474,141)	49,591	11,416,765	13	13
14	Other - Common											14
15												15
16	TOTAL Account 283 (Total lines 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23)	2,031,525	10,260,624	(450,834)	-	-	-	(474,141)	49,591	11,416,765	16	16
17												17
18												18
19	Classification of TOTAL											19
20	Federal Income Tax	1,590,673	8,034,014	(353,001)	-	-	-	(64,898)	42,519	9,229,307	20	20
21	State Income Tax	440,852	2,226,610	(97,833)	-	-	-	(23,529)	7,072	2,553,172	21	21
22	Local Income Tax	-	-	-	-	-	-	-	-	-	22	22
23	Total	2,031,525	10,260,624	(450,834)	-	-	-	(108,427)	49,591	11,782,479	23	23

OTHER REGULATORY LIABILITIES (Account 254)

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

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.

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance Beginning of Year (b)	DEBITS		Credits (d)	Balance End of Year (e)
			Account Credited (b)	Amount (c)		
1	Regulatory Liability- Tax Rate Change	(\$5,995,489)		\$243,609	\$0	(\$5,751,880)
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38	TOTAL	\$ (5,995,489)		\$ 243,609	0	\$ (5,751,880)
39						
40						

Florida Public Utilities Company Electric Division An Original ELECTRIC OPERATING REVENUES (Account 400) For the Year Ended December 31, 2019				Florida Public Utilities Company Electric Division An Original ELECTRIC OPERATING REVENUES (Account 400) (Continued) For the Year Ended December 31, 2019				
1. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.		counted for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.		4. Commercial and Industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)		5. See page 108-109, Important Changes During Year, for important new territory added and important rate increases or decreases.		
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		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.				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.		
Line No.	Title of Account (a)	Amount for Year (b)	Amount for Previous Year (c)	MEGAWATT HOURS SOLD Amount for Year (d)	Amount for Previous Year (e)	AVERAGE NUMBER OF CUSTOMERS PER MONTH Number for Year (f)	Number for Previous Year (g)	Line No.
1	Sales of Electricity							1
2	(440) Residential Sales	45,404,967	45,078,391	306,446	307,879	24,573	24,749	2
3	(442) Commercial and Industrial Sales							3
4	Small (or Commercial)	26,660,925	28,491,275	221,349	220,291	4,261	4,397	4
5	Large (or Industrial)	13,404,237	10,480,859	111,287	97,557	27	28	5
6	(443) Outdoor Lighting	2,137,105	2,095,847	7,113	7,403	2,956	3,075	6
7	(444) Public Street and Highway Lighting	181,956	180,158					7
8	(445) Other Sales to Public Authorities	-	-					8
10	(448) Interdepartmental Sales	37,033	38,123	377	417	13	13	9
9	(456.3) Unbilled Revenues	(110,554)	(1,685)					10
11		-	-					11
12	TOTAL Sales to Ultimate Consumers	87,715,669	86,362,968	646,572	633,547	31,830	32,262	12
13	(447) Sales for Resale	-	-					13
14		-	-					14
15	TOTAL Sales of Electricity	87,715,669	86,362,968	646,572	633,547	31,830	32,262	15
16	(Less) (449.1) Provision for Rate Refunds	-	-					16
17		-	-					17
18	TOTAL Revenue Net of Provision for Refunds	87,715,669	86,362,968	646,572	633,547	31,830	32,262	18
19	Other Operating Revenues	-	-					19
20	(450) Forfeited Discounts	385,507	344,487					20
21	(451) Miscellaneous Service Revenues	281,648	270,414					21
22	(453) Sales of Water and Water Power							22
23	(454) Rent from Electric Property	274,773	308,591					23
24	(455) Interdepartmental Rents							24
25	(456.2) Other Electric Revenues							25
26	(456.1) Overrecoveries Purchase Electric	(5,580,452)	(4,076,983)					26
27	(456.6) Overrecoveries Conservation							27
28								28
29								29
30	TOTAL Other Operating Revenues	(4,638,524)	(3,153,491)					30
31								31
32	TOTAL Electric Operating Revenues	83,077,145	83,209,477					32

1. Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customers, average KWh per customer, and average revenue per KWh, excluding data for Sales for Resale which is reported on pages 310-311.

2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," page 300-301. If the sales under any rate schedule are classified in more than one revenue account, list the rate schedule and sales data under each applicable revenue account subheading.

3. Where the same customers are served under more than one rate schedule in the same revenues account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.

4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the (12 if all billings are made monthly).

5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.

6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWH of Sales per Customer (e)	Revenue (cents) per KWH Sold (f)
1	(440) Residential Sales	306,446	\$ 45,404,967	24,573	12,471	14.8
2	(442) Commercial and Industrial Sales					
3	Small (or Commercial)	221,349	\$ 26,660,925	4,261	51,948	12.0
4	Large (or Industrial)	111,287	\$ 13,404,237	27	4,121,741	12.0
5	(443) Outdoor Lighting	7,113	\$ 2,137,105	2,956	2,406	30.0
6	(444) Public Street and Highway Lighting	-	\$ 181,956	-	-	-
7	(445) Other Sales to Public Authorities	-	\$ -	-	-	-
8	(448) Interdepartmental Sales	377	\$ 37,033	13	29,000	9.8
9	(456) Unbilled Revenues	-	\$ (110,554)	-	-	-
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39						
40	Total Billed	646,572	\$ 87,715,669	31,830	20,300	13.6
41						
42	Rate Refund		0			
43	TOTAL	646,572	\$ 87,715,669	31,830	20,300	13.6

ELECTRIC OPERATION AND MAINTENANCE EXPENSES

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

FLORIDA PUBLIC UTILITIES COMPANY		An Original		For the Year Ended	
Electric Division				December 31, 2019	
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)					
Account		Amount for		Amount for	
		Current Year		Previous Year	
50	C. Hydraulic Power Generation (Continued)				
51	Maintenance				
52	(541) Maintenance Supervision and Engineering	-		-	
53	(542) Maintenance of Structures	-		-	
54	(543) Maintenance of Reservoirs, Dams, and Waterways	-		-	
55	(544) Maintenance of Electric Plant	-		-	
56	(545) Maintenance of Miscellaneous Hydraulic Plant	-		-	
57	TOTAL Maintenance	-		-	
58	TOTAL Power Production Expenses-Hydraulic Power	-		-	
59	D. Other Power Generation				
60	Operation				
61	(546) Operation Supervision and Engineering	-		-	
62	(547) Fuel	-		-	
63	(548) Generation Expenses	-		-	
64	(549) Miscellaneous Other Power Generation Expenses	-		-	
65	(550) Rents	-		-	
66	TOTAL Operation	-		-	
67	Maintenance				
68	(551) Maintenance Supervision and Engineering	-		-	
69	(552) Maintenance of Structures	-		-	
70	(553) Maintenance of Generating and Electric Plant	-		-	
71	(554) Maintenance of Miscellaneous Other Power Generation Plant	-		-	
72	TOTAL Maintenance	-		-	
73	TOTAL Power Production Expenses-Other Power	-		-	
74	E. Other Power Supply Expenses				
75	(555) Purchased Power	54,056,750		54,658,417	
76	(556) System Control and Load Dispatching	-		-	
77	(557) Other Expenses	282,283		473,856	
78	TOTAL Other Power Supply Expenses	54,339,033		55,132,273	
79	TOTAL Power Production Expenses	54,339,033		55,132,273	
80	2. TRANSMISSION EXPENSES				
81	Operation				
82	(560) Operation Supervision and Engineering	31,668		54,424	
83	(561) Load Dispatching	-		-	
84	(562) Station Expenses	32,885		24,622	
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	64,553		79,046	
91	Maintenance				
92	(568) Maintenance Supervision and Engineering	-		-	
93	(569) Maintenance of Structures	-		-	
94	(570) Maintenance of Station Equipment	43,070		19,283	
95	(571) Maintenance of Overhead Lines	5,634		75,987	
96	(572) Maintenance of Underground Lines	-		-	
97	(573) Maintenance of Miscellaneous Transmission Plant	-		-	
98	TOTAL Maintenance	48,704		95,270	
99	TOTAL Transmission Expenses	113,257		174,316	
100	3. DISTRIBUTION EXPENSES				
101	Operation				
102	(580) Operation Supervision and Engineering	188,786		189,667	
103	(581) Load Dispatching	-		-	

FLORIDA PUBLIC UTILITIES COMPANY Electric Division		An Original	For the Year Ended December 31, 2019
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)			
Account		Amount for Current Year	Amount for Previous Year
104	3. DISTRIBUTION EXPENSES (Continued)		
105	(581) Load Dispatching	-	-
106	(582) Station Expenses	123,547	80,655
107	(583) Overhead Line Expenses	99,884	97,174
108	(584) Underground Line Expenses	(267)	3,795
109	(585) Street Lighting and Signal System Expenses	7,503	5,471
110	(586) Meter Expenses	291,146	276,873
111	(587) Customer Installations Expenses	17,923	12,483
112	(588) Miscellaneous Distribution Expenses	217,597	253,484
113	(589) Rents	-	-
114	TOTAL Operation	946,119	919,602
115	Maintenance		
116	(590) Maintenance Supervision and Engineering	-	-
117	(591) Maintenance of Structures	5,608	3,945
118	(592) Maintenance of Station Equipment	67,368	35,366
119	(593) Maintenance of Overhead Lines	2,604,542	2,106,451
120	(594) Maintenance of Underground Lines	173,436	241,269
121	(595) Maintenance of Line Transformers	119,290	128,076
122	(596) Maintenance of Street Lighting and Signal Systems	85,554	175,544
123	(597) Maintenance of Meters	171,433	114,040
124	(598) Maintenance of Miscellaneous Distribution Plant	91,724	89,593
125	TOTAL Maintenance	3,318,955	2,894,284
126	TOTAL Distribution Expenses	4,265,074	3,813,886
127	4. CUSTOMER ACCOUNTS EXPENSES		
128	Operation		
129	(901) Supervision	253,929	274,792
130	(902) Meter Reading Expenses	258,043	244,218
131	(903) Customer Records and Collection Expenses	1,095,443	933,110
132	(904) Uncollectible Accounts	250,721	278,344
133	(905) Miscellaneous Customer Accounts Expenses	-	-
134	TOTAL Customer Accounts Expenses	1,858,136	1,730,464
135	5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
136	Operation		
137	(906) Underrecovery Conservation	(230,654)	(18,415)
138	(907) Supervision	10,144	56,891
139	(908) Customer Assistance Expenses	649,910	481,379
140	(909) Informational and Instructional Expenses	47,869	84,350
141	(910) Miscellaneous Customer Service and Informational Expenses	157,920	33,534
142	TOTAL Cust. Service and Informational Expenses	635,189	637,739
143	6. SALES EXPENSES		
144	Operation		
145	(911) Supervision	1,297	-
146	(912) Demonstrating and Selling Expenses	8,510	10,654
147	(913) Advertising Expenses	88,218	86,719
148	(916) Miscellaneous Sales Expenses	-	-
149	TOTAL Sales Expenses	98,025	97,373
150	7. ADMINISTRATIVE AND GENERAL EXPENSES		
151	Operation		
152	(920) Administrative and General Salaries	2,084,677	1,928,824
153	(921) Office Supplies and Expenses	1,206,964	1,058,371
154	(Less) (922) Administrative expenses Transferred-Cr.	-	-
155	(923) Outside Services Employed	534,141	1,064,188
156	(924) Property Insurance	730,158	168,202
157	(925) Injuries and Damages	816,853	415,873
158	(926) Employee Pensions and Benefits	1,210,721	1,035,118

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

Account	Amount for Current Year	Amount for Previous Year
159 7. ADMINISTRATIVE AND GENERAL EXPENSES		
160 (927) Franchise Requirements	-	-
161 (928) Regulatory Commission Expenses	163,113	195,748
162 (Less) (929) Duplicate Charges-Cr.	-	-
163 (930.1) General Advertising Expenses	60,224	54,558
164 (930.2) Miscellaneous General Expenses	157,929	161,791
165 (931) Rents	154,482	221,704
166 TOTAL Operation	7,119,262	6,304,377
167 Maintenance		
168 (935) Maintenance of General Plant	62,498	92,970
169 TOTAL Administrative and General Expenses	7,181,760	6,397,347
170 TOTAL Electric Operation and Maintenance Expenses	68,490,474	67,983,398

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.

See page 462

FLORIDA PUBLIC UTILITIES COMPANY Electric Division		An Original PURCHASED POWER (Account 555) (Including power exchanges)		For the Year Ended December 31, 2019		FLORIDA PUBLIC UTILITIES COMPANY Electric Division		An Original PURCHASED POWER (Account 555) (Continued) (Including power exchanges)		For the Year Ended December 31, 2019					
<p>1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.</p> <p>2. Enter the name of the seller or other party in an exchange transaction in column(a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.</p> <p>3. In column(b), enter a Statistical Classification Code based on the original contractual terms and conditions of the services as follows:</p> <p>RQ-for requirements service. Requirements service is service which the supplier plans to provide on an on-going basis(i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.</p> <p>LF-for long-term service. "Long-term" means five years longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions(e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service</p>		<p>which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.</p> <p>IF-for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but less than five years.</p> <p>SF-for short-term firm service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.</p> <p>LU-for long-term service from a designated generating unit. Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.</p> <p>IU-for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means longer than one year but less than five years.</p> <p>EX-For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.</p>		<p>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.</p> <p>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.</p> <p>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.</p> <p>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</p>		<p>(e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.</p> <p>6. Report in column(g) the megawatt-hours shown on bills rendered to the respondent. Report in column(h) and (j) the megawatt-hours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.</p> <p>7. Report demand charges in column(i), 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(i). Report in column(m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column(n) 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.</p> <p>8. The data in columns(g) through (m) must be totaled 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.</p> <p>9. Footnote entries as required and provide explanations following all required data.</p>									
Line No.	Name of Company or Public Authority [Footnote Affiliations]	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (d)	Actual Demand (MW)		Megawatt-hours Purchased (g)	POWER EXCHANGES			COST/SETTLEMENT OF POWER				Line No.
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)		Megawatt-hours Received (h)	Megawatt-hours Delivered (i)	(capacity) Demand Charges (\$ (j)	Energy Charges (\$ (k)	Other Charges (\$ (l)	Total (j+k+l) or Settlement (\$ (m)		
1	Florida Power and Light	RQ	MS	104.56	NA	NA	177,039				4,338,348	5,638,791	1,462,596	11,439,735	1
2	West-Rock Company	OS		NA	NA	NA	8,350				0	277,144	0	277,144	2
3	Gulf Power Company	RQ	RE	146.54	NA	NA	300,185				15,919,544	14,904,462	1,049,066	31,873,072	3
4	Southern Company Services	RQ		N/A	NA	NA	NA				0	0	0	0	4
5	Rayonier Performance Fibers	OS		N/A	N/A	N/A	7,304				0	243,704	0	243,704	5
6	Eight Flags	OS		N/A	N/A	N/A	180,641				0	13,761,457	0	13,761,457	6
Footnote: Column (l) other Charges															
Florida Power and Light															
Transmission Charge 1,159,266															
Monthly Customer Charges 24,000															
Other Fuel Related Costs 279,330															
<u>1,462,596</u>															
Gulf Power Company															
Distribution Facility Charge 1,011,034															
FERC Annt Chge. & Attach. K Costs 25,780															
Meter reading & Processing Charge 9,300															
Other Fuel Related Costs 2,952															
<u>1,049,066</u>															

Florida Public Utilities Company		An Original	For the Year Ended	
Electric Division	MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (Electric)		December 31, 2019	
Line	Description		Amount	
No.	(a)		(b)	
1	Industry Association Dues		\$	5,277
2				
3	Publishing and Distributing Information and			
4	Reports to Stockholders; Trustee, Registrar, and			
5	Transfer Agent Fees and Expenses, and Other			
6	Expenses of Servicing Outstanding Securities			
7	of the Respondent			149,100
8				
9	Other Expenses (List items of \$5000 or more in			
10	this column showing the (1) purpose, (2) recipient			
11	and (3) amount of such items. Group amounts of			
12	less than \$5,000 by classes if the number of items			
13	so grouped is shown)			
14				
15				
16	Miscellaneous Expenses			3,552
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
47	TOTAL		\$	157,929

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

1. Report in Section A for the year the amounts for:
(a) Depreciation Expense (Account 403); (b) Amortization of Limited-Term Electric Plant (Account 404); and (c) Amortization of Other Electric Plant (Account 405).

2. Report in section B the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute the charges and whether any changes have been made in the basis or rates used from the preceding report year.

3. Report all available information called for in section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.

Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of section C the type of plant included in any subaccounts used.

In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional

classifications and showing a composite total. Indicate at the bottom of section C the manner in which column (b) balances are obtained. If average balances, state the method of averaging used.

For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification listed in column (a). If plant mortality studies are prepared to assist in estimating average service lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant.

If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.

4. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.

A. Summary of Depreciation and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization of Limited-Term Electric Plant (Acct. 404) (c)	Amortization of Other Electric Plant (Acct. 405) (d)	Total (e)
1	Intangible Plant	-			-
2	Steam Production Plant	-			-
3	Nuclear Production Plant	-			-
4	Hydraulic Production Plant-Conventional	-			-
5	Hydraulic Production Plant-Pumped Storage	-			-
6	Other Production Plant	-			-
7	Transmission Plant	479,209			479,209
8	Distribution Plant	4,020,391			4,020,391
9	General Plant	285,774			285,774
10	Common Plant-Electric	-			-
11	Adjustment	-			-
12	TOTAL	4,785,374	-	-	4,785,374

B. Basis for Amortization Charges

C. Factors Used in Estimating Depreciation Charges							
Line No.	Account No. (a)	Depreciable Plant Base (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. Rate(s) (Percent) (e)	Monthly Curve Type (f)	Average Remaining Life (g)
1	CONSOLIDATED ELECTRIC DIVISION ORDER # PSC-15-0575-PAA-EI						
2							
3	TRANSMISSION PLANT						
4	350.1	17,629	N/A	0	1.4		26.0
5	352	1,919,496	N/A	0	1.8		50.0
6	353	7,801,458	N/A	5	2.6		27.0
7	354	224,802	N/A	(15)	2.1		14.5
8	355	1,557,746	N/A	(40)	4.1		16.9
9	355.1	3,904,731	N/A	(30)	2.9		41.0
10	356	3,136,905	N/A	(20)	2.5		36.0
11	359	6,788	N/A	0	1.5		12.5
12	DISTRIBUTION PLANT						
13	360.1	56,995	N/A	0	1.6		31.0
14	361	1,198,983	N/A	(5)	1.7		47.0
15	362	13,265,693	N/A	(10)	2.4		34.0
16	364	25,016,029	N/A	(45)	3.9		24.0
17	365	20,387,191	N/A	(35)	3.4		21.0
18	366	6,913,571	N/A	(5)	1.8		50.0
19	367	9,896,677	N/A	(5)	3.2		23.0
20	368	23,465,940	N/A	(20)	4.0		12.4
21	369	13,964,663	N/A	(35)	3.6		19.9
22	370	5,134,161	N/A	(10)	3.7		11.9
23	371	3,477,848	N/A	10	4.5		9.6
24	373	2,648,665	N/A	(10)	4.9		7.6
25	GENERAL PLANT						
26	390	5,983,010	N/A	0	2.0		41.0
27	391	645,665		7 Years Amortization			
28	391.1	183,693		5 Years Amortization			
29	391.2	328,469		5 Years Amortization			
30	391.3	93,605		7 Years Amortization			
31	391.4	1,758,057		5 Years Amortization			
32	392.1	80,879	N/A	15	11.9		6.0
33	392.2	1,328,041	N/A	12	7.8		4.9
34	392.3	3,886,929	N/A	10	7.0		6.4
35	392.4	411,764	N/A	5	3.7		13.8
36	393	149,712		7 Years Amortization			
37	394	442,806		7 Years Amortization			
38	395	119,512		7 Years Amortization			
39	396	898,523	N/A	0	4.4		8.4
40	397	525,019		5 Years Amortization			
41	397.3	0		5 Years Amortization			
42	398	80,356		7 Years Amortization			
43							
44							
45							
46							
47							
48							
49							
50							
51							
52							
53							
54							

REGULATORY COMMISSION EXPENSES

1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to formal cases before a regulatory body, or cases in which such a body was a party.

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

Line No.	Description (Furnish name of regulatory commission or body, the docket or case number, and a description of the case.) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses for Current Year (b) + (c)	Deferred in Account 186 at Beginning of Year (e)
1	All expenses incurred by the company				
2	filings for Rate Relief for electric.		(148,629)	(148,629)	163,113
3					
4					
5	Unrecovered PGC/PEC		(1,851,550)	(1,851,550)	5,817,320
6					
7					
8	Gain on Sale				59,216
9					
10	Conservation Cost Recovery		189,024	189,024	
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					
41	TOTAL		<u>(1,811,155)</u>	<u>(1,811,155)</u>	<u>6,039,649</u>

DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	Operation			
3	Production	-		
4	Transmission	3,482		
5	Distribution	646,735		
6	Customer Accounts	1,003,501		
7	Customer Service and Informational			
8	Sales	7,243		
9	Administrative and General	152,061		
10	TOTAL Operation (Enter Total of lines 3 thru 9)	1,813,022		
11	Maintenance			
12	Production			
13	Transmission	1,427		
14	Distribution	1,106,570		
15	Administrative and General	-		
16	TOTAL Maintenance (Enter Total of lines 12 thru 15)	1,107,997		
17	Total Operation and Maintenance			
18	Production (Enter Total of lines 3 and 12)	-		
19	Transmission (Enter Total of lines 4 and 13)	4,909		
20	Distribution (Enter Total of lines 5 and 14)	1,753,305		
21	Customer Accounts (Transcribe from line 6)	1,003,501		
22	Customer Service and Information (Transcribe from line 7)	-		
23	Sales (Transcribe from line 8)	7,243		
24	Administrative and General (Enter Total of lines 9 and 15)	152,061		
25	TOTAL Operation and Maintenance (Total of lines 18 - 24)	2,921,019	2,084,678	5,005,697
26	Gas			
27	Operation			
28	Production - Manufactured Gas			
29	Production - Natural Gas (Including Expl. and Dev.)			
30	Other Gas Supply			
31	Storage, LNG Terminaling and Processing			
32	Transmission			
33	Distribution			
34	Customer Accounts			
35	Customer Service and Informational			
36	Sales			
37	Administrative and General			
38	TOTAL Operation (Enter Total of lines 28 thru 37)			
39	Maintenance			
40	Production - Manufactured Gas			
41	Production - Natural Gas			
42	Other Gas Supply			
43	Storage, LNG Terminaling and Processing			
44	Transmission			
45	Distribution			
46	Administrative and General			
47	TOTAL Maintenance (Enter Total of lines 40 thru 46)			

DISTRIBUTION OF SALARIES AND WAGES

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
	Gas (Continued)			
48	Total Operation and Maintenance			
49	Production - Manufactured Gas (Total of lines 28 and 40)			
50	Production - Natural Gas (Including Expl. and Dev.) (Total of lines 29 and 41)			
51	Other Gas Supply (Enter Total of lines 30 and 42)			
52	Storage, LNG, 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)			
55	Customer Accounts (Transcribe from line 34)			
56	Customer Service and Informational (From line 35)			
57	Sales (Transcribe from line 36)			
58	Administrative and General (Total of lines 37 and 46)			
59	TOTAL Operation and Maint. (Total of lines 49 thru 58)			
60	Other Utility Departments			
61	Operation and Maintenance	-	-	-
62	TOTAL All Utility Dept. (Total of lines 25,59, and 61)	2,921,019	2,084,678	5,005,697
63	Utility Plant			
64	Construction (By Utility Departments)			
65	Electric Plant	1,751,124	-	1,751,124
66	Gas Plant			-
67	Other - Common			-
68	TOTAL Construction (Enter Total of lines 65 thru 67)	1,751,124	-	1,751,124
69	Plant Removal (By Utility Department)			
70	Electric Plant	93,053		93,053
71	Gas Plant			-
72	Other - Water			-
73	TOTAL Plant Removal (Enter Total of lines 70 thru 72)	93,053		93,053
74	Other Accounts (Specify):			
75				
76				
77	Other Accounts Receivable/Employee	50,975		50,975
78	Temporary Facilities	14,051		14,051
79	Stores Expense			-
80	Clearing Accounts			-
81	Miscellaneous Deferred Debits			-
82	Merchandise and Jobbing		-	-
83	Taxes Other Than Income Taxes-Electric			-
84	Taxes Other Than Income Taxes-Gas			-
85				-
86	Vacation Pay			-
87	Non-Operating and Rental Income			-
88	Other Accounts Receivable		-	-
89	Environmental Cost	267,507		267,507
90	Merchandise plant leased to other - Gas			-
91	Accrued Liability Insurance			-
92				
93				
94				
95	TOTAL Other Accounts	332,533	-	332,533
96	TOTAL SALARIES AND WAGES	5,097,729	2,084,678	7,182,407

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

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

allocation and factors used.

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

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

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

-
=====

Account 119: Accumulated Provision for Depreciation
of Common Utility Plant

-
=====

Line No.	Item (a)	Megawatt Hours (b)	Line No.	Item (a)	Megawatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	648,635
3	Steam		23	Requirements Sales For Resale (See instruction 4, page 311)	
4	Nuclear		24	Non-Requirements Sales For Resale (See instruction 4, page 311)	
5	Hydro-Conventional		25	Energy Furnished Without Charge	
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Department Only, Excluding Station Use)	461
7	Other		27	Total Energy Losses	16,072
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	665,168
9	Net Generation (Enter Total of lines 3 thru 8)	0			
10	Purchases	665,168			
11	Interchanges:				
12	Received				
13	Delivered				
14	Purchases	0			
15	Transmission for/by Others (Wheeling)				
16	Received (MWh)				
17	Delivered (MWh)				
18	Net Transmission for Other (Lines 16 minus 17)	0			
19	Transmission By Other Losses				
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	665,168			

MONTHLY PEAKS AND OUTPUT

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

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

FLORIDA PUBLIC UTILITIES COMPANY

For the Year Ended
December 31, 2019

**MONTHLY PEAKS AND OUTPUT
NORTHWEST FLORIDA SYSTEM**

Month (a)	Megawatts (b)	Day of Month (d)	Hour (e)	Type of Reading (f)	Monthly Output (MWh) (g)
January	60.2	30	7:00 AM	60 Min. Int.	24,797
February	45.7	1	8:00 AM	60 Min. Int.	18,315
March	55.0	6	7:00 AM	60 Min. Int.	20,326
April	47.0	30	4:00 PM	60 Min. Int.	19,981
May	61.5	29	4:00 PM	60 Min. Int.	27,436
June	61.8	4	4:00 PM	60 Min. Int.	29,166
July	61.9	2	3:00 PM	60 Min. Int.	29,874
August	65.3	14	4:00 PM	60 Min. Int.	30,998
September	63.6	18	2:00 PM	60 Min. Int.	30,184
October	61.3	3	4:00 PM	60 Min. Int.	25,472
November	56.9	13	7:00 AM	60 Min. Int.	21,090
December	54.8	19	7:00 AM	60 Min. Int.	22,543
TOTAL					300,184

**MONTHLY PEAKS AND OUTPUT
NORTHEAST FLORIDA SYSTEM**

Month (a)	Megawatts (b)	Day of Month (d)	Hour (e)	Type of Reading (f)	Monthly Output (MWh) (g)
January	53.6	21	10:00 AM	60 Min. Int.	30,291
February	47.1	19	7:00 PM	60 Min. Int.	21,758
March	39.0	2	8:00 PM	60 Min. Int.	24,680
April	35.8	19	8:00 PM	60 Min. Int.	24,078
May	51.5	23	4:00 PM	60 Min. Int.	32,508
June	74.6	25	5:00 PM	60 Min. Int.	36,168
July	65.3	1	6:00 PM	60 Min. Int.	39,450
August	71.0	27	5:00 PM	60 Min. Int.	38,344
September	75.8	10	3:00 PM	60 Min. Int.	36,548
October	71.3	22	9:00 AM	60 Min. Int.	33,696
November	37.1	13	11:00 AM	60 Min. Int.	22,897
December	37.5	3	8:00 AM	60 Min. Int.	24,566
TOTAL					364,984

Florida Public Utilities Company
Electric Division

An Original An Original
For the Year Ended
December 31, 2019

TRANSMISSION LINE STATISTICS

1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below voltages in group totals only for each voltage.

2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.

3. Report data by individual lines for all voltages if so required by a State commission.

4. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.

5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole, wood, or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction.

If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.

6. Report in columns (f) and (g) the total pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Florida Public Utilities Company
Electric Division

An Ori An Original
For the Year Ended
December 31, 2019

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.

Line No.	DESIGNATION		VOLTAGE		Type of Supporting Structure (e)	LENGTH		Number of Circuits (h)	Size of Conductor and Material (i)	Land (j)	COST OF LINE		EXPENSES, EXCEPT DEPRECIATION AND TAXES**				Line no.	
	From (a)	To (b)	Operating (c)	Designed (d)		On Structures of Line Designated (f)	On Structures of Another Line (g)				Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)		
1	Yulee, FL	Block 97			Steel Tower	0.55			652 MCM Alum.									1
2	Fernandina Beach, FL				Steel Pole	0.8			394.6MCM Alum.	15,482	1,496,536	1,512,018						2
3		Block 97	138,000	138,000	Concrete Pole	2.3	NONE	2										3
4		Fernandina Beach, FL			Concrete Pole	1.0			4/0 Alum.									4
5		Block 83			Wood Pole	2.8	NONE	1	394.6MCM Alum.		474,069	474,069						5
6	Fernandina Beach, FL		69,000	69,000	Concrete Pole	2.7			477 MCM Alum.									6
7		Block 97			Wood Pole	3.3	NONE	1	636 MCM Alum.									7
8		Fernandina Beach, FL			Concrete Pole	2.7			477MCM Alum.	32,677	786,408	819,085						8
9		State Road 105 and Julia St.	69,000	69,000	Wood Pole	3.3	NONE	1										9
10		Block 83			Concrete Pole	1.7	***											10
11	Fernandina Beach, FL		69,000	69,000	Wood Pole	0.3	NONE	1	394.6MCM Alum.		90,636	90,636						11
12		Container Corporation of America			Concrete Pole	1.7												12
13		Block 83			Wood Pole	0.3	NONE	1										13
14	Fernandina Beach, FL		69,000	69,000	Concrete Pole	1.7			394.6MCM Alum.		90,636	90,636						14
15		Block 83			Wood Pole	0.3	NONE	1										15
16		Fernandina Beach, FL			Concrete Pole	1.35	NONE	1	636 MCM Alum.		2,783,652	2,783,652						16
17		ITT Rayonier Inc.	69,000	69,000	Concrete Pole	1.35	NONE	1										17
18		ITT Rayonier Inc.	69,000	69,000	Concrete Pole	1.35	NONE	1										18
19		ITT Rayonier Inc.	69,000	69,000	Concrete Pole	1.35	NONE	1										19
20																		20
21																		21
22																		22
23																		23
24																		24
25																		25
26																		26
27																		27
28																		28
29																		29
30					TOTAL	16.80				48,159	5,631,301	5,679,460	15,858	47,202			63,060	30

Florida Public Utilities Company Electric Division		An Original	For the Year Ended December 31, 2019			Florida Public Utility Company Electric Division		An Original	For the Year Ended December 31, 2019			
		SUBSTATIONS					SUBSTATIONS (Continued)					
1. Report below the information called for concerning substations for the respondent as of the end of the year.		may be grouped according to functional character, but the number of such substations must be shown.					5. Show in columns (i), (j) and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.					
2. Substations which serve only one industrial or street railway customer should not be listed below.		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).					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.					
3. Substations with capacities for less than 10,000 Kva except those serving customers with energy for resale,												
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa)			Capacity of Substation (In MVa) (f)	Number of Trans-formers In Service (g)	Number of Spare Trans-formers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT Type of Equipment (i)	Number of Units (j)	Total Capacity (k)	Line No.
			Primary (c)	Secondary (d)	Tertiary (e)							
1	Fernandina Beach, Fl	Distribution									1	
2	Jesse L. Terry, Substation	Unattended	69M	12.4M		70	2	0	Fans Added		2	
3											3	
4	Amelia Plantation Substation	Distribution	69M	12.4M		80	2	0	Fans Added		4	
5		Unattended									5	
6											6	
7	Rayonier Chip Mill	Distribution	69M	12.4M		8	1	0	Fans Added		7	
8											8	
9	Stepdown Substation	Transmission	138M	69M		150	3	0	Fans Added		9	
10		Distribution	69M	12.4M		40	2	0	Fans Added		10	
11		Unattended									11	
12											12	
13											13	
14											14	
15											15	
16											16	
17											17	
18											18	
19											19	
20											20	
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29											29	
30											30	
31											31	
32											32	
33											33	
34											34	
35											35	
36											36	

Affiliation of Officers and Directors

Company: Florida Public Utilities Company- Electric Division

For the Year Ended December 31, 2019

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

Name	Principal Occupation or Bus Affiliation	Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership	
		Affiliation or Connection	Name and Address
Directors			
Jeffrey M. Householder			
John R. Schimkaitis			
Eugene H. Bayard			Morris James LLP, Georgetown, Delaware
Thomas J. Bresnan			Career School of the Rockies and Denver Accounting Services, Denver, Colorado
Thomas P. Hill, Jr.			Exelon Energy Delivery Company, Philadelphia, PA (Retired)
Dennis S. Hudson, III			Seacoast National Bank and Seacoast Banking Corporation of Florida Stuart, Florida
Paul L. Maddock, Jr.			Palamad, LLC, Palm Beach, Florida
Ronald G. Forsythe, Jr. PhD			Qlarant Corporation, Easton, Maryland
Calvert A. Morgan, Jr.			WSFS Financial Corp., Wilmington, Delaware (Retired) Wilmington Savings Fund Society, Wilmington, Delaware (Retired) PNC Bank Delaware, Wilmington, Delaware (Retired)
Lila A. Jaber			Jaber Group Inc., Tallahassee, Florida
Dianna F. Morgan			Former Senior Vice President, Walt Disney World Co., Orlando, Florida; Past Chair of the Board of Trustees, University of Florida, Gainesville, Florida
Officers			
Jeffrey M. Householder	Director, Chairman (FPU), President & CEO (CUC)		
James Moriarty	Executive Vice President/Secretary/General Counsel/Chief Policy Risk Officer		
Beth W. Cooper	Executive Vice President/Chief Financial Officer/Assistant Secretary		
Kevin J. Webber (1)	President (FPU); Senior Vice President (CUC)		
Jeffrey S. Sylvester (2)	President (FPU)		
Joseph D. Steinmetz	Vice President/Controller		
Michael D. Galtman	Vice President/Chief Accounting Officer		
Vikrant A. Gadgil	Chief Information Officer		
Thomas E. Mahn	Vice President/Treasurer		
Cheryl Martin	Vice President		
Lou J. Anatrella	Chief Human Resources Officer		
Devon S. Rudloff	Assistant Vice President		
Nicole T. Carter (3)	Assistant Vice President		
Michael D. Cassel	Assistant Vice President		
Barry D. Kennedy	Assistant Vice President		
Drane A. Shelley	Assistant Vice President		
Stacie L. Roberts	Assistant Vice President		

Note: The salaries above represent only that portion allocated to FPU's natural gas division
 (1) Effective (DATE) Senior Vice President, Unregulated Energy Delivery and Business Development (CUC)
 (2) Effective (DATE) President of FPU, Senior Vice President of Pipeline Transmission and Regulated Gas and Electric Distribution (CUC)
 (3) Effective (DATE) no longer with the Company

Business Contracts with Officers, Directors, and Affiliates

Company: Florida Public Utilities Company - Electric Division

For the Year Ended December 31, 2019

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

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

Name of Officer or Director	Name and Address of Affiliated Entity	Amount	Identification of Product or Service
None			
<p>*Business Agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years.</p>			

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

Florida Public Utilities Company - Electric Division

For the Year Ended December 31, 2019

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) - (g)
1	Total Sales to Ultimate Customers (440-446, 448)	87,715,669		87,715,669	87,785,807		87,785,807	(70,138)
2	Sales for Resale (447)	-		-	-			-
3	Total Sales of Electricity	87,715,669		87,715,669	87,785,807		87,785,807	(70,138)
4	Provision for Rate Refunds (449.1)	-		-	-		-	-
5	Total Net Sales of Electricity	87,715,669		87,715,669	87,785,807		87,785,807	(70,138)
6	Total Other Operating Revenues (450-456)	(4,638,524)		(4,638,524)	(4,708,662)		(4,708,662)	70,138
7	Total Electric Operating Revenues	83,077,145		83,077,145	83,077,145		83,077,145	(0)
8	Other (specify): Deferred fuel revenue			-	4,004,964		4,004,964	(4,004,964)
9				-				-
10	Total Gross Operating Revenues	83,077,145		83,077,145	87,082,109		87,082,109	(4,004,964)

Notes:

8 Deferred fuel revenue are reversed to pay RAF only on the actual collected revenue.
(The original payment of the RAF occurred when the actual revenues were collected.)

4,004,964
4,004,964

FLORIDA PUBLIC SERVICE COMMISSION

DIVERSIFICATION REPORT

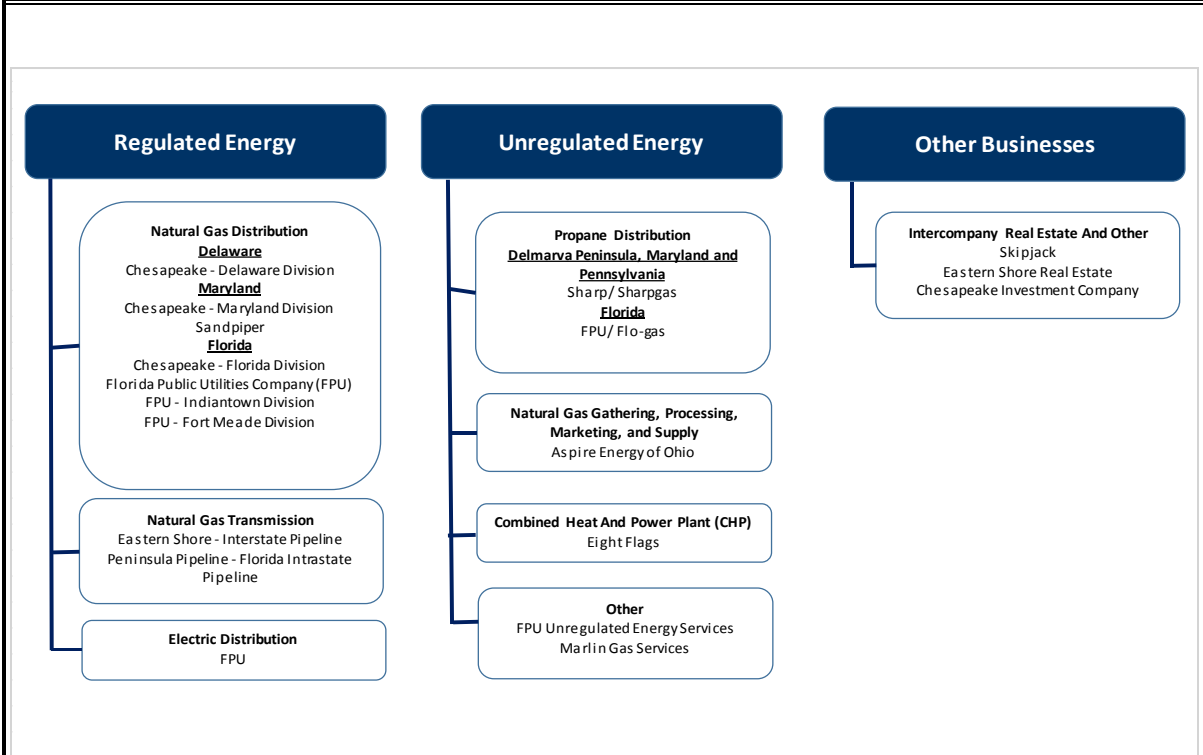
Analysis of Diversification Activity
Changes in Corporate Structure

Company: Florida Public Utilities Company- Electric Division

For the Year Ended December 31, 2019

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)
--------------------	---------------------------



Analysis of Diversification Activity
New or Amended Contracts with Affiliated Companies

COMPANY: Florida Public Utilities Company - Electric Division
For the Year Ended December 31, 2019

Provide a synopsis of each new or amended contract, agreement, or arrangement with affiliated companies for the purchase, lease, or sale of land, goods, or services (excluding tariffed items). The synopsis shall include, at a minimum, the terms, price, quantity, amount, and duration of the contracts.

Name of Affiliated Company (a)	Synopsis of Contract (b)

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

COMPANY: Florida Public Utilities Company - Electric Division
For the Year Ended December 31, 2019

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

Name of Affiliate (a)	Description of Transaction (b)	Dollar Amount (c)
Eight Flags Energy LLC	Purchased Power	\$ 13,761,457

Analysis of Diversification Activity

Summary of Affiliated Transfers and Cost Allocations

Company: Florida Public Utilities Company - Electric Division

For the Year Ended December 31, 2019

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)
Chesapeake Utilities Corporation	Parent Company:				
	Corporate Services		s		\$ 2,772,773
	Corporate Overheads		s		\$ 1,670,349
	Shared Services		s		\$ 1,792,730

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

FLORIDA PUBLIC UTILITIES COMPANY - Electric Division
 For the Year Ended December 31, 2019

Provide a summary of affiliated transactions involving asset transfers or the right to use assets.

Name of Affiliate	Description of Asset or Right	Cost/Orig. Cost	Accumulated Depreciation	Net Book Value	Fair Market Value	Purchase Price	Title Passed Yes/No
None							

Analysis of Diversification Activity

Employee Transfers

Company: Florida Public Utilities Company - Electric Division

For the Year Ended December 31, 2019

List employees earning more than \$30,000 annually transferred to/from the utility to/from an affiliate company.				
Company Transferred From	Company Transferred To	Old Job Assignment	New Job Assignment	Transfer Permanent or Temporary and Duration
None				

Analysis of Diversification Activity
Non-Tariffed Services and Products Provided by the Utility
Company: Florida Public Utilities Company - Electric Division
For the Year Ended December 31, 2019

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

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

NONUTILITY PROPERTY (Account 121)

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

Line No.	Description and Location (a)	Balance at Beginning of Year (b)	Purchases, Sales, Transfers, etc. (c)	Balance at End of Year (d)
1	None			
2				
3				
4				
5				
6				
7				
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9				
10				
11				
12				
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39				
40				
41				

Number of Electric Department Employees

Company: Florida Public Utilities Company - Electric Division

For the Year Ended December 31, 2019

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)	12/31/19
2	Total Regular Full-Time Employees (Equivalent Employees from joint functions -6)	47
3	Total Part-Time and Temporary Employees	-
4	Total Employees	47

PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND
INTEREST CHARGES ACCOUNTS

Report the information specified below, in the order given for the respective income deduction and interest charges accounts. Provide a subheading for each account and total for the account. Additional columns may be added if deemed appropriate with respect to any account.

- (a) Miscellaneous Amortization (Account 425) - Describe the nature of items included in this account, the contra account charged, the total of amortization charged for the year, and the period of amortization.
- (b) Miscellaneous Income Deductions - Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2 Life Insurance; 426.3 Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than \$25,000 may be grouped by classes within the above accounts.
- (c) Interest on Debt to Associated Companies (Account 430) - For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.
- (d) Other Interest Expense (Account 431) - Report particulars (Details) including the amount and interest rate for each other interest charges incurred during the year.

Line No.	Item (a)	Amount (b)
1	Account 415: Revenues From Merchandising, Jobbing and Contract Work	140
2	Account 416: Costs and Exp. of Merchandising, Job & Contract Work	360
3	Account 426: Miscellaneous Income Deductions	(3,543)
4		
5		
6		
7		
8	TOTAL MISCELLANEOUS INCOME DEDUCTIONS	(3,043)
9		
10	Account 430: Interest on Debt to Associated Company	0
11		
12		
13	Account 431: Other Interest Expense	
14	Customer Deposit	0
15	Short-term Borrowings - allocated from the parent	427,135
16	Note Payable - allocated from the parent	0
17	Other	116,773
18	TOTAL OTHER INTEREST EXPENSE	543,908
19		
20		
21		
22		
23		

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

Status of Reserve

Beginning Balance 01/01/2019	(\$388,539)
2019 Activity:	
Accruals under Docket #93-0400 EI	121,620
Accruals under Docket #20180061 EI issued March 26, 2019	722,349
Other	58,515
Ending Balance 12/31/19	<u><u>\$513,945</u></u>

Reasonableness of Reserve

Distribution Plant - Book Cost

Storm Damage Reserve Balance @ 12/31/2019	\$513,945
Total Distribution Plant (per books) @ 12/31/2019	<u>\$125,759,993</u>
Ratio of Reserve to Distribution Plant	<u><u>0.41%</u></u>

Distribution Plant - Replacement Cost

Storm Damage Reserve Balance @ 12/31/2019	\$513,945
Estimated Replacement Cost of Distribution Plant (Distribution Plant @ 12/31/19 times 2)	<u>\$251,519,986</u>
Ratio of Reserve to Replacement Distribution Plant	<u><u>0.20%</u></u>

Availability of Distribution Systems Insurance

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

CUSTOMER GROWTH

	2019	2018	2017	2016			
	Customers				Current	Prior year	Average
	Current Year	Prior Year	Two Years Prior	Three Years Prior	Year increase	Increase	Increase
Operations:							
Marianna - Electric	14,629	15,345	15,342	15,232	-5%	0%	-2%
Fernandina Beach - Electric	17,411	16,916	16,696	16,454	3%	1%	2%