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Form Approved
OMB No. 1902-0021
(Expires 11/30/2001)

EI803-01-AR



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Division of
Economic Regulation
FERC

FERC Form No. 1: ANNUAL REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHERS

This report is mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider this report to be of a confidential nature.

RECEIVED
ECONOMIC REGULATION
02 MAY 31 PM 12:37
COMMUNICATIONS SERVICE

Exact Legal Name of Respondent (Company)

Florida Public Utilities Company

Year of Report

Dec. 31, 2001



INDEPENDENT AUDITORS' REPORT

Florida Public Utilities Company
West Palm Beach, Florida:

We have audited the balance sheet—regulatory basis of Florida Public Utilities Company (the “Company”) as of December 31, 2001, and the related statements of income—regulatory basis, retained earnings—regulatory basis and the consolidated statement of cash flows for the year ended December 31, 2001, included on pages 110 through 122k, excluding additional information on pages 114f – Fernandina Division, 114m – Marianna Division and 115 – Electric, Gas and Other Utility Divisions, of the accompanying Federal Energy Regulatory Commission Form 1. These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

These financial statements were prepared in accordance with the accounting requirements of the Florida Public Service Commission, which are substantially equivalent to the accounting requirements of the Federal Energy Regulatory Commission as set forth in its 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 (“generally accepted accounting principles”). The principal differences from generally accepted accounting principles include accounting for the Company’s investment in a wholly owned subsidiary on the equity method rather than consolidating the assets, liabilities, revenues, and expenses of the subsidiary, the inclusion of certain accumulated provisions in other non-current liabilities rather than current liabilities, and the classification of all deferred tax accounts on a gross basis as non-current.

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

In our opinion, such financial statements present fairly, in all material respects, the assets, liabilities, and proprietary capital of the Company as of December 31, 2001, and the results of its operations and its cash flows for the year ended December 31, 2001, in accordance with the accounting requirements of the Florida Public Service Commission, which are substantially equivalent to the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

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

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

Deloitte & Touche LLP

February 25, 2002

EXECUTIVE SUMMARY

SUPPLEMENT TO ANNUAL REPORT

OF

FLORIDA PUBLIC UTILITIES COMPANY

FOR THE YEAR

2001

EXECUTIVE SUMMARY

INSTRUCTIONS

Purpose of Executive Summary:

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

Part I - Telephone Numbers:

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

Part II - Company Profile:

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

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

i.

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

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

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

Part III - Corporate Records:

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

Part IV - Parent/Affiliate Organizational Chart:

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

Part V - Liaison Personnel Directory:

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

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PART I - TELEPHONE NUMBERS

A. Company's Universal Telephone Number: (561) 832-2461		
B. Direct Telephone Number for Officer (s)		
Officer (s) Name	Title	Telephone Numbers
1. John T. English	President & Chief Executive Officer	(561) 838-1762
2. Charles L. Stein	Senior Vice President	(561) 838-1760
3. Jack Brown	Vice President & Secretary	(561) 838-1729
4. George Bachman	Chief Financial Officer & Treasurer	(561) 838-1731
C. Direct Telephone Number for Director (s)		
Officer (s) Name	Title	Telephone Numbers
1. Ellen Terry Benoit	Director	
2. John T. English	President & Chief Executive Officer	(561) 838-1762
3. Richard C. Hitchins	Director	(561) 832-8833
4. Paul L. Maddock, Jr	Director	(561) 655-1483
5. Rudy E. Schupp	Director	(561) 840-7838
6.		
7.		
8.		

PART II - COMPANY PROFILE

(Provide Brief Narrative)

A. Brief Company History

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

The purchase of the property of the Gas Service Company of Key West was made on October 5, 1927, and sold on May 10, 1938. On May 1, 1929, the company acquired Pensacola Gas Company, but sold these properties to Gulf Power on May 28, 1934. Southern States Power Company (Marianna and Fernandina, Florida) was purchased July 1, 1935. The acquisitions of Sanford Gas Company and Florida Home Gas Company of DeLand occurred on January 1, 1965, and June 1, 1967, respectively. Water property in Marianna was sold June 1, 1976, to the North Florida Water Company. The acquisition of Z-Gas Company Inc. took place on October 29, 2001. Net assets of Atlantic Utilities were acquired on December 15, 2001.

B. Operating Territory

Four areas of Florida are served by Florida Public Utilities Company. The South Florida division serves 35,400 customers within Palm Beach and Broward Counties. The Central Florida division serves 18,800 customers in Seminole, Volusia and Marion Counties.

The Northwest division, located in the panhandle of Florida, serves 12,200 customers in portions of Jackson, Calhoun, and Liberty Counties. The Northeast division, which serves Amelia Island on the upper east coast of Florida, furnishes electricity, propane and water services to 13,800, 1,300 and 7,000 customers, respectively.

C. Major Goals and Objectives

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

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

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

PART II - COMPANY PROFILE (continued)

(Provide Brief Narrative)

D. Major Operating Divisions and Functions

Florida Public Utilities Company operates out of four divisions and is headquartered in West Palm Beach. Natural gas is provided by the West Palm Beach (South Florida) and Central Florida divisions. These two divisions also service customers in offering gas appliance sales and repairs.

Propane gas is provided by the West Palm Beach (South Florida), Central Florida and Fernandina Beach (Northeast Florida).

Electricity is supplied by the divisions in Marianna (Northwest Florida) and Fernandina (Northeast Florida). Fernandina Beach is also the sole location providing water service.

E. Affiliates and Relationships

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

F. Current and Projected Growth Patterns

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

PART III - CORPORATE RECORDS

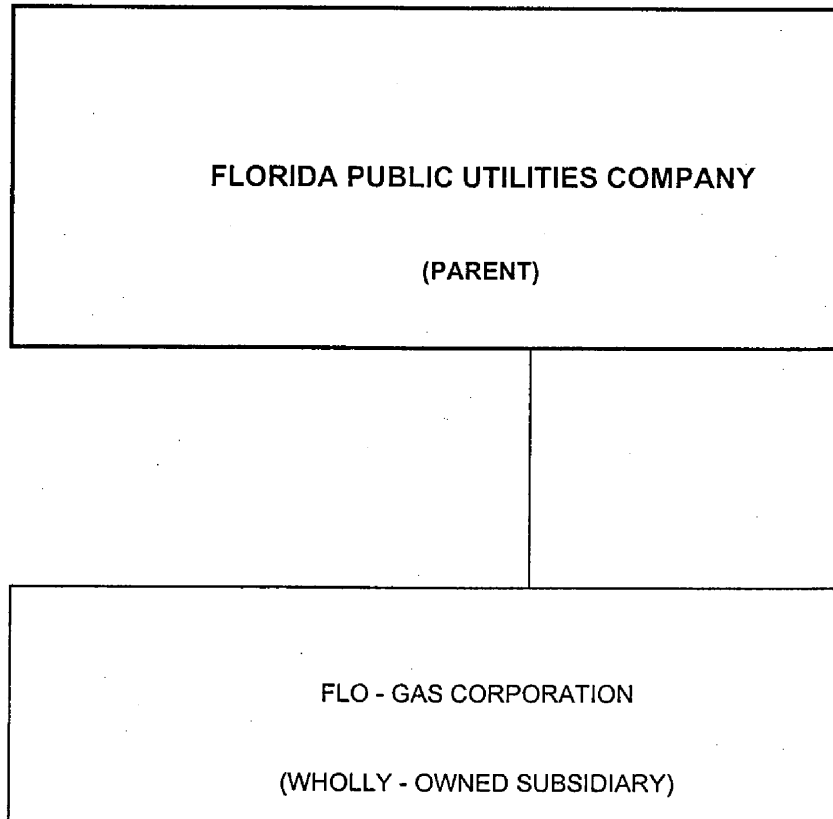
A. Location	
Divisional Offices	Address
West Palm Beach (South Florida)	401 South Dixie Highway, West Palm Beach
Sanford (Central Florida)	830 West 6th Street, Sanford
DeLand (Central Florida)	401 N. Stone Street, DeLand
Marianna (Northwest Florida)	2825 Pennsylvania Avenue, Marianna
Fernandina Beach (Northeast Florida)	911 S. 8th Street, Fernandina Beach

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

C. List Audit Groups Reviewing Records and Operations
Deloitte & Touche - Annual and quarterly corporate audits. Review of income tax return. Florida Public Service Commission - Electric, gas, and water operations.

PART IV - PARENT / AFFILIATE ORGANIZATION CHART

CURRENT AS OF : December 31, 2001



PART V - LIAISON PERSONNEL DIRECTORY

(4)

A. List

Name of Company (1) (2) Representative	Title or Position	Organizational Unit (3) Title (Dept/Div/Etc.)	Name of Immediate Supervisor	Area (s) Responsible
John T. English	President & Chief Operating Officer	Electric, Gas, and Water Operations		Engineering, Rates Rules and Regulations
Charles L. Stein	Senior Vice President	Electric, Gas, and Water Operations	J. T. English	Engineering, Rates Rules and Regulations
P. Mark Cutshaw	Director - North West Florida	Marianna Electric Operations	J. T. English	Conservation, Rates and Engineering
Mario Lacaci	Director - North East Florida	Fernandina Beach Electric and Water Operations	J. T. English	Rates and Engineering
Michael Peacock	Customer Development Manager	Electric and Gas Operations	P. Mark Cutshaw	Conservation
George Bachman	Chief Financial Officer & Treasurer	Electric, Gas, and Water Operations	J. T. English	Open Dockets, Accounting, Rules and Regulations
Cheryl Martin	Controller	Electric, Gas, and Water Operations	G. M. Bachman	Open Dockets, Accounting, Rules and Regulations
Norman Horton, Jr. (850) 222-0720	Attorney	Messer, Caparello, & Self	-	Fuel Adj., PGA, and Conservation, All Divisions

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

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

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

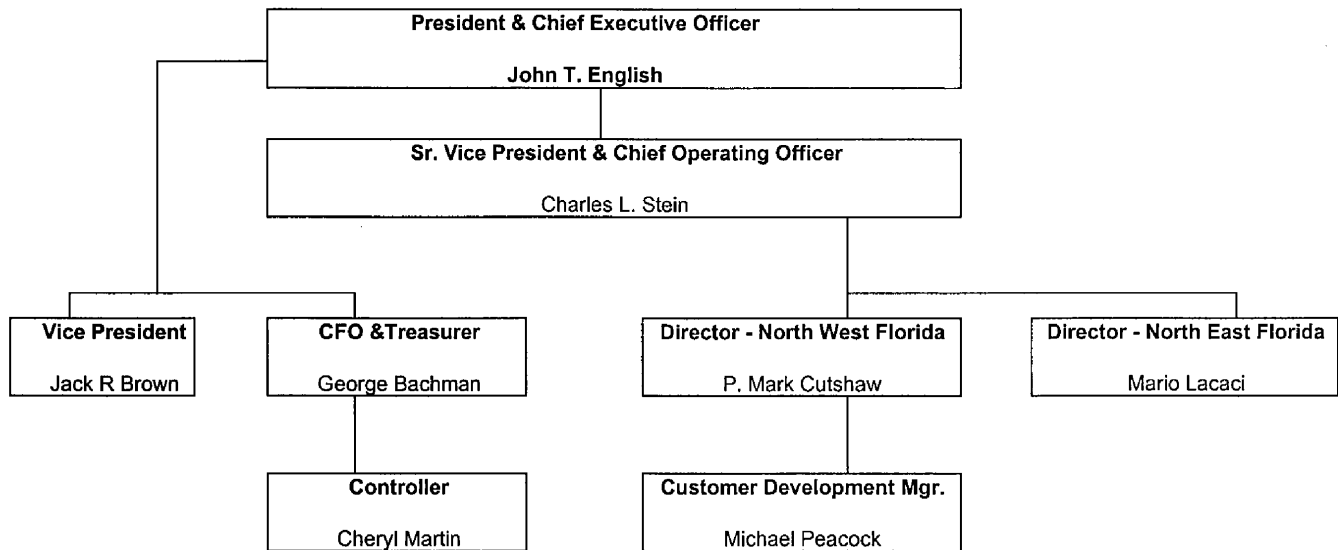
(4) Defined as personal visits or telephone call as a result of either routine interface, rate cases, or audits.

PART V - LIAISON PERSONNEL

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

CURRENT AS OF: April 1, 2001

FLORIDA PUBLIC UTILITIES COMPANY



SIGNATURE PAGE

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

that I have examined the following report; that to the best of my knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from January 1, 2001 to December 31, 2001, inclusive.

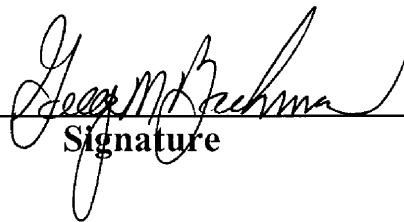
I also certify that all affiliated transfer prices and affiliated cost allocations were determined consistent with the methods reported to this Commission on the appropriate forms included in this report.

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

Whoever knowingly makes a false statement in writing

performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

5/30/02
Date


Signature

George Bachman
Name

Chief Financial Officer & Treasurer
Title

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

GENERAL INFORMATION

I. Purpose

This form is a regulatory support requirement (18 CFR 141.1). It is designed to collect financial and operational information from major electric utilities, Licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. This report is also secondarily considered to be a nonconfidential public use form supporting a statistical publication (Financial Statistics of Selected Electric Utilities), published by the Energy Information Administration.

II. Who Must Submit

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

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

one of the following:

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

III. What and Where to Submit

(a) Submit this form electronically through the Form 1 Submission Software and an original and six (6) conformed paper copies, properly filed in and attested, to:

Office of the Secretary
Federal Energy Regulatory Commission
888 First Street, NE.
Room 1A
Washington, DC 20426

Retain one copy of this report for your files.

Include with the original and each conformed paper copy of this form the subscription statement required by 18 C.F.R. 385.2011(c) (5). Paragraph (c) (5) of 18 C.F.R. 385.2011 requires each respondent submitting data electronically to file a subscription stating that the paper copies contain the same information as the electronic filing, that the signer knows the contents of the paper copies and electronic filing, and that the contents as stated in the copies and electronic filing are true to the best knowledge and belief of the signer.

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

Chief Accountant
Federal Energy Regulatory Commission
888 First Street, NE.
Washington, DC 20426

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

(i) Attesting to the conformity, in all material aspects, of the below listed (schedules and) pages with the Commission's applicable Uniform Systems of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and

(ii) Signed by independent certified public accountants or an independent Licensed public accountant certified or Licensed by a regulatory authority of a State or other political subdivision of the U.S. (See 18 CFR 41.10-41.12 for specific qualifications.)

III. What and Where to Submit (Continued)

(c) Continued

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

When accompanying this form, insert the Letter or report immediately following the cover sheet. When submitting after the filing date for this form, send the letter or report to the office of the Secretary at the address indicated at III (a).

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

In connection with our regular examination of the financial statements of _____ for the year ended on which we have reported separately under date of _____. We have also reviewed schedules _____ of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

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

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

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

Public Reference and Files Maintenance Branch
Federal Energy Regulatory Commission
888 First Street, NE. Room 2A ES-1
Washington, DC 20426
(202) 208-2474

IV. When to Submit

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

V. Where to Send Comments on Public Reporting Burden

The public reporting burden for this collection of information is estimated to average 1,217 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any aspect of this collection of information, including suggestions for reducing this burden, to the Federal Energy Regulatory Commission, 888 First Street N.E., Washington, DC 20426 (Attention: Mr. Michael Miller, CI-1); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if this collection of information does not display a valid control number. (44 U.S.C. 3512(a)).

GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR 101) (U.S. of A.). Interpret all accounting words and phrases in accordance with the U. S. of A.
- II. Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting year, and use for statement of income accounts the current year's amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
- IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2, 3, and 4.
- V. Enter the month, day, and year for all dates. Use customary abbreviations. The "Date of Report" included in the header of each page is to be completed only for resubmissions (see VII. below). The date of the resubmission must be reported in the header for all form pages, whether or not they are changed from the previous filing.
- VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.
- VII. For any resubmissions, submit the electronic filing using the Form 1 Submission Software and an original and six (6) conformed paper copies of the entire form, as well as the appropriate number of copies of the subscription statement indicated at instruction III (a). Resubmissions must be numbered sequentially on the cover page of the paper copies of the form. In addition, the cover page of each paper copy must indicate that the filing is a resubmission. Send the resubmissions to the address indicated at instruction III (a).
- VIII. Do not make references to reports of previous years or to other reports in lieu of required entries, except as specifically authorized.
- IX. Wherever (schedule) pages refer to figures from a previous year, the figures reported must be based upon those shown by the annual report of the previous year, or an appropriate explanation given as to why the different figures were used.

DEFINITIONS

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

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

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

(4) "Person" means an individual or a corporation;

(5) "Licensee" means any person, State, or municipality Licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;

(7) "Municipality" means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the Laws thereof to carry on the business of developing, transmitting, unitizing, or distributing power;..."

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

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

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

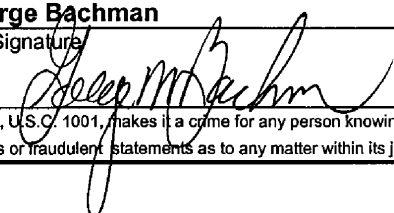
"Sec. 304. (a) Every Licensee and every public utility shall file with the Commission such annual and other periodic or special reports as the Commission may by rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the proper administration of this Act. The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

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

General Penalties

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

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, 2001
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) 401 South Dixie Highway, West Palm Beach, FL 33401-5807		
05	Name of Contact Person George Bachman	06	Title of Contact Person Chief Financial Officer & Treasurer
07	Address of Contact Person (Street, City, State, Zip Code) Same as above		
08	Telephone of Contact Person, Including Area Code (561) 838-1731	09	This Report Is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission
		10	Date of Report (Mo, Da, Yr) May 29, 2002
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 George Bachman	02	Title Chief Financial Officer & Treasurer
03	Signature 	04	Date Signed (Mo, Da, Yr) 5/30/02
<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	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) May 29, 2002	December 31, 2001

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	None
Control Over Respondent.....	102	Ed. 12-87	
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. 116-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	
Statement of Retained Earnings for the Year.....	118-119	Ed. 12-94	
Statement of Cash Flows.....	120-121	Rev. 12-94	Pg. 123-None
Notes to Financial Statements.....	122-123	Ed. 12-88	
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	None
Nuclear Fuel Materials.....	202-203	Ed. 12-89	
Electric Plant in Service.....	204-207	Rev. 12-95	None
Electric Plant Leased to Others.....	213	Rev. 12-95	
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	
Accumulated Provision for Depreciation of Electric Utility Plant..	219	Ed. 12-88	None
Nonutility Property.....	221	Ed. 12-95	
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	
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	None
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	
Other Paid-in Capital.....	253	Ed. 12-87	None
Discount on Capital Stock.....	254	Ed. 12-87	
Capital Stock Expense.....	254	Ed. 12-86	None
Long-Term Debt.....	256-257	Ed. 12-91	

Name of Respondent Florida Public Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) May 29, 2002	Year of Report December 31, 2001
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LIST OF SCHEDULES (Electric Utility)(Continued)

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

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

Title of Schedule (A)	Reference Page No. (B)	Date Revised (C)	Remarks (D)
BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other Credits) (Continued)			
Reconciliation of Reporting Net Income with Taxable Income for Federal Income Taxes.....	261	Ed. 12-88	
Taxes Accrued, Prepaid and Changed During Year.....	262-263	Rev. 12-95	
Accumulated Deferred Investment Tax Credits.....	266-267	Ed. 12-89	
Other Deferred Credits.....	269	Ed. 12-88	
Accumulated Deferred Income Taxes-Accelerated Amortization Property.....	272-273	Ed. 12-94	None
Accumulated Deferred Income Taxes-Other Property.....	274-275	Ed. 12-94	
Accumulated Deferred Income Taxes-Other.....	276-277	Ed. 12-94	
Other Regulatory Liabilities.....	278	Ed. 12-94	
INCOME ACCOUNT SUPPORTING SCHEDULES			
Electric Operating Revenues.....	300-301	Ed. 12-90	
Sales of Electricity by Rate Schedules.....	304	Ed. 12-95	
Sales for Resale.....	310-311	Ed. 12-88	None
Electric Operation and Maintenance Expenses.....	320-323	Ed. 12-95	
Number of Electric Department Employees.....	323	Ed. 12-93	
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.....	336-338	Ed. 12-95	
Particulars Concerning Certain Income Deduction and Interest Charges Accounts.....	340	Ed. 12-87	
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	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) May 29, 2002	Year of Report December 31, 2001
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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	
Environmental Protection Facilities.....	430	Ed. 12-88	None
Environmental Protection Expenses.....	431	Ed. 12-88	None
Footnote Data.....	450	Ed. 12-87	None
Marianna Division Section			
Statement of Income for the Year.....	114M		
Electric Plant in Service.....	204M-207M		
Accumulated Provision for Depreciation of Electric Utility Plant..	219M		
Electric Operating Revenues.....	300M-301M		
Electric Operation and Maintenance Expense.....	320M-323M		
Depreciation and Amortization of Electric Plant.....	336M		
Fernandina Beach Division Section			
Statement of Income for the Year.....	114F		
Electric Plant in Service.....	204F-207F		
Accumulated Provision for Depreciation of Electric Utility Plant..	219F		
Electric Operating Revenues.....	300F-301F		
Electric Operation and Maintenance Expense.....	321F-323F		
Depreciation and Amortization of Electric Plant.....	336F		
Marianna Storm Reserve			
Stockholders' Reports	Check appropriate box:		
	<input checked="" type="checkbox"/>	Four Copies will be submitted.	
	<input type="checkbox"/>	No annual report to stockholders is prepared.	

FLORIDA PUBLIC UTILITIES COMPANY	An Original	December 31, 2001
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;">George Bachman, Chief Financial Officer & Treasurer 401 South Dixie Highway, P.O. Box 3395 West Palm Beach, Florida 33401</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;">Distribution of electricity, gas and water in the state of 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 ...Enter the date when such independent accountant was initially engaged: _____</p> <p>(2) <input checked="" type="checkbox"/> NO</p>		

December 31, 2001

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	President & Chief Executive Officer	John T. English	\$180,000
2			
3	Senior Vice President & Chief Operating Officer	Charles L. Stein	\$140,000
4			
5	Vice President & Secretary	Jack R. Brown	\$128,000
6			
7	Chief Financial Officer & Treasurer	George M. Bachman	\$100,000
8			
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DIRECTORS

1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a) abbreviated titles of the directors who are officers of the respondent.

2. Designate members of the Executive Committee by an asterisk and the Chairman of the Executive Committee by a double asterisk.

Name (and Title) of Director (a)	Principal Business Address (b)
J.T. English** Chairman & Chief Executive Officer	401 South Dixie Highway West Palm Beach, Florida
R.C. Hitchins	325 South Olive Avenue West Palm Beach, Florida
P.L. Maddock, Jr	275 S County Road Palm Beach, Florida
R. E. Schupp*	4400 Congress Avenue West Palm Beach, Florida
Ellen Terry Benoit	250 El Pueblo Way Palm Beach, Florida
D. Downey*	400 Royal Palm Way Palm Beach, Florida
F. C. Cressman*	7990 West Lake Drive West Palm Beach, Florida
C. O. Jerauld	700 Osprey Way No. Palm Beach, Florida
E James Carr, Jr.	255 Holly Forest Court Cashiers, NC

FLORIDA PUBLIC UTILITIES COMPANY		An Original		December 31, 2001					
SECURITY HOLDERS AND VOTING POWERS									
<p>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.</p> <p>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</p> <p style="text-align: right;">give other important particulars (details) concerning the voting rights of such security. State whether voting rights are actual or contingent: if contingent, describe the contingency.</p> <p>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.</p> <p>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. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants or rights were issued on a prorata basis.</p>									
<p>1. Give date of the latest closing of the stock book prior to the end year, and state the purpose of such closing:</p> <p style="text-align: center;">December 7, 2001 Dividend Record Date</p>		<p>2. State the total number of votes cast at the latest general meeting prior to the end of year for the election of directors of the respondents and number of such votes cast by proxy.</p> <table style="width: 100%;"> <tr> <td style="width: 30%;">Total:</td> <td style="text-align: right;">2,276,521</td> </tr> <tr> <td>By Proxy:</td> <td style="text-align: right;">2,276,521</td> </tr> </table>		Total:	2,276,521	By Proxy:	2,276,521	<p>3. Give the date and place of such meeting:</p> <p style="text-align: center;">04/17/01</p> <p>FPUC Corporate Off West Palm Beach, FL</p>	
Total:	2,276,521								
By Proxy:	2,276,521								
		VOTING SECURITIES Number of votes as of (date): 04/17/01							
Line No.	Name (Title) and Address of Security Holder (a)	Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)				
4	TOTAL votes of all voting securities	2,276,521	2,276,521						
5	TOTAL number of security holders	993	993						
6	TOTAL votes of security holders listed below	2,012,173	2,012,173						
7	*Cede & Company	1,767,108	1,767,108						
8	P. O. Box 20, New York, NY 10274								
9									
10	Dino Casali	103,146	103,146						
11	Box 886, Keene, NH 03431-0886								
12									
13	George F. Parris, Jr.	44,720	44,720						
14	P. O. Box 21909, Long Beach, CA 90801								
15									
16	Franklin C. Cressman	24,437	24,437						
17	7990 W Lake Dr., West Palm Beach, FL								
18									
19	Gordon O. Jerauld Trust	20,164	20,164						
20	700 Ospray Way, North Palm Beach, FL								
21									
22	Eduardo B. Arcentales Trust	13,872	13,872						
23	209 Avila Rd., West Palm Beach, FL								
24									
25	Walter P. Large	12,868	12,868						
26	11479 Orange Grove Blvd, Royal Palm Beach, FL								
27									
28	*Includes 313,554 shares held in trust. Robert L. Terry, a Director of the								
29	Corporation, is co-trustee for trust accounts established under the wills								
30	of his parents and shares voting and dispositive powers for his stock.								

SECURITY HOLDERS AND VOTING POWERS (Continued)

Line No.	Name (Title) and Address of Security Holder (a)	Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
31	John T. English	8,806	8,806	0	NONE
32	15410 Woodmar Ct. Wellington, FL				
33	Ed T. Neun	8,680	8,680	0	
34	419 US Hway 1 #E107 WPB, FL				
35	Mildred K. Hall	8,372	8,372	0	
36	12944 SE Papaya St. Hobe Sound, FL				
37					
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December 31, 2001

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 inquiries. 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. In October 2001, the Company acquired Z-Gas Company, Inc. in a stock for stock transaction accounted for under the purchase method of accounting.
3. In December 2001, the Company acquired certain net assets of Atlantic Utilities in a cash transaction accounted for under the purchase method of accounting.
4. NONE
5. NONE
6. NONE
7. NONE
8. NONE
9. NONE
10. NONE
11. NONE
12. NONE

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account	Ref. Page No.	Balance at Beginning of Year	Balance at End of Year
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	127,867,483	143,015,459
3	Construction Work in Progress (107)	200-201	2,571,821	7,453,148
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		130,439,304	150,468,607
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 111, 115)	200-201	(46,746,257)	(52,292,262)
6	Net Utility Plant (Enter Total of line 4 less 5)		83,693,047	98,176,345
7	Nuclear Fuel (120.1-102.4, 120.6)	202-203	-	-
8	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	-	-
9	Net Nuclear Fuel (Enter Total of line 7 less 8)		-	-
10	Net Utility Plant (Enter Total of lines 6 and 9)		83,693,047	98,176,345
11	Utility Plant Adjustments (116)	122		
12	Gas Stored Underground-Noncurrent (117)			
13	OTHER PROPERTY AND INVESTMENTS			
14	Nonutility Property (121)	221	200	-
15	(Less) Accum. Prov. for Depr. and Amort. (122)		-	-
16	Investments in Associated Companies (123)	224-225	10,000	10,000
17	Investment in Subsidiary Companies (123.1)	224-225	1,876,082	2,140,072
18	(For Cost of Account 123.1, See Footnote Page 224, line 42)		-	-
19	Noncurrent Portion of Allowances	228-229	-	-
20	Other Investments (124)		15,001	67,246
21	Special Funds (125-128)		-	-
22	TOTAL Other Property and Investments (Total of lines 14 through 20)		1,901,283	2,217,318
23	CURRENT AND ACCRUED ASSETS			
24	Cash (131)		(2,063,361)	3,185,059
25	Special Deposits (132-134)		2,876,359	11,424,632
26	Working Funds (135)		12,360	13,060
27	Temporary Cash Investments (136)		-	-
28	Notes Receivable (141)		-	-
29	Customer Accounts Receivable (142)		9,105,219	6,148,501
30	Other Accounts Receivable (143)		350,339	329,865
31	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		(151,736)	(102,861)
32	Notes Receivable from Associated Companies (145)		-	-
33	Accounts Receivable from Assoc. Companies (146)		1,918,236	6,807,358
34	Fuel Stock (151)	227	-	-
35	Fuel Stock Expense Undistributed (152)	227	-	-
36	Residuals (Elec) and Extracted Products (Gas) (153)	227	-	-
37	Plant Material and Operating Supplies (154)	227	1,492,791	1,560,160
38	Merchandise (155)	227	304,831	713,852
39	Other Material and Supplies (156)	227	-	-
40	Nuclear Materials Held for Sale (157)	202-203/227	-	-
41	Allowances (158.1 and 158.2)	228-229	-	-
42	(Less) Noncurrent Portion of Allowances	228-229	-	-
43	Stores Expenses Undistributed (163)		-	-
44	Gas Stored Underground - Current (164.1)		-	-
45	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		-	-
46	Prepayments (165)		2,327,778	2,757,707
47	Advances for Gas (166-167)		-	-
48	Interest and Dividends Receivable (171)		-	-
49	Rents Receivable (172)		-	-
50	Accrued Utility Revenues (173)		1,336,777	1,388,210
51	Miscellaneous Current and Accrued Assets (174)		-	-
52	TOTAL Current and Accrued Assets (Enter Total of lines 24 through 51)		\$17,509,593	\$34,225,543

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)		\$224,262	\$2,175,280
55	Extraordinary Property Losses (182.1)	230	-	-
56	Unrecovered Plant and Regulatory Study Costs (182.2)	230	-	-
57	Other Regulatory Assets (182.3)		-	-
58	Prelim. Survey and Investigation Charges (Electric) (183)		-	-
59	Prelim. Survey and Investigation Charges (Gas) (183.1, 183.2)		-	-
60	Clearing Accounts (184)		38,331	-
61	Temporary Facilities (185)		2,773	(1,658)
62	Miscellaneous Deferred Debits (186)	233	2,699,351	4,381,856
63	Def. Losses from Disposition of Utility Plant. (187)		-	-
64	Research, Devel. and Demonstration Expend. (188)	352-353	-	-
65	Unamortized Loss on Reacquired Debt (189)		324,558	302,197
66	Accumulated Deferred Income Taxes (190)	234	2,436,245	2,347,888
67	Unrecovered Purchased Gas Costs (191)		2,119,979	849,528
68	TOTAL Deferred Debits (Enter Total of lines 54 through 67)		7,845,499	10,055,091
69	TOTAL Assets and other Debits (Enter Total of lines 10, 11, 12, 22, 52, and 68)		110,949,422	144,674,297

COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

Line No.	Title of Account	Ref. Page No.	Balance at Beginning of Year	Balance at End of Year
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	\$4,837,508	\$4,855,963
3	Preferred Stock Issued (204)	250-251	600,000	600,000
4	Capital Stock Subscribed (202, 205)	252	-	-
5	Stock Liability for Conversion (203, 206)	252	-	-
6	Premium on Capital Stock (207)	252	8,756,147	8,933,441
7	Other Paid-In Capital (208-211)	253	1,333,054	1,396,940
8	Installments Received on Capital Stock (212)	252	-	-
9	(Less) Discount on Capital Stock (213)	254	-	-
10	(Less) Capital Stock Expense (214)	254	(428,441)	(428,441)
11	Retained Earnings (215, 215.1, 216)	118-119	16,584,853	17,246,397
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	1,876,099	2,140,072
13	(Less) Reacquired Capital Stock (217)	250-251	(5,449,397)	(4,815,301)
14	TOTAL Proprietary Capital (Enter Total of lines 2 through 13)		28,109,823	29,929,071
15	LONG-TERM DEBT			
16	Bonds (221)	256-257	23,500,000	52,500,000
17	(Less) Reacquired Bonds (222)	256-257	-	-
18	Advances from Associated Companies (223)	256-257	-	-
19	Other Long-Term Debt (224)	256-257	-	-
20	Unamortized Premium on Long-Term Debt (225)		-	-
21	(Less) Unamortized Discount on Long-Term Debt-Dr. (226)		-	-
22	TOTAL Long-Term Debt (Enter Total of lines 16 through 21)		23,500,000	52,500,000
23	OTHER NONCURRENT LIABILITIES			
24	Obligations Under Capital Leases - Noncurrent (227)		-	-
25	Accumulated Provision for Property Insurance (228.1)		1,595,212	1,952,677
26	Accumulated Provision for Injuries and Damages (228.2)		898,032	641,069
27	Accumulated Provision for Pensions and Benefits (228.3)		1,490,560	1,615,483
28	Accumulated Miscellaneous Operating Provisions (228.4)		-	-
29	Accumulated Provision for Rate Refunds (229)		242,000	-
30	TOTAL Other Noncurrent Liabilities (Enter Total of lines 24 through 29)		4,225,804	4,209,229
31	CURRENT AND ACCRUED LIABILITIES			
32	Notes Payable (231)		17,900,000	20,430,000
33	Accounts Payable (232)		8,265,762	5,637,315
34	Notes Payable to Associated Companies (233)		-	-
35	Accounts Payable to Associated Companies (234)		-	-
36	Customer Deposits (235)		3,812,746	3,996,197
37	Taxes Accrued (236)	262-263	(79,409)	346,818
38	Interest Accrued (237)		609,379	873,900
39	Dividends Declared (238)		516,597	541,088
40	Matured Long-Term Debt (239)		-	-
41	Matured Interest (240)		-	-
42	Tax Collections Payable (241)		975,502	1,221,698
43	Miscellaneous Current and Accrued Liabilities (242)		807,520	859,395
44	Obligations Under Capital Leases-Current (243)		-	-
45	TOTAL Current and Accrued Liabilities (Enter Total of lines 32 through 44)		\$32,808,097	\$33,906,411

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)		1,964,898	2,010,585
48	Accumulated Deferred Investment Tax Credits (255)	266-267	957,450	848,878
49	Deferred Gains from Disposition of Utility Plant (256)		0	0
50	Other Deferred Credits (253)	269	9,363,272	11,453,046
51	Other Regulatory Liabilities (254)	278	0	0
52	Unamortized Gain on Reacquired Debt (257)	269	0	0
53	Accumulated Deferred Income Taxes (281-283)	272-277	10,020,078	9,817,077
54	TOTAL Deferred Credits (Enter Total of lines 47 through 53)		22,305,698	24,129,586
55				
56				
57				
58				
59				
60				
61				
62				
63				
64				
65				
66				
67				
68				
69				
70				
71				
72	TOTAL Liabilities and Other Credits (Enter Total of lines 14,22,30 45 and 53)		\$110,949,422	\$144,674,297

STATEMENT OF INCOME FOR THE YEAR

1. Report amounts for Accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (l,k,m,o) in a similar manner to a utility department. Spread the amount (s) over lines 02 through 24 as appropriate. Include these amounts in columns (c) and (d) totals.

2. Report amounts in Account 414, Other Utility Operating Income, in the same manner as Accounts 412 and 413 above.

3. Report data for lines 7,9,10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.

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

5. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power and gas purchases.

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

Line No.	Account (a)	Ref. Page No. (b)	TOTAL	
			Current Year ©	Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	\$86,697,242	\$81,853,926
3	Operating Expenses			
4	Operation Expenses (401)	320-323	64,890,095	60,283,913
5	Maintenance Expenses (402)	320-323	2,891,972	2,732,984
6	Depreciation Expense (403)	336-337	4,262,282	4,011,455
7	Amort. & Depl. of Utility Plant (404-405)	336-337	255,458	403,494
8	Amort. of Utility Plant Acq. Adj. (406)	336-337	(956)	(956)
9	Amort. of Property Losses, Unrecovered Plant and Regulatory Study Costs (407)		-	-
10	Amort. of Conversion Expenses (407)		-	-
11	Regulatory Debits (407.3)		-	-
12	(Less) Regulatory Credits (407.4)		-	-
13	Taxes Other Than Income Taxes (408.1)	262-263	7,314,204	6,686,273
14	Income Taxes - Federal (409.1)	262-263	1,178,675	951,518
15	- Other (409.1)	262-263	200,669	162,027
16	Provision for Deferred Inc. Taxes (410.1)	234,272-277	(106,055)	444,076
17	(Less) Provision for Deferred Income Taxes-Cr.(411.1)	234,272-277	-	-
18	Investment Tax Credit Adj. - Net (411.4)	266	(108,572)	(110,759)
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)		-	-
	TOTAL Utility Operating Expenses (Total of lines 4-22)		80,777,772	75,564,025
24	Net Utility Operating Income (Total of line 2 less 23) (Carry forward to page 117, line 25)		\$5,919,470	\$6,289,901

FLORIDA PUBLIC UTILITIES COMPANY				An Original		December 31, 2001	
STATEMENT OF INCOME FOR THE YEAR (Continued)							
<p>resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.</p> <p>7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be attached at page 122.</p> <p>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</p>				<p>allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.</p> <p>9. Explain in a footnote if the previous year's figures are different from that reported in prior reports.</p> <p>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.</p>			
ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY - WATER			
Current Year (e)	Previous Year (f)	Current Year (g)	Previous Year (h)	Current Year (i)	Previous Year (j)	Line No.	
						1	
\$39,049,631	\$39,304,084	\$44,682,799	\$39,744,795	\$2,964,812	\$2,805,047	2	
						3	
29,268,777	29,578,232	34,797,504	30,012,011	823,814	693,670	4	
1,634,732	1,509,177	837,643	798,902	419,597	424,905	5	
2,132,826	2,014,670	1,815,161	1,704,312	314,295	292,473	6	
-	-	255,458	403,494	-	-	7	
-	-	(956)	(956)	-	-	8	
-	-	-	-	-	-	9	
-	-	-	-	-	-	10	
-	-	-	-	-	-	11	
-	-	-	-	-	-	12	
3,120,617	3,185,796	3,683,363	3,038,469	510,224	462,008	13	
261,446	442,081	719,634	320,338	197,595	189,099	14	
44,335	75,264	122,611	54,409	33,723	32,354	15	
149,944	18,556	(253,152)	396,329	(2,847)	29,191	16	
-	-	-	-	-	-	17	
(59,046)	(60,499)	(42,594)	(43,323)	(6,932)	(6,937)	18	
-	-	-	-	-	-	19	
-	-	-	-	-	-	20	
-	-	-	-	-	-	21	
-	-	-	-	-	-	22	
36,553,631	36,763,277	41,934,672	36,683,985	2,289,469	2,116,763	23	
\$2,496,000	\$2,540,807	\$2,748,127	\$3,060,810	\$675,343	\$688,284	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)	--	5,919,470	6,289,901
26	Other Income and Deductions	--		
27	Other Income	--		
28	Nonutility Operating Income	--		
29	Revenues From Merchandising, Jobbing and Contract Work (415)	--	2,472,150	1,811,872
30	(Less) Costs and Exp. of Merchandising, Job & Contract Work (416)	--	(2,248,067)	(1,758,653)
31	Revenues From Nonutility Operations (417)	--	-	-
32	(Less) Expenses of Nonutility Operations (417.1)	--	-	-
33	Nonoperating Rental Income (418)	--	-	200
34	Equity in Earnings of Subsidiary Companies (418.1)	119	263,973	145,822
35	Interest and Dividend Income (419)	--	375,784	350,184
36	Allowance for Other Funds Used During Construction (419.1)	--	33,112	22,343
37	Miscellaneous Nonoperating Income (421)	--	18,069	-
38	Gain on Disposition of Property (421.1)	--	15,479	-
39	TOTAL Other Income (Enter Total of lines 29 through 38)	--	930,500	571,768
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)	340	24,034	23,300
44	TOTAL Other Income Deductions (Total of lines 41 through 43)	--	24,034	23,300
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	242,577	134,065
48	Income Taxes - Other (409.2)	262-263	41,522	22,882
49	Provision for Deferred Income Taxes (410.2)	234,272-277	(2,913)	(2,122)
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)	--	281,186	154,825
54	Net Other Income and Deductions (Enter Total of lines 39,44,53)	--	625,280	393,643
55	Interest Charges	--		
56	Interest on Long-Term Debt (427)	--	2,606,258	2,235,050
57	Amortization of Debt Disc. and Expense (428)	--	65,690	39,189
58	Amortization of Loss on Reacquired Debt (428.1)	--	-	-
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)	340	(98,713)	(81,838)
62	Other Interest Expense (431)	340	1,024,541	1,217,912
63	(Less) Allow. for Borrowed Funds Used During Const. - Cr. (432)	--	(104,489)	(14,621)
64	Net Interest Charges (Total of lines 56 through 63)	--	3,493,287	3,395,692
65	Income Before Extraordinary Items (Enter Total of lines 25, 54 and 64)	--	3,051,463	3,287,852
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)	--	3,051,463	3,287,852
	Earnings Per Share		1.06	1.16

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 ©
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)		
1	Balance - Beginning of Year		\$16,584,853
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:		-
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)		2,787,490
17	Appropriations of Retained Earnings (Account 436)		
18			
19			
20			
21	TOTAL Appropriations of Retained Earnings (Account 436)		
22	(Enter Total of lines 18 through 21)		-
23	Dividends Declared - Preferred Stock (Account 437)		
24	Preferred	2380	28,500
25			
26			
27			
28	TOTAL Dividends Declared - Preferred Stock (Account 437)		
29	(Enter Total of lines 24 through 28)		28,500
30	Dividends Declared - Common Stock (Account 438)		
31	Common - Cash	2380	2,097,446
32			
33			
34			
35	TOTAL Dividends Declared - Common Stock (Account 438)		
36	(Enter Total of lines 31 through 35)		2,097,446
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)		\$17,246,397

FLORIDA PUBLIC UTILITIES COMPANY		An Original	December 31, 2001
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)	\$17,246,397	
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)		
49	Balance - Beginning of Year (Debit or Credit)	1,876,099	
50	Equity in Earnings for Year (Credit) (Account 418.1)	263,973	
51	(Less) Dividends Received (Debit)	0	
52	Other Changes (Explain) Cost of shares issued for employee stock plan		
53	Balance - End of year (Total of Lines 49 Thru 52)	2,140,072	

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	Net Cash Flow From Operating Activities:	
2	Net Income (Line 72(c) on page 117)	3,051,466
3	Non-Cash Charges (Credits) to Income:	
4	Depreciation and Depletion	4,584,857
5	Amortization of (Specify)	254,502
6		-
7	Deferred Income Taxes (Net)	(230,739)
8	Bad Debt Expense	417,641
9	Depreciation and Depletion	(113,983)
10	Net (Increase) Decreases in Receivables	2,441,554
11	Net (Increase) Decreases in Unbilled Receivables	19,315
12	Net (Increase) Decreases in Inventory and Prepayments	75,605
13	Net (Increase) Decreases in Allowances Inventory	-
14	Net (Decrease) Increase in Payables and Accrued Expenses	(4,500,582)
15	Net (Increase) Decreases in Other Regulatory Assets	-
16	Net (Decrease) Increase in Other Regulatory Liabilities	-
17	(Less) Allowance for Other Funds Used During Construction	(137,601)
18	(Less) Undistributed Earnings from Subsidiary Companies	-
19	Other: Storm Damage Reserve	357,465
20	Other Depreciation and Amortization	166,704
21	Over/(Under) Recovery of Energy Costs	2,357,808
22	Area Expansion Program deferred costs	(804,373)
23	Environmental Liability	(82,457)
24	Other Assets	(218,616)
25	Net Cash Provided by (Used in) Operating Activities (Total of lines 2 through 22)	7,638,566
26		
27		
28	Cash Flows from Investment Activities:	
29	Construction and Acquisition of Plant(including land)	
30	Gross Additions to Utility Plant (less nuclear fuel)	(13,962,829)
31	Purchase of Atlantic Assets	(9,792,287)
32	Purchase of Z-Gas Assets	(82,984)
33	Gross Additions to Nuclear Fuel	-
34	Gross Additions to Common Utility Plant	-
35	Gross Additions to Nonutility Plant	-
36	(Less) Allowance for Other Funds Used During Construction	-
37	Other: Customer Advances for Construction	38,989
38	Other: Purchase of Long-Term Investments	(8,007,185)
39	Other: Deposit Held in Escrow for Dividend Payment	(541,088)
40	Other: Miscellaneous Deferred Credits	-
41	Cash Outflows for Plant (Total of lines 28 through 35)	(32,347,384)
42		
43	Acquisition of Other Noncurrent Assets (d)	-
44	Proceeds from Disposal of Noncurrent Assets (d)	-
45	Investment in and Advances to Assoc. and Subsidiary Companies	-
46	Contributions and Advances from Assoc. and Subsidiary Companies	-
47	Disposition of Investments in (and Advances to)	
48	Associated and Subsidiary Companies	-
49	Purchases of Investment Securities (a)	-
50	Proceeds from Sales of Investment Securities (a)	-

CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

4. Investing Activities

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

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

5. Codes used:

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

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

Line No.	Description (See Instruction No.5 for Explanation of Codes) (a)	Amounts (b)
51	Loans Made or Purchased	-
52	Collections on Loans	-
53		
54	Net (Increase) Decrease in Receivables	-
55	Net (Increase) Decrease in Inventory	-
56	Net (Increase) Decrease in	-
57	Allowances Held for Speculation	-
58	Net Increase (Decrease) in Payables and Accrued Expenses	-
59	Other:	-
60		
61		
62		
63	Net Cash Provided by (Used in) Investing Activities	(32,347,384)
64	(Total of lines 34 through 55)	
65		
66	Cash Flows From Financing Activities:	
67	Proceeds from Issuance of:	
68	Long-Term Debt (b)	27,021,904
69	Preferred Stock	-
70	Common Stock	390,361
71	Other:	-
72		
73	Net Increase in Short-term Debt (c)	59,992,000
74	Other:	-
75		
76		
77	Cash provided by Outside Sources (Total of lines 61 through 69)	87,404,265
78		
79	Payments of Retirement of:	
80	Long-Term Debt (b)	-
81	Preferred Stock	-
82	Common Stock	-
83	Other:	-
84		
85	Net Decrease in Short-Term Debt (c)	(57,462,000)
86		
87	Dividends on Preferred Stock	
88	Dividends on Common Stock	(2,101,458)
89		
90	Net Cash Provided by (Used in) Financing Activities	27,840,807
91	(Total of lines 70 through 81)	
92		
93	Net Increase (Decrease) in Cash and Cash Equivalents	3,131,989
94	(Total of lines 22,57, and 83)	
95		
96	Cash and Cash Equivalents at Beginning of Year	66,492
97		
98	Cash and Cash Equivalents at End of Year	3,198,481

NOTES TO THE FINANCIAL STATEMENTS ON A CONSOLIDATED BASIS

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

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

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

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

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

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

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

SEE ATTACHED ANNUAL REPORT SUPPLEMENTS

Notes To Consolidated Financial Statements

Summary of Significant Accounting and Reporting Policies

Business and Regulation Florida Public Utilities Company (the Company) is an operating public utility engaged principally in the purchase, transmission, distribution and sale of electricity and in the purchase, transmission, distribution, sale and transportation of natural gas. The Company is subject to the jurisdiction of the Florida Public Service Commission (FPSC) with respect to its electric, natural gas and water operations. The FPSC stopped regulating the water segment of the Company's business on September 17, 2001 due to a resolution passed by Nassau County (see additional discussion below). The suppliers of electrical power to the Northwest Florida division and of natural gas to the natural gas divisions are subject to the jurisdiction of the Federal Energy Regulatory Commission (FERC). The Northeast Florida division is supplied most of its electrical power by a municipality which is exempt from FERC and FPSC regulation. The Company also distributes propane gas through a non-regulated subsidiary. The Company's accounting policies and practices conform to generally accepted accounting principles as applied to regulated public utilities and are in accordance with the accounting requirements and rate making practices of the FPSC.

The Company prepares its financial statements in accordance with the provisions of Statement of Financial Accounting Standards No. 71 - "Accounting for the Effects of Certain Types of Regulation" (SFAS 71). In general, SFAS 71 recognizes that accounting for rate regulated enterprises should reflect the relationship of costs and revenues introduced by rate regulation. As a result, a regulated utility may defer recognition of a cost (a regulatory asset) or recognize an obligation (a regulatory liability) if it is probable that, through the rate making process, there will be a corresponding increase or decrease in future revenues. Accordingly, the Company has recognized certain regulatory assets and regulatory liabilities in the consolidated balance sheets. The Company believes that the FPSC will continue to allow the Company to recover such items through its rates. A

summary of such items is as follows
(in thousands):

	2001	2000
Assets		
Deferred development costs	\$ 2,518	\$ 1,714
Under recovery of fuel costs, conservation & unbundling	343	903
Unamortized piping & conversion costs	1,227	1,336
Unamortized loss on reacquired debt	302	325
Total Regulatory Assets	<u>\$ 4,390</u>	<u>\$ 4,278</u>
Liabilities		
Regulatory tax liabilities	\$ 1,548	\$ 1,653
Environmental liability	5,237	5,306
Storm damage	1,954	1,595
Over recovery of fuel costs	1,800	—
Total Regulatory Liabilities	<u>\$10,539</u>	<u>\$ 8,554</u>

Deferred development costs and unamortized loss on reacquired debt are included in deferred charges in the consolidated balance sheets.

The Company has agreed with the FPSC staff to limit its earned return on equity for its regulated electric and natural gas operations. The disposition of any excess earnings is left to the discretion of the FPSC, with alternatives including a refund to customers, additional contributions to storm damage reserves, or the reduction of any depreciation reserve deficiency. The excess earnings for 1997, 1998 and 1999 at one of the Company's electric divisions were ordered by the FPSC to be added to that division's storm damage reserve. Since that last order on the 1999 disposition of excess earnings, the FPSC has allowed the company the automatic flexibility of funding the storm damage reserves each year thereafter through use of the excess earnings and allowing additional storm damage accruals up to a cap



South Florida Division, L to R, Richard Schwartz, District Manager; Mike Nardi, Measurement Supervisor; Marc Schneidermann, Director, South Florida; Frank Studenski, Engineer Technician; Chris Snyder, Gas Supply Manager; Fred Bland, Service Supervisor

Notes To Consolidated Financial Statements continued
Summary of Significant Accounting and Reporting Policies



Northwest Division, Pam Calhoun, Customer Service Representative

in those reserves of \$1,500,000 and \$1,400,000 in the Northeast and Northwest electric divisions, respectively. In 2001, the Company funded its Northeast division electric storm reserve with an additional \$237,000 relating to 2000 excess earnings. In 2001, the Company did not expect any excess earnings and accordingly has not funded any additional amounts to its storm damage reserves. As of the end of 2001, the Northeast and Northwest electric storm reserves were at approximately \$1,200,000 and \$750,000, respectively.

In 1999, the Company filed for a water rate increase with the FPSC and had a rate increase effective April 2000, with an expected increase in annual revenues of \$381,000. The company filed for a limited proceeding rate increase in its water rates with the FPSC in 2000. The rates became effective May 2001 and they are expected to increase annual revenues by \$236,000 or an overall 8.86% increase to rates.

The FPSC stopped regulating the water segment of the Company's business on September 17, 2001 due to Nassau County adopting resolution No. 2001-128 that rescinded the jurisdiction of the FPSC over investor owned water and wastewater utilities in the County. Under Florida law there is a "grandfather" application process under which a utility, subject to such a jurisdictional change, is entitled to receive a certificate of authorization from the County for the same service as certified by the Commission. In such process, the utility is also entitled to have "grandfathered" all rates and charges, regulations and procedures, and rate base until thereafter lawfully changed. The Company is in process of working with the County board on a regulatory agreement. It is unknown what effect, if any, the change or regulatory body will have on the water operations or what additional action the Company will take in this regard.

The Company filed the appropriate unbundled tariffs to give its commercial natural gas customers the option of purchasing their gas supplies from third parties. The Company officially offered unbundled services to commercial customers on August 1, 2001. Even though FPU has

had the overall lowest gas costs in the Florida market, third party suppliers may be able to offer our customers additional programs which a regulated gas company cannot offer. Furthermore, by purchasing their gas supplies from third parties, our commercial customers may avoid certain taxes and fees which FPU is required to collect on the sale of natural gas. The Company's operating results will not be affected as the Company realizes the same gross profit regardless of whether the customer purchases the gas from us or uses our system to transport the gas. The FPSC approved various mechanisms, which will allow the Company to be reimbursed for the incremental cost of providing unbundled services.

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

revenues.

The rates of the Company include base revenues, fuel adjustment charges and the pass-through of certain governmental imposed taxes based on revenues. The base revenues are determined by the FPSC and remain constant until a request for an increase in such rates is filed and approved by the FPSC. From the FPSC's perspective, the Company operates four distinct entities (Northwest Florida electric, Northeast Florida electric, Northeast Florida water, and natural gas). Thus, for the Company to recover through rate relief the effects of inflation and construction expenditures for all such entities, a request for an increase in base revenues would require the filing of four separate rate cases. The water segment of the business was subject to FPSC regulation until September 17, 2001, when the Board of Nassau County rescinded the FPSC jurisdiction. Fuel adjustment charges are estimated for customer billing purposes and any under/over-recovery difference between the incurred cost of fuel and estimated amounts billed to customers is deferred for future recovery or refund and either charged or credited to customers. Interest accrues on such under/over-recoveries and is included in the subsequent adjustment.

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

Certain reclassifications have been made to the prior years' financial statements and other financial information contained herein to conform with the 2001 presentation.

Utility Plant and Depreciation Utility plant is stated at original cost. The costs of additions to utility plant include contracted services, direct labor, transportation, and materials. The costs of units of property retired are removed from utility plant, and such costs plus removal costs, less salvage, are charged to accumulated depreciation. Maintenance and repairs of property and replacement and renewal of items determined not to be units

of property are charged to operating expenses. Substantially all of the utility plant and the shares of Flo-Gas Corporation collateralize the Company's First Mortgage Bonds.

Depreciation is computed using the composite straight-line method at rates prescribed by the FPSC for financial accounting purposes. Such rates are based on estimated service lives of the various classes of property. Depreciation provisions on average depreciable property approximate 3.4% in 2001, 3.6% in 2000 and 3.7% in 1999.

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

Use of Estimates Inherent in the accounting process is the use of estimates when preparing financial statements in accordance with accounting principals generally accepted in the United States of America. Actual results could differ from these estimates. The Company has used estimates in the preparation of its financial statements including the accrual for uninsured liability claims. The Company is self-insured for certain liability claims and therefore accrues for estimated losses occurring from both asserted and unasserted claims. The estimate for unasserted claims arising from unreported incidents is based on an analysis of historical claims data and judgment. The accrual for such claims was approximately \$600,000 at December 31, 2001. Management believes that its accrual for potential liability claims is adequate.

Notes Payable The Company has a \$20,000,000 line of credit with its primary bank of which at December 31, 2001, \$2,070,000 is available and a \$2,500,000 line of credit with a secondary bank which is all fully borrowed. The primary line and note provide for interest at LIBOR plus fifty basis

points and the line of credit at the second bank is at LIBOR plus thirty basis points. The Company has reserved \$1,000,000 as a contingency for major storm repairs in the Northwest Florida electric division. The weighted average interest rates at December 31, 2001, 2000, and 1999 were approximately 2.4%, 7.1%, and 6.3% respectively.

Mergers and Acquisitions In October 2001, the Company acquired Z-Gas Company, Inc., a propane gas service distribution company in a stock for stock transaction valued at approximately \$600,000. The transaction involved the issuance of 31,960 shares of the Company's stock and approximately \$20,000 cash. The acquisition was accounted for under the purchase method of accounting. The purchase added about 1,000 customers to the propane operation in the Northeast Florida Division.

In December 2001, the Company acquired certain net assets of Atlantic Utilities, the Florida operation of Southern Union Company in a cash transaction valued at approximately \$10,000,000. Approximately \$250,000 of the purchase price was withheld pending title clearance for real property in Lauderdale. The acquisition was accounted for under the purchase method of accounting. Atlantic Utilities served about 4,400 natural gas customers in New Smyrna Beach and about 1,900 propane customers in central and south Florida.

Based on preliminary estimates, the excess of the consideration paid over the estimated fair value, or the depreciated original cost for regulated entities, of net assets acquired of approximately \$5,900,000 was recorded as goodwill and according to Financial Accounting Standards (FAS) Nos. 141 and 142 is not being amortized. There could be amortization if intangibles other than goodwill are identified. FPU is in the process of obtaining additional supporting documentation from the seller of Atlantic Utilities to refine the purchase price. For additional information concerning the acquisitions, see "Mergers and Acquisitions" in Notes to Consolidated Financial Information.



Northwest Florida Division; Don Myers, Electric Operations Manager

The estimated fair market values of assets acquired and liabilities assumed are summarized in the following table:

Fair Market Value of Assets Acquired and Liabilities Assumed (in thousands)		
	Atlantic Utilities	Z-Gas
<i>Assets</i>		
Utility Plant		
Natural Gas	\$ 4,830	\$ -
Propane Gas	1,006	333
Accumulated Depreciation and Amortization	(2,195)	-
Net Utility Plant	<u>3,641</u>	<u>333</u>
<i>Current Assets</i>		
Cash	0	14
Accounts Receivable	150	40
Allowance for Uncollectable Accounts	(15)	(17)
Inventories	278	17
Total Current Assets	<u>413</u>	<u>54</u>
Goodwill	5,685	216
Deferred Charges	342	-
Total Other Assets	<u>6,027</u>	<u>216</u>
<i>Liabilities</i>		
Current Liabilities		
Interest Accrued	(12)	-
Other Accruals and Payables	(10)	(3)
Customer Deposits	(260)	-
Current Liabilities	<u>(282)</u>	<u>(3)</u>
<i>Other Liabilities</i>		
Customer Advances for Construction	(7)	-
Total Other Liabilities	<u>(7)</u>	<u>0</u>
Acquisition Cost	<u>\$ 9,792</u>	<u>\$ 600</u>

The net utility plant for the natural gas business represents the depreciated original cost according to the regulatory guidelines.

For Atlantic Utilities, approximately \$3,127 of the goodwill relates to natural gas regulated operations

and \$2,558 relates to propane operations. All of the Z-Gas goodwill relates to propane operations.

The following unaudited pro forma information combines the consolidated results of operations of Florida Public Utilities Company with those of Z-Gas and Atlantic Utilities as if these acquisitions had occurred at the beginning of 2000.

The pro forma results are not necessarily an indication of the results that would have been achieved had the transactions been consummated as of the date indicated, or that may be achieved in the future.

Pro Forma Results (in thousands except for per-share amounts) Year Ended December 31,		
	2001	2000
Revenues	\$ 98,061	\$ 88,989
Cost of Fuel and Taxes Based on Revenues	62,689	55,481
Gross Profit	\$ 35,372	\$ 33,508
Operating Income	\$ 7,103	\$ 7,021
Net Income	\$ 3,800	\$ 3,693
Earnings for Common Shares	\$ 3,771	\$ 3,664
Average Shares Outstanding	2,877,938	2,851,470
Earnings per Common Share	\$ 1.31	\$ 1.28

2001 amounts include actual November and December for Z-Gas and December 15-31, 2001 for Atlantic Utilities.

CAPITALIZATION

Common Shares Reserved The Company has reserved 88,725 common shares for issuance under the Dividend Reinvestment Plan and 33,984 common shares for issuance under the Employee Stock Purchase Plan.

Dividend Restriction The Indenture of Mortgage and Deed of Trust and supplements thereto provide for restriction of the payment of cash dividends. At December 31, 2001 approximately \$2,900,000 of retained earnings were free of such restriction.

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

Bond Proceeds The Company issued First Mortgage Bond, 6.85% Series due 2031 on September 27, 2001 in the aggregate principal amount of \$15,000,000 as security for the 6.85% Secured Insured Quarterly Notes, due October 1, 2031 (IQ NotesSM). Interest on the pledged bond accrues at the rate of 6.85% per annum payable quarterly in arrears on January 1, April 1, July 1 and October 1 of each year, payable initially on January 1, 2002. The pledged

bond constitutes the Fourteenth Series of the Company's First Mortgage Bonds.

Restricted Bond Proceeds The Company issued \$14,000,000 of Palm Beach County tax free municipal bonds (Industrial Development Revenue Bonds) on November 1, 2001 to finance development in the area. The interest rate on the thirty-year callable bonds is 4.90%. The bond proceeds are restricted and held in trust until construction expenditures are actually incurred by the Company and will be available from the trustee as construction is performed in the County during 2001, 2002, and 2003. In 2001 \$5,362,000 was drawn from the restricted funds held by the trustee, leaving \$8,008,000 available after closing costs.

SEGMENT INFORMATION

The company is organized into three regulated business segments: natural gas, electric and water and one non-regulated business segment, propane gas. There are no material inter-segment sales or transfers. Identifiable assets are those assets used in the Company's operations in each business segment. Common assets are principally cash and overnight investments, deferred tax assets and common plant.

Business segment information for 2001, 2000 and 1999 is summarized as follows (in thousands):

	2001	2000	1999
Revenues			
Electric	\$ 39,050	\$ 39,304	\$ 37,544
Natural Gas	44,729	38,270	30,287
Propane Gas	5,399	4,380	3,866
Water	2,965	2,805	2,401
Consolidated	\$ 92,143	\$ 84,759	\$ 74,098
Operating income excluding income tax			
Electric	\$ 2,893	\$ 3,016	\$ 3,173
Natural Gas	3,295	3,789	3,493
Propane Gas	431	264	393
Water	897	932	739
Consolidated	\$ 7,516	\$ 8,001	\$ 7,798
Identifiable assets			
Electric	\$ 37,753	\$ 36,911	\$ 35,384
Natural Gas	52,734	42,564	38,355
Propane Gas	10,728	5,648	4,999
Water	9,579	9,038	7,199
Common	29,195	14,885	10,606
Consolidated	\$139,989	\$109,046	\$ 96,543
Depreciation and amortization			
Electric	\$ 2,070	\$ 1,969	\$ 1,863
Natural Gas	1,963	2,027	1,998
Propane Gas	322	284	303
Water	300	282	260
Common	184	136	133
Consolidated	\$ 4,839	\$ 4,698	\$ 4,557
Construction expenditures			
Electric	\$ 4,418	\$ 3,015	\$ 2,774
Natural Gas	7,508	3,300	3,337
Propane Gas	1,147	757	384
Water	520	2,100	1,462
Common	369	1,371	220
Consolidated	\$ 13,962	\$ 10,543	\$ 8,177
Income tax expense			
Electric	\$ 397	\$ 475	\$ 621
Natural Gas	547	728	729
Propane Gas	84	26	87
Water	222	244	191
Common	290	155	209
Consolidated	\$ 1,540	\$ 1,628	\$ 1,837

Income Tax

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

	2001	2000	1999
Current payable			
Federal	\$1,362	\$1,039	\$ 954
State	232	177	163
	<u>1,594</u>	<u>1,216</u>	<u>1,117</u>
Deferred			
Federal	(210)	299	526
State	(21)	75	115
	<u>(231)</u>	<u>374</u>	<u>641</u>
Investment tax credit	(114)	(117)	(130)
Total - operating	<u>1,249</u>	<u>1,473</u>	<u>1,628</u>
Included in interest charges and other	291	155	209*
Total	<u>\$1,540</u>	<u>\$1,628</u>	<u>\$1,837</u>

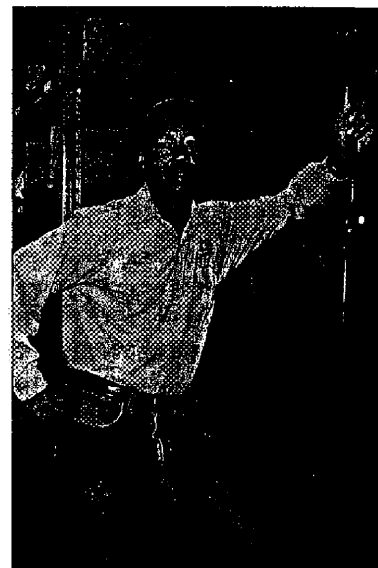
*Includes income tax of \$51 on gain from the sale of non-utility property.

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

	2001	2000	1999
Federal income tax at statutory rate	\$ 1,561	\$ 1,671	\$ 1,824
State income taxes, net of federal benefit	139	166	183
Investment tax credit	(114)	(117)	(130)
Other	(46)	(92)	(40)
Total provision for income taxes	<u>\$ 1,540</u>	<u>\$ 1,628</u>	<u>\$ 1,837</u>

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

	2001	2000
Deferred tax assets		
Environmental	\$ 2,125	\$ 1,997
Other	235	446
Total deferred tax assets	<u>2,360</u>	<u>2,443</u>
Deferred tax liabilities		
Utility plant related	8,748	8,654
Under recovery of fuel costs	320	798
Other	600	428
Total deferred tax liabilities	<u>9,668</u>	<u>9,880</u>
Net deferred income taxes	<u>\$ 7,308</u>	<u>\$ 7,437</u>



Northwest Florida Division;
Doug Jones, Warehouseman



Employee Benefit Plans

Florida Public Utilities Company sponsors a qualified pension plan and postretirement medical and life benefit plans for its employees. The life plan obligations are de minimis and not reflected in the Company's disclosures. The following tables provide a reconciliation of the changes in the plans' benefit obligations and fair value of assets over the 2-year period ending December 31, 2001, and a statement of the funded status as of December 31 of both years:

	Pension Benefits		Other Benefits	
	2001	2000	2001	2000
<i>Reconciliation of Benefit Obligation</i>				
Prior year obligation at December 31	\$26,186,445	\$21,126,637	\$1,875,972	\$1,707,660
Service cost	901,220	971,596	77,425	87,596
Interest cost	1,780,967	1,694,069	103,649	118,285
Participant contributions	0	0	15,625	12,144
Plan amendments	295,554	3,911,439	0	0
Actuarial (gain) loss	(1,844,718)	(454,127)	(590,995)	19,331
Acquisitions (divestitures)	0	0	0	0
Benefit payments	(1,155,419)	(1,063,169)	(71,308)	(69,044)
Curtailements	0	0	0	0
Settlements	0	0	0	0
Current year obligation at December 31	<u>\$26,164,049</u>	<u>\$26,186,445</u>	<u>\$1,410,368</u>	<u>\$1,875,972</u>
<i>Reconciliation of Fair Value of Plan Assets</i>				
Prior year fair value of plan assets at December 31	\$35,113,920	\$36,385,130	\$ 0	\$ 0
Actual return on plan assets	(1,951,083)	(208,041)	0	0
Acquisitions (divestitures)	0	0	0	0
Employer contributions	0	0	55,683	56,900
Participant contributions	0	0	15,625	12,144
Benefit payments	(1,155,419)	(1,063,169)	(71,308)	(69,044)
Settlements	0	0	0	0
Current year fair value of plan assets at December 31	<u>\$32,007,418</u>	<u>\$35,113,920</u>	<u>\$ 0</u>	<u>\$ 0</u>
<i>Funded Status</i>				
Funded status at December 31	\$5,843,369	\$8,927,475	\$(1,410,368)	\$(1,875,972)
Unrecognized transition (asset) obligation	0	0	471,846	514,742
Unrecognized prior service cost	7,006,373	7,432,834	0	0
Unrecognized (gain) loss	(10,578,578)	(14,335,325)	(397,442)	188,775
Net amount recognized-prepaid/(liability)	<u>\$2,271,164</u>	<u>\$2,024,984</u>	<u>\$(1,335,964)</u>	<u>\$(1,172,455)</u>

The following table provides the components of net periodic benefit cost for the plans for fiscal years 2001, 2000 and 1999:

	Pension Benefits			Other Benefits		
	2001	2000	1999	2001	2000	1999
Service cost	\$ 901,220	\$ 971,596	\$ 770,799	\$ 77,425	\$ 87,596	\$ 71,840
Interest cost	1,780,967	1,694,069	1,368,995	103,649	118,285	108,789
Expected return on plan assets	(2,821,040)	(2,785,633)	(2,170,746)	0	0	0
Amortization of transition (asset) obligation	0	(183,269)	(183,276)	42,896	42,896	42,896
Amortization of prior service cost	722,015	716,418	422,358	0	0	0
Amortization of net (gain) loss	(829,342)	(875,582)	(474,402)	(4,778)	1,001	262
Net periodic benefit cost	<u>\$ (246,180)</u>	<u>\$ (462,401)</u>	<u>\$ (266,272)</u>	<u>\$ 219,192</u>	<u>\$ 249,778</u>	<u>\$ 223,787</u>
Curtailement (gain) loss	0	0	0	0	0	0
Settlement (gain) Loss	0	0	0	0	0	0
Net periodic benefit cost after curtailements and settlements	<u>\$ (246,180)</u>	<u>\$ (462,401)</u>	<u>\$ (266,272)</u>	<u>\$ 219,192</u>	<u>\$ 249,778</u>	<u>\$ 223,787</u>

The prior service costs are amortized on a straight-line basis over the average remaining service period of active participants. Gains and losses in excess of 10% of the greater of the benefit obligation and the market-related value of assets are amortized over the average remaining service period of active participants.

The pension plan is noncontributory; the postretirement medical plan is contributory with participants' contributions subject to adjustment annually. The accounting for the health care plan anticipates future cost-sharing changes to the written plan such that retiree contributions will increase over time at the same rate as the total plan cost.

The assumptions used in the measurement of the Company's benefit obligation are shown in the following table:

	Pension Benefits			Other Benefits		
	2001	2000	1999	2001	2000	1999
<i>Weighted-average Assumptions as of December 31</i>						
Discount rate	7.25%	7.00%	7.00%	7.25%	7.00%	7.00%
Expected return on plan assets	8.50%	8.50%	8.50%	N/A	N/A	N/A
Rate of compensation increase	4.50%	5.50%	5.50%	N/A	N/A	N/A

For measurement purposes, the annual rate of increase in the per capita cost of covered health care benefits during 2001 was 6.50%. These rates were assumed to decrease gradually each year to a rate of 5.00% for 2007 and remain at that level thereafter.

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A 1% change in assumed health care cost trend rates would have the following effects:

	1% Increase	1% Decrease
Effect on total of service and interest cost components of net periodic postretirement health care benefit cost	\$ 22,876	\$ (19,248)
Effect on the health care component of the accumulated postretirement benefit obligation	\$ 163,306	\$ (139,472)

Health Plan

The Company is principally self-insured for its employee and retiree medical insurance plan. The Company's health care liability under the plan is limited to \$100,000 per individual per year, with a maximum total liability of \$1,184,275.

A reserve for future benefit payments for active employees is maintained at a level sufficient to provide for estimated outstanding claims under the plan net of amounts contributed by employees. Net health care benefits paid by the Company for active employees were approximately \$629,000, \$509,000, and \$516,000 for 2001, 2000 and 1999, respectively.

Employee Stock Purchase Plan

The Company's Employee Stock Purchase Plan offers common stock at a discount to qualified employees. During 2001, 2000 and 1999, 11,774, 10,849, and 8,193 shares, respectively, were issued under the Plan for aggregate consideration of \$162,000, \$165,000, and \$116,000, respectively.

Dividend Reinvestment Plan

During 2001, 2000 and 1999, 12,303, 12,471, and 11,341 shares, respectively, were issued under the Company's Dividend Reinvestment Plan for aggregate consideration of \$196,000, \$193,000, and \$193,000, respectively.

Financial Instruments

The carrying amounts reported in the balance sheet for restricted bond proceeds, notes payable, taxes accrued and other accrued liabilities approximate fair value. The Company's investments held in escrow for environmental costs have gained in market value by \$49,000 as of December 31, 2001. The Company's debt is not rated by an agency. The older bonds contain "make whole" provisions that would negate any value fluctuations in interest rates. Additionally, the cost of long-term debt is included as a recovered cost in revenue for the regulated operations and as such the Company is reimbursed for interest costs. Therefore, disclosure of the change in fair value due to reasonably possible near term changes in interest rates is not meaningful. However, the current bonds outstanding were

issued in 1988, 1992, and 2001 and since that time interest rates have declined, and thus it is reasonable to assume that the fair value of existing first mortgage bonds would be more than their carrying value.

Contingencies

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

Insurance Claims and Rate Relief

The Company notified its insurance carriers of environmental impacts detected at the former gasification plant sites discussed above. As a result of negotiations with the Company's major insurance carriers that concluded in 1997, such carriers agreed to pay settlement proceeds totaling approximately \$4,300,000 for certain environmental costs. Most recently, in September 1999, certain British based insurers agreed to settle claims in the approximate total amount of \$7,630. Since 1991, the FPSC has also allowed the Company to recover through rate relief environ-

mental expenses of \$2,356,000 at the rate of approximately \$240,000 per year as an addition to the insurance reserve; the increases to the reserve ended in February 2001.

West Palm Beach Site

The Company is currently conducting a contamination assessment investigation of a parcel of property owned by it in West Palm Beach, Florida, upon which the Company previously operated a gasification plant. After a preliminary contamination assessment investigation indicated soil and groundwater impacts, the Company entered into a consent order with the FDEP. The consent order requires the Company to delineate the extent of



soil and groundwater impacts associated with the prior operation of the gasification plant and requires the Company to remediate such soil and groundwater impacts, if necessary. In June 1992, the Company commenced a contamination assessment investigation. A Contamination Assessment Report ("CAR") was submitted to FDEP in December 1995, and a CAR Addendum was submitted to FDEP in April 2000. Additional field investigations were performed in 2001 in response to FDEP comments to the CAR Addendum. On December 28, 2001, the Company submitted a Supplemental CAR Addendum ("SCARA") to FDEP for review and comment. The Company is awaiting comments from FDEP regarding the SCARA. Prior to the review and approval of the SCARA by FDEP, it is not possible to determine the complete extent or cost of remedial action, if any, which may be required. However, a revised preliminary estimate from the Company's environmental consultant projected that total contamination assessment and remediation costs for this site may reach approximately \$4,354,000. A portion of the on-site impacts have been determined to be eligible for reimbursement from a state fund and the FDEP has determined that a portion of the work conducted off-site may be eligible for reimbursement under state law.

Sanford Site

The Company owns a parcel of property located in Sanford, Florida, upon which a gasification plant was operated prior to the Company's acquisition of the property. FDEP required the Company to conduct a contamination assessment of the property to determine whether contamination was present as a result of the operation of the gasification plant. A preliminary investigation revealed soil impacts on the property. Thereafter, in cooperation with four former owners and operators of the gasification plant, the Company participated in the funding of an initial contamination assessment investigation, the results of which are set forth in a Contamination Assessment Report delivered to FDEP on February 4, 1994. On July 11, 1997, EPA notified the Company of its potential liability under applicable federal laws for further assessment and remediation of the site. Similar notices were sent by EPA to four former owners and operators of the site. On or about March 25, 1998, the Company and the four former owners and operators (collectively, the "Group") and the EPA executed an Administrative Order on Consent ("AOC") that obligated the Group to implement a Remedial Investigation/ Feasibility Study ("RI/FS") task and to pay EPA's past and future oversight costs for the RI/FS. The Group also entered into a Participation Agreement and an Escrow Agreement on or about April 13, 1998. These agreements govern the manner and means by which all parties will satisfy their respective obligations under the AOC for the RI/FS task. The Company agreed to pay approximately 13.7% of the cost for the RI/FS. Fieldwork for the RI/FS was initiated in 1998. A final RI report was submitted to EPA in July 1999. The Group also submitted a Baseline Risk Assessment to EPA in January 2000, including an Ecological Risk Assessment ("ERA"). Additional fieldwork will be required to complete the ERA at a total estimated cost of less than \$50,000. The Company's share of the additional ERA work is 13.7%.

On July 5, 2000, EPA issued a Record of Decision ("ROD") approving the final remedial action for contaminated soils at the site ("OU1 Remedy"). The total estimated cost for the OU1 Remedy ranges from \$5,593,000 to \$5,760,000. On June 12, 2001, EPA issued a ROD approving the final remedial action for contaminated groundwater at the site ("OU2 Remedy"). The present worth cost estimate for the OU2 Remedy is \$320,252. The Group is currently negotiating a remedial design/remedial action ("RD/RA") Consent Decree with EPA to provide for the implementation of the OU1 Remedy and OU2 Remedy. It is reasonable to anticipate at this time that the Decree will not be effective until July or August 2002. Pursuant to the Consent Decree, pre-

remedial design fieldwork will be performed to assist in the design of the final remedy for OU1 and OU2. The cost of the additional field and design work is approximately \$375,000. Upon EPA's approval of the final design, the Group will be obligated to implement the remedy for OU1 and OU2 at an estimated combined cost, as noted above, of approximately \$6,000,000. The Consent Decree also obligates the Group to reimburse EPA's past costs of approximately \$215,000 and EPA's future oversight costs. Pursuant to the terms and conditions of the Second Participation Agreement entered into by the Company and other members of the Group on August 1, 2000, the Company's share of costs for the additional field and design work, implementation of the OU1 Remedy and OU2 Remedy, and payment of EPA's past and future oversight costs for the RD/RA tasks is 10.5%.

The Company believes that all future contamination assessment and remedial costs, legal fees and other related costs will not be in excess of the rate relief granted the Company and insurance settlement proceeds received.

On or about October 18, 2000, Violet Skipper, PC Buyers, Inc. and Thomas Wade Skipper filed suit against FPU in the Circuit Court for Palm Beach County, Florida. The case was later transferred to Jackson County, Florida. The lawsuit alleged that FPU failed to properly install and/or maintain electrical power lines, utility poles and related equipment which allegedly caused a fire that spread to and eventually destroyed a warehouse/office facility that was owned by Violet Skipper, that housed the place of business of the corporate plaintiff and that contained property therein owned by all the plaintiffs. The warehouse/office facility was located in Jackson County, Florida. Plaintiffs alleged damages in excess of \$1,000,000. FPU has denied the claims in the complaint and is vigorously defending the claims on the theory that the alleged fire started within the warehouse/office facility and not at or in FPU's electrical equipment.

On or about August 13, 2001, Darrell Glenn filed suit against FPU in the Circuit Court for Palm Beach County, Florida. The case was later moved to Nassau County, Florida where it is pending. The lawsuit alleged that the employee of a painting subcontractor was shocked and injured on May 16, 2001 while painting electrical equipment at FPU's step-down site in Fernandina Beach, Florida. His employer was operating under an agreement that required it to supervise its own workers. The plaintiff claims FPU was negligent and that its negligence caused his injuries to his torso which experienced some degree of burn. The plaintiff has not specified an amount of claim but FPU intends to bring the subcontractor into this action as a third-party defendant and seek indemnification and contribution from the subcontractor. FPU intends to vigorously defend this claim and to pursue the third-party claim against the subcontractor.

In the event that the Company does not prevail in these suits, there may be a material adverse effect on the financial statements. However, FPU believes there are meritorious defenses to the pending litigation discussed above but is unable to provide an evaluation of the likelihood of an unfavorable outcome or provide an estimate of the amount or range of potential loss.

The company is also involved with other various claims and litigation incidental to its business. In the opinion of management, none of these incidental

claims and litigation will have a material adverse effect on the Company's results of operations or its financial condition.

Commitments

To ensure a reliable supply of power and natural gas at competitive prices, the Company has entered into long-term purchase and transportation contracts with various suppliers and producers, which expire at various dates through 2015. Purchase prices under these contracts are determined by formulas either based on market prices or at fixed prices.



Northwest Florida Division; Tammy Dean, Energy Conservation Specialist

Northwest Florida Division; L to R, Jacky Ditty, Line Supervisor; Brady Foran, Working Foreman; John Griffin, Apprentice Lineman A; Steve Toole, Engineering Manager; Mark Cutshaw, Director, Northwest Florida; Broward O'Pry, Engineering Aide Technician



At December 31, 2001, the Company has firm purchase and transportation commitments adequate to supply its expected future sales requirements. The Company is committed to pay demand or similar fixed charges of approximately \$4,805,000 annually through 2010 related to these agreements. Substantially all costs incurred under these agreements are recoverable from customers through fuel adjustment clause mechanisms.

Financial Accounting Standard No. 133 and 138

Effective January 1, 2001, the Company adopted Statement of Financial Accounting Standards ("SFAS") No. 133 "Accounting for Derivative Instruments and Hedging Activities" as amended by SFAS No. 138, "Accounting for Certain Derivative Instruments and Certain Hedging Activities." The Statement establishes accounting and reporting standards requiring that every derivative instrument (including certain derivative instruments embedded in other contracts) be recorded in the balance sheet as either an asset or liability measured at its fair value. The statement requires that changes in the derivatives' fair value be recognized currently in earnings unless specific hedge accounting criteria are met. The effects of applying SFAS Nos. 133 and 138 through December 31, 2001 were not material to the Company's financial statements and are not expected to effect future operations as the Company does not expect to enter into significant derivative instruments.

Financial Accounting Standard No. 141 and 142

In July 2001, the FASB issued SFAS No. 141, "Business Combinations," and SFAS No. 142, "Goodwill and Other Intangible Assets." SFAS No. 141 requires that the purchase method of accounting be used for all business combinations initiated after June 30, 2001 and eliminates the pooling-of-interests method of accounting. SFAS No. 142 specifies that, among other things, intangible assets with an indefinite useful life and goodwill will no longer be amortized. The standard requires goodwill to be periodically tested for impairment and written down to fair value if considered impaired. The provisions of SFAS No. 142 are effective for fiscal years beginning after December 15, 2001, and are effective for interim periods in the initial year of adoption. The effects of adopting SFAS Nos.

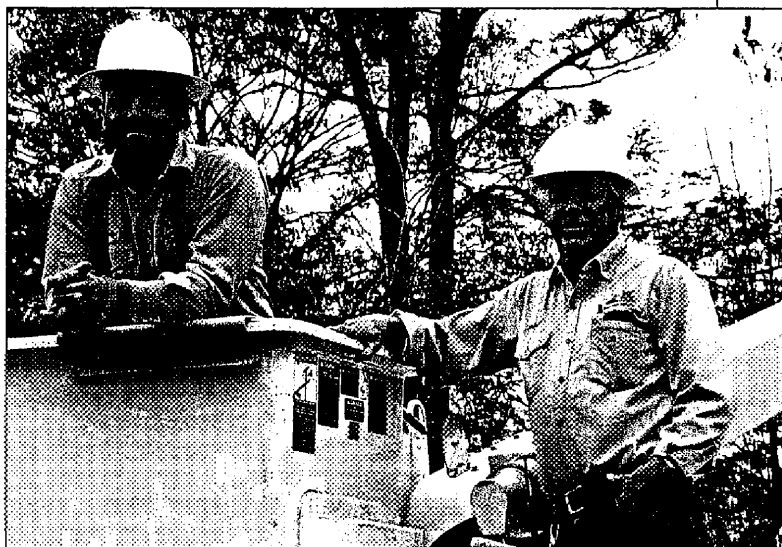
141 and 142 on the recent acquisitions required use of the purchase method and resulted in goodwill that will have to be tested for impairment beginning in 2002.

Financial Accounting Standard No. 143

In August 2001, the FASB issued SFAS No. 143, "Accounting for Asset Retirement Obligations." The statement requires that the fair value of an asset retirement obligation be recognized in the period in which it is incurred and the associated asset retirement costs capitalized as part of the carrying amount of the long-lived asset. The asset retirement cost is subsequently allocated to expense using a systematic and rational method over its useful life. SFAS No. 143 is effective for fiscal years beginning after June 15, 2002. Management is in the process of evaluating the impact of implementing SFAS 143 and feels that other than changing the methodology of depreciation and increasing administrative efforts, the effect on operating results will be immaterial and feels the impact on the regulated portion of the business, if any, would be an allowable item for recovery in the Company's rates.

Financial Accounting Standard No. 144

In October 2001, the FASB issued SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets." The statement addresses financial accounting and reporting for the impairment or disposal of long-lived assets. The statement supercedes, with exceptions, SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of." SFAS No. 144 is effective for fiscal years beginning after December 15, 2001. Management is in the process of evaluating the impact of implementing SFAS 144 and is unable to estimate the effect, if any, on the Company's financial statements but feels the regulated portion of an impact, if any, would be an allowable item for recovery in the Company's rates.



Northwest Florida Division,
L to R, Woody Hall, Apprentice Lineman A;
Frank Chatwood, Working Foreman



Northeast Florida Division; L to R, Donnie Nabors, Apprentice Lineman; Billy Clardy, Serviceman; Parker Taylor, Service Working Foreman; Mac McClelland, Store Keeper; Curtis Boatright, Apprentice Serviceman B; Billy Griffin, Service Working Foreman; Danny Barrows, Line Working Foreman

Quarterly Financial Data (Unaudited)

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

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
<u>2001</u>				
Revenues	\$31,100	\$22,497	\$19,421	\$19,125
Gross Profit	9,171	7,863	7,602	8,140
Operating income exc. income tax	3,023	1,544	1,428	1,521
Net income	1,503	480	538	531
Earnings per share	0.53	0.17	0.19	0.18
<u>2000</u>				
Revenues	\$21,468	\$19,539	\$20,182	\$23,570
Gross Profit	8,621	7,301	7,223	7,998
Operating income exc. income tax	2,928	1,590	1,485	1,998
Net income	1,413	539	480	856
Earnings per share	0.50	0.19	0.17	0.30



- 122K -

South Florida Division, L to R, Marc Schneidemann, Director, South Florida; Gary Blanco, Commercial Marketing Manager; Doug Moreland, Manager, Service and Operations Training; Winston Humphrey, Marketing Applications Engineer

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

Line No.	Item (a)	Total (b)	Electric (c)
1	UTILITY PLANT		
2	In Service		
3	Plant in Service (Classified)	139,615,573	54,854,501
4	Property Under Capital Leases	-	-
5	Plant Purchased or Sold	-	-
6	Completed Construction not Classified	-	-
7	Experimental Plant Unclassified	-	-
8	TOTAL (Enter Total of lines 3 thru 7)	139,615,573	54,854,501
9	Leased to Others	-	-
10	Held for Future Use	-	-
11	Construction Work in Progress	7,453,148	2,354,489
12	TOTAL (Enter Total of lines 3 thru 7)	3,399,886	3,691
13	TOTAL Utility Plant (Enter Total of lines 8 thru 12)	150,468,607	57,212,681
14	Accum. Prov. for Depr., Amort., & Depl.	52,292,262	23,268,564
15	Net Utility Plant (Enter total of line 13 less 14)	98,176,345	33,944,117
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION		
17	In Service:		
18	Depreciation	51,976,957	23,264,873
19	Amort. and Depl. of Producing Nat. Gas Land and Land Rights	-	-
20	Amort. of Underground Storage Land and Land Rights	-	-
21	Amort. of Other Utility Plant	-	-
22	TOTAL in Service (Enter Total of lines 18 thru 21)	51,976,957	23,264,873
23	Leased to Others		
24	Depreciation	-	-
25	Amortization and Depletion	-	-
26	TOTAL Leased to Others (Enter Total of lines 24 and 25)	-	-
27	Held for Future Use		
28	Depreciation	-	-
29	Amortization	-	-
30	TOTAL Held for Future Use (Ent. Tot. of lines 28 and 29)	-	-
31	Abandonment of Leases (Natural Gas)	-	-
32	Amort. of Plant Acquisition Adjustment	315,305	3,691
33	TOTAL Accumulated Provisions (Should agree with line 14 above)(Enter Total of lines 22, 26, 30, 31, and 32)	52,292,262	23,268,564

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

1. Report below the original cost of electric plant in service according to the prescribed accounts.

2. In addition to Account 101, Electric Plant in Service (Classified) this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Gas Plant Unclassified; and Account 106, Completed Construction Not Classified - Electric

3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.

4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.

5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for

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

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization		
3	(302) Franchises and Consents		
4	(303) Miscellaneous Intangible Plant		
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	0	0
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights		
9	(311) Structures and Improvements		
10	(312) Boiler Plant Equipment		
11	(313) Engines and Engine Driven Generators		
12	(314) Turbogenerator Units		
13	(315) Accessory Electric Equipment		
14	(316) Misc. Power Plant Equipment		
15	TOTAL Steam Production Plant (Enter Total of lines 8 through 14)	0	0
16	B. Nuclear Production Plant		
17	(320) Land and Land Rights		
18	(321) Structures and Improvements		
19	(322) Reactor Plant Equipment		
20	(323) Turbogenerator Units		
21	(324) Accessory Electric Equipment		
22	(325) Misc. Power Plant Equipment		
23	TOTAL Nuclear Production Plant (Enter Total of lines 17 through 22)	0	0
24	C. Hydraulic Production Plant		
25	(330) Land and Land Rights		
26	(331) Structures and Improvements		
27	(332) Reservoirs, Dams, and Waterways		
28	(333) Water Wheels, Turbines, and Generators		
29	(334) Accessory Electric Equipment		
30	(335) Misc. Power Plant Equipment		
31	(336) Roads, Railroads, and Bridges		
32	TOTAL Hydraulic Production Plant (Enter Total of lines 25 through 31)	0	0
33	D. Other Production Plant		
34	(340) Land and Land Rights		
35	(341) Structures and Improvements		
36	(342) Fuel Holders, Products and Accessories		
37	(343) Prime Movers		
38	(344) Generators		
39	(345) Accessory Electric Equipment		

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

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

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

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

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

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
			\$0	(301)	1
			0	(302)	2
			0	(303)	3
0	0	0	0		4
					5
					6
			0	(310)	7
			0	(311)	8
			0	(312)	9
			0	(313)	10
			0	(314)	11
			0	(315)	12
0	0	0	0	(316)	13
					14
			0	(320)	15
			0	(321)	16
			0	(322)	17
			0	(323)	18
			0	(324)	19
0	0	0	0	(325)	20
					21
			0	(330)	22
			0	(331)	23
			0	(332)	24
			0	(333)	25
			0	(334)	26
			0	(335)	27
0	0	0	0	(336)	28
					29
			0	(340)	30
			0	(341)	31
			0	(342)	32
			0	(343)	33
			0	(344)	34
			0	(345)	35
					36
					37
					38
					39

Florida Public Utilities Company		An Original		December 31, 2001	
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106)					
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)		
40	(346) Misc. Power Plant Equipment				
41	TOTAL Other Production Plant (Enter Total of lines 34 through 40)	0		0	
42	TOTAL Production Plant (Enter Total of lines 15, 23, 32, and 41)	0		0	
43	3. TRANSMISSION PLANT				
44	(350) Land and Land Rights	74,148		0	
45	(352) Structures and Improvements	26,401		0	
46	(353) Station Equipment	1,938,469		11,878	
47	(354) Towers and Fixtures	244,665		0	
48	(355) Poles and Fixtures	1,776,077		238	
49	(356) Overhead Conductors and Devices	986,486		0	
50	(357) Underground Conduit	0		0	
51	(358) Underground Conductors and Devices	0		0	
52	(359) Roads and Trails	6,788		0	
53	TOTAL Transmission Plant (Enter Total of lines 44 through 52)	5,053,034		12,116	
54	4. DISTRIBUTION PLANT				
55	(360) Land and Land Rights	27,260		0	
56	(361) Structures and Improvements	39,925		54,483	
57	(362) Station Equipment	2,833,155		64,139	
58	(363) Storage Battery Equipment	0		0	
59	(364) Poles, Towers, and Fixtures	6,636,153		297,942	
60	(365) Overhead Conductors and Devices	7,900,356		165,726	
61	(366) Underground Conduit	1,609,911		74,811	
62	(367) Underground Conductors and Devices	3,261,699		107,247	
63	(368) Line Transformers	10,318,734		595,566	
64	(369) Services	5,829,172		364,273	
65	(370) Meters	2,772,790		115,055	
66	(371) Installations on Customer Premises	1,207,489		161,195	
67	(372) Leased Property on Customer Premises	0		0	
68	(373) Street Lighting and Signal Systems	874,311		143,940	
69	TOTAL Distribution Plant (Enter Total of lines 55 through 68)	43,310,955		2,144,377	
70	5. GENERAL PLANT				
71	(389) Land and Land Rights	72,462		0	
72	(390) Structures and Improvements	1,350,289		3,773	
73	(391) Office Furniture and Equipment	500,525		100,045	
74	(392) Transportation Equipment	2,128,625		162,284	
75	(393) Stores Equipment	107,679		0	
76	(394) Tools, Shop and Garage Equipment	110,655		11,772	
77	(395) Laboratory Equipment	76,676		0	
78	(396) Power Operated Equipment	84,498		35,324	
79	(397) Communication Equipment	189,668		0	
80	(398) Miscellaneous Equipment	32,311		1,821	
81	SUBTOTAL (Enter Total of lines 71 through 80)	4,653,388		315,019	
82	(399) Other Tangible Property				
83	TOTAL General Plant (Enter Total of lines 81 and 82)	4,653,388		315,019	
84	TOTAL (Accounts 101 and 106)	53,017,377		2,471,512	
85	(102) Electric Plant Purchased	0		0	
86	(Less) (102) Electric Plant Sold	0		0	
87	(103) Experimental Plant Unclassified	0		0	
88	TOTAL Electric Plant in Service	53,017,377		2,471,512	

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

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
			0	(346)	40
0	0	0	0		41
0	0	0	0		42
					43
0	0	0	74,148	(350)	44
0	0	0	26,401	(352)	45
0	0	0	1,950,347	(353)	46
0	0	0	244,665	(354)	47
0	0	0	1,776,315	(355)	48
0	0	(1,743)	984,743	(356)	49
0	0	0	0	(357)	50
0	0	0	0	(358)	51
0	0	0	6,788	(359)	52
0	0	(1,743)	5,063,407		53
					54
0	0	0	27,260	(360)	55
0	0	0	94,408	(361)	56
0	0	0	2,897,294	(362)	57
0	0	0	0	(363)	58
(50,602)	0	2,497	6,885,990	(364)	59
(46,280)	0	(754)	8,019,048	(365)	60
0	0	0	1,684,722	(366)	61
(1,361)	0	0	3,367,585	(367)	62
(202,112)	0	0	10,712,188	(368)	63
(9,236)	0	0	6,184,209	(369)	64
(61,421)	0	0	2,826,424	(370)	65
(54,044)	0	0	1,314,640	(371)	66
0	0	0	0	(372)	67
(39,866)	0	0	978,385	(373)	68
(464,922)	0	1,743	44,992,153		69
					70
0	0	0	72,462	(389)	71
0	0	0	1,354,062	(390)	72
(34,738)	0	(5,245)	560,587	(391)	73
(9,193)	0	(34,682)	2,247,034	(392)	74
0	0	0	107,679	(393)	75
(2,491)	0	(1,871)	118,065	(394)	76
(2,999)	0	0	73,677	(395)	77
(1,764)	0	(1,416)	116,642	(396)	78
(60,974)	0	0	128,694	(397)	79
0	0	(14,095)	20,037	(398)	80
(112,159)	0	(57,309)	4,798,939		81
				(399)	82
(112,159)	0	(57,309)	4,798,939		83
(577,081)	0	(57,309)	54,854,499		84
0	0	0	0	(102)	85
0	0	0			86
0	0	0	0	(103)	87
(577,081)	0	(57,309)	54,854,499		88

CONSTRUCTION WORK IN PROGRESS-ELECTRIC (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (107).

2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts).

3. Minor projects (5% of the Balance End of the Year for Account 107 or \$100,000, whichever is less) may be grouped

Line No.	Description of Project	Construction Work in Progress-Electric (Acct. 107)
1	MARIANNA	
2		
3	Line Extension/Underground Conduit	* 435,549
4		
5		
6		
7		
9		
10		
11		
12		
13		
14		
15	FERNANDINA	
16		
17	Line Extension/Underground Conduit	* 1,918,940
18		
19		
20		
21		
22		
23		
24		
34		
35		
36	* Grouped Items	
37		
38		
39	TOTAL	\$2,354,489

CONSTRUCTION OVERHEADS-ELECTRIC

1. List in column (a) the kinds of overheads according to the titles used by the respondent. Charges for outside professional services for engineering fees and management or supervision fees capitalized should be shown as separate items.
2. On page 218 furnish information concerning construction overheads.
3. A respondent should not report "none" to this page if no overhead apportionments are made, but rather should explain on page 218 the accounting procedures employed
- and the amounts of engineering, supervision, and administrative costs, etc. which are directly charged to construction.
4. Enter on this page engineering, supervision, administrative,, and allowance for funds used during construction, etc. which are first assigned to a blanket work order and then prorated to construction jobs.

Description of Overhead (a)	Total Amount Charged for the Year (b)
1 Payroll Taxes, Pensions, Group and Worker's Compensation Insurance	107,109
2	
3	
4	
5	
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40	
41 TOTAL	\$107,109

GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE

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

2. Show below the computation of allowance for funds used during construction rates, in accordance with the provisions of Electric Plant instructions 3 (17) of the U.S. of A.
3. Where a net-of-tax rate for borrowed funds is used, show the appropriate tax effect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax effects.

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

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

COMPUTATION OF ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION RATES

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

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

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

2. Gross Rate for Borrowed Funds

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

3. Rate for Other Funds

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

4. Weighted Average Rate Actually Used for the Year:

- a. Rate for Borrowed Funds - None
b. Rate for Other Funds - None

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

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

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

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1.	Item	21,786,005	21,786,005		
2.	Depreciation Provisions for Year, Charged to				
3.	(403) Depreciation Expense	2,084,679	2,084,679		
4.	(413) Exp. of Elec. Plt. Leas. to Others				
5.	Transportation Expenses-Clearing	209,595	209,595		
6.	Other Clearing Accounts				
7.	Other Accounts (Specify):				
8.	Accrued Depreciation on Transfers	(25,911)	(25,911)		
9.	TOTAL Deprec. Prov. for Year (Enter Total of lines 3 thru 8)	2,268,363	2,268,363		
10.	Net Charges for Plant Retired:				
11.	Book Cost of Plant Retired	(577,081)	(577,081)		
12.	Cost of Removal	(265,417)	(265,417)		
13.	Salvage (Credit)	53,006	53,006		
14.	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 11 thru 13)	(789,492)	(789,492)		
15.	Other Debit or Credit Items (Describe)-Rounding	0			
16.					
17.	Balance End of Year (Enter Total of lines 1, 9, 14, 15, and 16)	23,264,876	23,264,876		

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

18.	Steam Production				
19.	Nuclear Production				
20.	Hydraulic Production - Conventional	0	0		
21.	Hydraulic Production - Pumped Storage		0		
22.	Other Production				
23.	Transmission	1,959,041	1,959,041		
24.	Distribution	19,301,266	19,301,266		
25.	General	2,004,569	2,004,569		
26.	TOTAL (Enter Total of lines 18 thru 25)	23,264,876	23,264,876		

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	Land in Volusia County, Florida	\$200	(\$200)	-
2				
3				0
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38				
39	Minor Items Previously Donated to Public Service			
40	Minor Items - Other Nonutility Property			
41	TOTAL	\$200	(\$200)	\$0

Florida Public Utilities Company		An Original		December 31, 2001
INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1)				
<p>1. Report below investments in Account 123.1, Investments in Subsidiary Companies.</p> <p>2. Provide a subheading for each company and list thereunder the information called below. Sub-total by company and give a total in columns (e), (f) (g) and (h).</p> <p>(a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity and interest rate.</p> <p>(b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.</p> <p>3. Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column (e) should equal the amount entered for Account 418.1</p>				
Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	Flo-Gas Corporation	May 1949		
2	Common Stock			1,886,099
3	less treasury stock			(17)
4				
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36				
37	TOTAL Cost of Account 123.1: 10,000		TOTAL	1,886,082

INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)

4. For any securities, notes, or accounts that were pledged, designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge.

5. If Commission approval was required for any advance made or security acquired, designated such fact in a footnote and give name of Commission, date of authorization, and case or docket number.

6. Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.

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

8. Report on Line 37, column (a) the total cost of Account 123.1.

Equity in Subsidiary Earnings for Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	
263,973 17		2,150,072 0		1
				2
				3
				4
				5
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				8
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263,990	0	2,150,072		37

MATERIALS AND SUPPLIES

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

Line No.	Account	Balance Beginning of Year	Balance End of Year	Department or Departments Which Use Material
	(a)	(b)	(c)	(d)
1	Fuel Stock (Account 151)			Electric
2	Fuel Stock Expenses Undistributed (Account 152)			
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials and Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)	1,119,593	1,170,120	Electric, Gas & Water
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)			
8	Transmission Plant (Estimated)			
9	Distribution Plant (Estimated)	373,198	390,040	Electric, Gas & Water
10	Assigned to - Other			
11	TOTAL Account 154 (Enter Total of lines 5 thru 10)	1,492,791	1,560,160	
12	Merchandise (Account 155)	304,831	713,852	Gas
13	Other Materials and Supplies (Account 156)	0	0	Gas
14	Nuclear Materials Held for Sale (Account 157) (Not applicable to Gas Utilities)			
15	Stores Expense Undistributed (Account 163)			
16				
17				
18				
19				
20	TOTAL Materials and Supplies (per Balance Sheet)	\$1,797,622	\$2,274,012	

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

	Amount	Account Debited	Account Credited
West Palm Beach - Materials & Supplies	22,996	1540.1	1630.3

OTHER REGULATORY ASSETS

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

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

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

Description and Purpose of Other Regulatory Assets (a)		Debits (b)	Credits		Balance End of Year (e)
			Account Charged (c)	Amounts (d)	
1					
2	See Page 234				
3					
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40					
41	TOTAL				

MISCELLANEOUS DEFERRED DEBITS (Account 186)

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

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

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

Description of Miscellaneous Deferred Debit (a)		Balance at Beginning of Year (b)	Debits (c)	Account Charged (d)	Credit Amount (e)	Balance End of Year (f)
1	Energy Conservation Program	\$0	\$0		\$0	\$0
2	Undistributed Capital					
3	- Accrued Payroll	21,422	0		10,482	\$31,904
4	Amortize Piping Costs	1,180,990	0		241,096	\$1,422,086
5	Amortized Conversion Costs	155,064	0		(8,046)	\$147,018
6	Underrecovery Conservation	115,411	0		534,677	\$650,088
7	AEP	1,713,961	0		804,373	\$2,518,334
8	Underrecovery Unbundling	0	0		38,964	\$38,964
9	Penny Elimination	0	0		(2)	(\$2)
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36						
37	Misc. Work in Progress	(522,912)				(\$467,998)
38	Deferred Regulatory Comm. Expenses					
39	(See Pages 350 - 351)	35,415	15,850	928	9,803	\$41,462
40						
41	TOTAL	\$2,699,351				\$4,381,856

ACCUMULATED DEFERRED INCOME TAXES (Account 190)

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

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Balance at End of Year (c)
1	Electric		
2	AMT	-	-
3	Self Insurance Reserve and Audit Fees	51,121	40,012
	Conservation Program & Pensions	-	-
1	Uncollectible	44,392	23,491
2	Vacation Pay	60,299	63,248
3	Misc. Accrual	-	(6,996)
4	Interest Not Cap & Amort of Debt	-	-
5	Rate Refund	91,065	-
6	General Liability	(16,244)	(45,571)
7	Regulatory	-	-
8	Gain on Hydroplant	-	-
9			
10	TOTAL Electric (Lines 2 thru 13)	230,633	74,184
11	Gas		
12	AMT	-	-
13	Self Insurance Reserve and Audit Fees	83,183	63,308
14	Vacation Pay	113,898	124,238
15	Misc. Accrual	-	(13,557)
16	Uncollectible	12,706	12,321
17	Interest Not Cap & Amort Of Debt	-	-
18	Regulatory	-	-
19	Environmental	1,996,618	2,124,615
20	General Liability	(17,338)	(47,598)
21			
22	TOTAL Gas (Lines 15 thru 25)	2,189,067	2,263,327
23	Other (Specify) Water Division	16,545	10,377
24	TOTAL (Account 190)(Lines 12, 23 & 24)	2,436,245	2,347,888
	NOTES (a)	(b)	(c)
	Other (Specify) Water Division		
	Self Insurance Reserve & Audit Fees	8,787	7,348
	Vacation Pay	10,678	11,294
	General Liability	(2,920)	(8,102)
	AMT	-	-
	Uncollectible	-	1,149
	Interest Not Capitalized	-	-
	Regulatory	-	-
	Misc. Accruals	-	(1,312)
	TOTAL WATER (LINE 27 ABOVE)	16,545	10,377
	Classification of Total:		
	Federal Income Tax	2,080,163	2,004,717
	State Income Tax	356,082	343,171

CAPITAL STOCK (Accounts 201 and 204)

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

ing, a specific reference to report form (i.e. year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.

2. Entries in column (b) should represent the no. of shares authorized by the articles of incorp. as amended to end of year.

3. Give particulars (details) concerning shares of any class and

Line No.	Class and Series of Stock and Name of Stock Exchange (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value Per Share (c)	Call Price at End of Year (d)
1	Common Stock	6,000,000	\$1.50	
	Additional Reacquired Stock Held By Flo-Gas Corporation (a wholly owned subsidiary)			
	TOTAL Common Stock	6,000,000	\$1.50	
2	Preferred Stock	6,000	\$100.00	
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Outstanding Per Balance Sheet		Held by Respondent As Reacquired Stock (Account 217)		In Sinking and Other Funds		Line No.
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
3,236,975 *	\$4,855,963	350,691	\$5,206,172			1
		0	(390,871)			
3,236,975	4,855,963	350,691	4,815,301			
6,000	\$600,000					2
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* The Common Shares dollar amount includes \$500 in accordance with Florida Statutes						23
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CAPITAL STOCK SUBSCRIBED, CAPITAL STOCK LIABILITY FOR CONVERSION,
PREMIUM ON CAPITAL STOCK, AND INSTALLMENTS RECEIVED ON CAPITAL STOCK
(Accounts 202 and 205, 203 and 206, 207, 212)

1. Show for each of the above accounts the amount applying to each class and series of capital stock.
2. For Account 202, Common Stock Subscribed, Account 205, Preferred stock subscribed, show the subscription price and the balance due on each class at the end of the year.
3. Describe in a footnote the agreement and transactions under which a conversion liability existed under Account 203, Common Stock Liability for Conversion, or Account 206, Preferred Stock Liability for Conversion, at the end of the year.
4. For Premium on Account 207, Capital Stock, designate with A double asterisk any amounts representing the excess of consideration received over stated values of stocks without par value.

Line no.	Name of Account and Description of Item	Number of Shares	Amount
1	Premium on Capital Stock - Account 207	3,236,975	\$8,933,441
2			
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40	TOTAL	3,236,975	\$8,933,441

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

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

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

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

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

Line No.	Item (a)	Amount (b)
1	ACCOUNT 211:	
2	Item	\$1,333,054
3	Gain on Resale of Reacquired Common Stock	\$63,886
4	Miscellaneous Paid in Capital - Ending Balance	\$1,396,940
5		
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32	TOTAL	\$1,396,940
33		

DISCOUNT ON CAPITAL STOCK (Account 213)

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

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1		
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9		
10	NONE	
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12		
13		
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16		
17		

CAPITAL STOCK EXPENSE (Account 214)

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

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

1. Report by balance sheet the account particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated companies, and 224, Other Long-Term Debt.
2. In column (a), for new issues, give Commission authorization numbers and dates.
3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
4. For advances from Associated Companies, report separately advances on note and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
5. For receivers' certificates, show in column (a) the named of the court and date of court order under which

- such certificates were issued.
6. In column (b) show the principal amount of bonds or other long-term debt originally issued.
7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.
9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the

Line No.	(a)	Principal Amount of Debt Issued (b)	Total Expense Premium or Discount (c)
1	FIRST MORTGAGE BONDS:		
2			
3			
4	9.57% Series Due 2018	10,000,000	7,211
5	10.03% Series Due 2018	5,500,000	3,883
6	9.08% Series Due 2022	8,000,000	4,067
7	4.90% Series Due 2031	14,000,000	4,275
8	6.85% Series Due 2031	15,000,000	7,767
9			
10			
11			
12			
13			
14			
15	Expenses incurred to obtain a \$5,000,000 line of credit is amortized in Account 4280.3 by the amount of \$12,500 for 2001.		
16			
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29	TOTAL	52,500,000	27,203

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

Uniform System of Accounts.

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

11. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and expense, or credited to Account 429, Amortization of Premium on Debt- Credit.

12. In a supplemental statement, give explanatory particulars (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.

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

including name of pledgee and purpose of the pledge.

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

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

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

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
						2
						3
5/1/88	5/1/18	5/1/88	5/1/18	10,000,000	957,000	4
5/1/88	5/1/18	5/1/88	5/1/18	5,500,000	551,650	5
6/1/92	6/1/22	6/1/92	6/1/22	8,000,000	726,400	6
11/1/2001	11/1/1931	11/1/2001	11/1/1931	14,000,000	114,333	7
10/1/2001	10/1/1931	10/1/2001	10/1/1931	15,000,000	256,875	8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						32
				52,500,000	2,606,258	33

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

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax 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 (Page 14) *	\$2,787,490
2	Reconciling Items for the Year	
3		
4	Taxable Income Not Reported on Books	
5	Service Contributions	672,000
6	Depreciation	250,568
7	Penalties	8,072
8		
9	Deductions Recorded on Books Not Deducted for Return	
10	Meals Expense	22,027
11	Vacation Pay	38,621
12	Depreciation Study	539
13	Natural Gas Odorizer	1,211
14	Loss on Reacquired Debt	22,360
15	Income Taxes (excluding current state income of \$ 274,200)	1,171,704
16	Rate Case Expense	2,115
17	Refurbish Project	3,070
18		
19	Income Recorded on Books Not Included in Return	
20	Environmental Costs	108,523
21	General Liability	172,120
22	Gas Unbundling	45,115
23	Misc. Deferrals	58,113
24	Rate Refund Pending	242,000
25	Uncollectible Reserve	53,514
26		
27	Deductions on Return Not Charged Against Book Income	
28	Ordinary Loss on ACRS Property Retirements	180,000
29	Conservation Program Costs	244,545
30	Cost of Removal ADR Property	75,000
31	Pension Reserve	38,593
32	Underrecoveries of Purchased Energy Costs	(1,270,451)
33	Self - Insurance Reserve	82,665
34	Outside Audit Fees	3,500
35		
36		
37		
38		
39	Federal Tax Net Income	4,946,540
40	Show Computation of Tax:	
41		
42	Tax at 34%	1,681,824
43	Rounding	0
44	TOTAL Federal Income Tax Payable	1,681,824
45	* Excludes Flo-Gas Net Income of	263,973

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				Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)	Taxes Charged During Year (d)	Taxes Paid During Year (e)	
1	Federal Taxes:					
2	Income Tax	(460,965)		1,429,324	1,093,479	
3	Unemployment Tax - Current	788		20,585	20,339	
4	Environmental Tax - Prior	0		0	0	
5	Environmental Tax - Current	0		0	0	
6	F I C A - Current	15,914		999,927	1,015,841	
7	Total Federal Taxes	(444,263)	-	2,449,836	2,129,659	
8						
9	State of Florida:					
10	Income	(76,221)		242,191	198,620	
11	Emergency Excise Tax - Prior	0		(16,075)	(16,075)	
12	Emergency Excise Tax - Current	0		0	0	
13	Gross Receipts - Prior	0		0	0	
14	Gross Receipts - Current	199,375		2,066,668	2,122,845	
15	FPSC Assessment - Prior	0		0	0	
16	FPSC Assessment - Current	241,699		391,308	405,184	
17	Intangible Personal Prop.-Current	0		0	0	
18	Unemployment - Prior	0		0	0	
19	Unemployment - Current	0		12,094	11,486	
20	Licenses - Current	0		0	0	
21	Total State of Florida Taxes	364,853		2,696,186	2,722,060	
22						
23	Local:					
24	Advalorem - Prior	0		0	0	
25	Advalorem - Current	0		1,428,786	1,296,861	
26	Licenses - Current	0	0	6,308	6,308	
27	City Franchise Tax	0		63	63	
28	Total Local Taxes	0	0	1,435,157	1,303,232	
29						
30						
31						
32						
33						
34						
35						
36						
37						
38	TOTAL	(79,410)	0	6,581,179	6,154,951	

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

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

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

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

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

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

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

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
Taxes Accrued (Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustment to Ret. Earnings (Account 439) (k)	Other (l)	
(125,120)	0	261,446			242,577	1
1,034	0	3,128			31,696	2
0	0	0			0	3
0	0	0			0	4
0	0	151,759			327,413	5
(124,086)	0	416,333			601,686	6
						7
						8
(32,650)	0	44,335			41,522	9
0	0	(7,154)			0	10
0	0	0			0	11
0	0	0			0	12
143,198	0	945,292			0	13
0	0	0			0	14
227,823	0	27,716			0	15
0	0	0			0	16
0	0	0			0	17
0	0	0			0	18
608	0	1,211			13,305	19
0	0	0			0	20
338,979		1,011,400			54,827	21
						22
0	0	0			0	23
131,925	0	462,039			0	24
0	0	513			0	25
0	0	0			0	26
131,925	0	462,552			0	27
						28
						29
						30
						31
						32
						33
						34
						35
						36
346,818	0	1,890,285			656,513	37
						38

ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

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

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

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%	(493)			411.4	64	
3	4%	9,135			411.4	5,511	
4	7%	0				-	
5	8 & 10%	398,821			411.4	53,472	
6	Prior Period Adjustment	(7,769)				-	
7							
8	TOTAL	399,694		0		59,047	
9	Other List separately						
10	and show 3%, 4%, 7%,						
11	10% and TOTAL						
12							
13	Gas Utility						
14	3%	2,670			4110.4	1,512	
15	4%	13,047			4110.4	2,655	
16	7%	0				0	
17	8 & 10%	448,275			4110.4	38,427	
18	Prior Period Adjustment	(49)					
19							
20	TOTAL	463,943		0		42,594	
21							
22	Water Utility						
23	3%	325			4110.4	112	
24	4%	1,524			4110.4	217	
25	7%	0				0	
26	8 & 10%	91,941			4110.4	6,602	
27	Prior Period Adjustment	23					
28							
29	TOTAL	93,813		0		6,931	
30							
31	TOTAL UTILITIES	957,450		0		108,572	0
32							
33							
34							
35							
36							
37							
38							
39							
40							
41							
42							
43							
44							

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

Balance at End Year (h)	Average Period of Allocation to Income (i)	Adjustment Explanation	Line No.
(557)	28 YEARS		1
3,624	28 YEARS		2
0			3
345,349	28 YEARS		4
(7,769)			5
			6
			7
340,647			8
			9
			10
			11
			12
1,158	35 YEARS		13
10,392	35 YEARS		14
0			15
409,848	35 YEARS		16
(49)			17
			18
			19
421,349			20
			21
			22
213	34 YEARS		23
1,307	34 YEARS		24
0			25
85,339	34 YEARS		26
23			27
			28
86,882			29
			30
			31
848,878			32
			33
			34
			35
			36
			37
			38
			39
			40
			41
			42
			43
			44

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

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

Line No.	Description of Other Deferred Credit (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Over Recovery of Fuel Adjustment-Electric	1,287,651	456.1	1,287,660	815,151	815,142
2	(Amortized over succeeding six month		456.11			
3	period)					
4						
5	Over Recovery of Fuel Adjustment-Gas	0	495.1	934,522	2,768,489	1,833,967
6	(Amortized over succeeding twelve month		495			
7	period)					
8						
9	Environmental Insurance Proceeds	4,595,291	1860.1	0	0	4,595,291
10						
11	Over Recovery Conservation (Electric)	0	456.6	0	24,378	24,378
12						
13	Over Recovery Conservation (Gas)	0	495.7	0	265,754	265,754
14						
15	Over Recovery Unbundling (Gas)	0	495.8	0	55,407	55,407
16						
17	Gain on Sale of Property	27,922	4030.1	14,400	0	13,522
18						
19	Other Deferred Credit - Cashier	(572)		6,938	7,510	0
20	Overage/Shortage					
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42	TOTAL	\$5,910,292		\$2,243,520	\$3,936,689	\$7,603,461
43						
44						

ACCUMULATED DEFERRED INCOME TAXES-OTHER PROPERTY (Account 282)

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

Line No.	Account Subdivisions	CHANGES DURING YEAR		
		Balance at Beginning of Year	Amounts Debited (Account 410.1)	Amounts Credited (Account 411.1)
	(a)	(b)	(c)	(d)
1	Account 282			
2	Electric	3,698,180	(77,532)	
3	Gas	5,144,631	203,720	
4	Other - Water	(32,314)	(10,170)	
	Account 282			
5	TOTAL (Lines 2 thru 4)	8,810,497	116,018	0
6	Other (Specify)			
7				
8				
9	TOTAL Account 282 (Lines 5 thru 8)	\$8,810,497	\$116,018	\$0
10	Classification of TOTAL			
11	Federal Income Tax	7,710,372	91,297	
12	State Income Tax	1,100,125	24,721	
13	Local Income Tax			
	Total	8,810,497	116,018	

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

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

CHANGES DURING YEAR			ADJUSTMENTS			Balance at End of Year	Line No.
Amounts Debited (Account 410.2)	Amounts Credited (Account 411.2)		Credits	Debits			
(e)	(f)	Acct. Debited (g)	Amount (h)	Acct. Credited (i)	Amount (j)	(k)	
			17,236		0	3,637,884	1
			0		29,755	5,318,596	2
			3,930		0	(38,554)	3
0	0		21,166		29,755	8,917,926	4
						0	5
						0	6
						0	7
						0	8
\$0	\$0		\$21,166		\$29,755	\$8,917,926	9
			21,166		29,755	7,793,080	10
						1,124,846	11
			21,166		29,755	8,917,926	12
							13

ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. For Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account Subdivisions	Balance at Beginning of Year (b)	CHANGES DURING THE YEAR	
			Amounts Debited (Account 410.1) (c)	Amounts Credited (Account 411.1) (d)
1	Account 283			
2	Electric			
3	Underrecoveries	260,276	59,402	
4	Pension Costs	80,417	1,685	
5	Conservation Costs	3,144	13,318	
6	Loss on Reacquired Debt	54,347	(3,175)	
7	Underrecoveries	0	0	
8	Rate Case	0	0	
9	Depreciation Study	203	(203)	
10				
11	TOTAL Electric (Total Lines 3-9)	398,387	71,027	0
12				
13				
14	Gas			
15	Underrecoveries	537,472	(537,472)	
16	Pension Costs	121,911	(16,894)	
17	Loss on Reacquired Debt	58,013	(4,565)	
18	Deltona Repairs	0	8,251	
19	Rate Case	0	0	
20	Conservation Cost	40,288	78,701	
21	Depreciation Study	0	0	
22	Odorizer	911	(455)	
23	AEP	0	72,844	
24	Unbundled	15,902	16,977	
25				
26	TOTAL Gas (Total Lines 15 - 23)	774,497	(382,613)	0
27	Other - Water	36,697	1,156	0
28				
29	TOTAL Account 283 (Total lines 11, 25 and 26)	\$1,209,581	(\$310,430)	\$0
30				
31				
32	Classification of TOTAL			
33	Federal Income Tax	1,032,788	(265,186)	
34	State Income Tax	176,793	(45,244)	
35	Local Income Tax			

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

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

4. Use footnotes required.

Amounts Debited (Account 410.2) (e)	Amounts Credited (Account 411.2) (f)	Debits		Credits		Balance at End of Year (k)	Line No.
		Acct. Credited (g)	Amount (h)	Acct. Debited (i)	Amount (j)		
							1
							2
0	0					319,678	3
0	0					82,102	4
0	0					16,462	5
0	0					51,172	6
0	0					0	7
0	0					0	8
						0	9
							10
0	0		0		0	469,414	11
							12
							13
						0	14
			0			105,017	15
						53,448	16
						8,251	17
0	0		0			0	18
						0	19
						118,989	20
						0	21
						456	22
						72,844	23
						32,879	24
							25
0	0		0		0	391,884	26
0	0		0		0	37,853	27
							28
							29
\$0	\$0		\$0		\$0	\$899,151	30
							31
							32
0	0					767,602	33
0	0		0		0	131,549	34
						0	35

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)	DEBITS		Credits (d)	Balance End of Year (e)
		Account Credited (b)	Amount (c)		
1	See Page 274				
2					
3					
4					
5					
6					
7					
8					
9					
10					
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39					
40					

ELECTRIC OPERATING REVENUES (Account 400)

1. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
 2. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be

counted for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.

3. If increases or decreases from previous year (columns (c), (e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.

OPERATING REVENUES			
Line No.	Title of Account (a)	Amount for Year (b)	Amount for Previous Year (c)
1	Sales of Electricity		
2	(440) Residential Sales	\$18,436,899	\$18,240,187
3	(442) Commercial and Industrial Sales	-	-
4	Small (or Commercial)	3,830,743	10,521,043
5	Large (or Industrial)	14,939,615	9,451,493
6	(444) Public Street and Highway Lighting	229,664	233,358
7	(445) Other Sales to Public Authorities	584,280	397,058
8	(456.3) Unbilled Revenues	49,680	136,246
9	(448) Interdepartmental Sales	138,893	129,743
10			
11	TOTAL Sales to Ultimate Consumers	38,209,774	39,109,128
12	(447) Sales for Resale		
13			
14	TOTAL Sales of Electricity	38,209,774	39,109,128
15	(Less) (449.1) Provision for Rate Refunds	6,155	(313,720)
16			
17	TOTAL Revenue Net of Provision for Refunds	38,215,929	38,795,408
18	Other Operating Revenues		
19	(450) Forfeited Discounts	133,708	(609)
20	(451) Miscellaneous Service Revenues	130,780	119,505
21	(453) Sales of Water and Water Power	-	-
22	(454) Rent from Electric Property	107,033	102,803
23	(455) Interdepartmental Rents	-	-
24	(456.2) Other Electric Revenues	14,050	5,557
25	(456.1) Overrecoveries Purchase Electric	472,509	294,439
26	(456.6) Overrecoveries Conservation	(24,378)	(13,019)
27			
28			
29	TOTAL Other Operating Revenues	833,702	508,676
30			
31	TOTAL Electric Operating Revenues	\$39,049,631	\$39,304,084

ELECTRIC OPERATING REVENUES (Account 400) (Continued)

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

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

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

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

MEGAWATT HOURS SOLD		AVERAGE NUMBER OF CUSTOMERS PER MONTH		Line No.
Amount for Year (d)	Amount for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	
310,687	305,401	21,866	21,484	1
				2
57,732	200,181	3,092	3,366	3
339,484	228,962	586	159	4
1,720	1,952	36	58	5
11,753	7,444	247	228	6
4,221	11,893	0	0	7
3,019	2,899	6	3	8
				9
728,616	758,732	25,833	25,298	10
				11
728,616	758,732	25,833	25,298	12
				13
728,616	758,732	25,833	25,298	14
				15
728,616	758,732	25,833	25,298	16
				17
				18
				19
				20
				21
				22
				23
				24
				25
				26
				27
				28
				29
				30
				31

SALES OF ELECTRICITY BY RATE SCHEDULES

1. Report below for each rate schedule in effect during the year the 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	*					
2						
3						
4						
5						
6						
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27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40	Total Billed	724,395,000	38,160,094	25,833	28,041.5	0.053
41	Total Unbilled Rev.	4,221,000	49,680			
42	Rate Refund		6,155			
43	TOTAL	728,616,000	38,215,929	25,833	28,204.9	0.053

ELECTRIC OPERATION AND MAINTENANCE EXPENSES

Account	Amount for Current Year	Amount for Previous Year
(a)	(b)	©
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	-	-

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

Account		Amount for Current Year	Amount for Previous Year
50	C. Hydraulic Power Generation (Continued)		
51	Maintenance		
52	(541) Maintenance Supervision and Engineering	-	-
53	(542) Maintenance of Structures	-	-
54	(543) Maintenance of Reservoirs, Dams, and Waterways	-	-
55	(544) Maintenance of Electric Plant	-	-
56	(545) Maintenance of Miscellaneous Hydraulic Plant	-	-
57	TOTAL Maintenance	-	-
58	TOTAL Power Production Expenses-Hydraulic Power	-	-
59	D. Other Power Generation		
60	Operation		
61	(546) Operation Supervision and Engineering	-	-
62	(547) Fuel	-	-
63	(548) Generation Expenses	-	-
64	(549) Miscellaneous Other Power Generation Expenses	-	-
65	(550) Rents	-	-
66	TOTAL Operation	-	-
67	Maintenance		
68	(551) Maintenance Supervision and Engineering	-	-
69	(552) Maintenance of Structures	-	-
70	(553) Maintenance of Generating and Electric Plant	-	-
71	(554) Maintenance of Miscellaneous Other Power Generation Plant	-	-
72	TOTAL Maintenance	-	-
73	TOTAL Power Production Expenses-Other Power	-	-
74	E. Other Power Supply Expenses		
75	(555) Purchased Power	25,289,869	26,174,132
76	(556) System Control and Load Dispatching	-	-
77	(557) Other Expenses	-	-
78	TOTAL Other Power Supply Expenses	25,289,869	26,174,132
79	TOTAL Power Production Expenses	25,289,869	26,174,132
80	2. TRANSMISSION EXPENSES		
81	Operation		
82	(560) Operation Supervision and Engineering	-	-
83	(561) Load Dispatching	-	-
84	(562) Station Expenses	13,382	20,251
85	(563) Overhead Line Expenses	-	-
86	(564) Underground Line Expenses	-	-
87	(565) Transmission of Electricity by Others	-	-
88	(566) Miscellaneous Transmission Expenses	110	1,596
89	(567) Rents	-	-
90	TOTAL Operation	13,492	21,847
91	Maintenance		
92	(568) Maintenance Supervision and Engineering	-	-
93	(569) Maintenance of Structures	-	-
94	(570) Maintenance of Station Equipment	76,730	15,613
95	(571) Maintenance of Overhead Lines	33,496	45,861
96	(572) Maintenance of Underground Lines	-	-
97	(573) Maintenance of Miscellaneous Transmission Plant	-	-
98	TOTAL Maintenance	110,226	61,474
99	TOTAL Transmission Expenses	123,718	83,321
100	3. DISTRIBUTION EXPENSES		
101	Operation		
102	(580) Operation Supervision and Engineering	254,604	231,812
103	(581) Load Dispatching	319	273

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	14,289	13,586
107	(583) Overhead Line Expenses	69,646	84,363
108	(584) Underground Line Expenses	11,773	19,449
109	(585) Street Lighting and Signal System Expenses	17,309	14,682
110	(586) Meter Expenses	193,147	185,623
111	(587) Customer Installations Expenses	76,044	73,512
112	(588) Miscellaneous Distribution Expenses	171,513	166,326
113	(589) Rents	5,482	695
114	TOTAL Operation	814,126	790,321
115	Maintenance		
116	(590) Maintenance Supervision and Engineering	57,697	51,251
117	(591) Maintenance of Structures	21,825	15,597
118	(592) Maintenance of Station Equipment	119,929	40,047
119	(593) Maintenance of Overhead Lines	934,967	973,611
120	(594) Maintenance of Underground Lines	138,058	130,706
121	(595) Maintenance of Line Transformers	108,716	109,964
122	(596) Maintenance of Street Lighting and Signal Systems	26,368	13,927
123	(597) Maintenance of Meters	25,423	17,262
124	(598) Maintenance of Miscellaneous Distribution Plant	38,013	34,325
125	TOTAL Maintenance	1,470,996	1,386,690
126	TOTAL Distribution Expenses	2,285,122	2,177,011
127	4. CUSTOMER ACCOUNTS EXPENSES		
128	Operation		
129	(901) Supervision	104,723	90,017
130	(902) Meter Reading Expenses	207,885	207,512
131	(903) Customer Records and Collection Expenses	670,029	683,059
132	(904) Uncollectible Accounts	99,147	73,890
133	(905) Miscellaneous Customer Accounts Expenses	75,120	53,809
134	TOTAL Customer Accounts Expenses	1,156,904	1,108,287
135	5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
136	Operation		
137	(907) Supervision	81,647	69,251
138	(908) Customer Assistance Expenses	144,858	171,482
139	(909) Informational and Instructional Expenses	101,526	62,743
140	(910) Miscellaneous Customer Service and Informational Expenses	(29,751)	(67,426)
141	TOTAL Cust. Service and Informational Expenses	298,280	236,050
142	6. SALES EXPENSES		
143	Operation		
144	(911) Supervision	-	-
145	(912) Demonstrating and Selling Expenses	76	-
146	(913) Advertising Expenses	2,689	1,719
147	(916) Miscellaneous Sales Expenses	-	-
148	TOTAL Sales Expenses	2,765	1,719
149	7. ADMINISTRATIVE AND GENERAL EXPENSES		
150	Operation		
151	(920) Administrative and General Salaries	808,809	435,001
152	(921) Office Supplies and Expenses	184,731	153,648
153	(Less) (922) Administrative expenses Transferred-Cr.	-	-
154	(923) Outside Services Employed	63,563	57,404
155	(924) Property Insurance	150,330	139,463
156	(925) Injuries and Damages	183,073	222,278
157	(926) Employee Pensions and Benefits	217,924	149,568

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

Account	Amount for Current Year	Amount for Previous Year
157 7. ADMINISTRATIVE AND GENERAL EXPENSES		
158 (927) Franchise Requirements	-	-
159 (928) Regulatory Commission Expenses	2,520	2,864
160 (Less) (929) Duplicate Charges-Cr.	-	-
161 (930.1) General Advertising Expenses	742	318
162 (930.2) Miscellaneous General Expenses	78,321	83,208
163 (931) Rents	3,328	2,124
164 TOTAL Operation	1,693,341	1,245,876
165 Maintenance		
166 (935) Maintenance of General Plant	53,510	61,013
167 TOTAL Administrative and General Expenses	1,746,851	1,306,889
168 TOTAL Electric Operation and Maintenance Expenses	30,903,509	31,087,409

NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES

1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.
2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special construction employees in a footnote.
3. The number of employees assignable to the electric department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the electric department from joint functions.

1 Payroll Period Ended (Date)	10/28/01
2 Total Regular Full-Time Employees (Equivalent Employees from joint functions -6)	88
3 Total Part-Time and Temporary Employees	-
4 Total Employees	88

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.

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

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

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

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

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

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

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

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

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

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

Megawatthours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	Megawatthours Received (h)	Megawatthours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) or Settlement (\$) (m)	
452,848			5,787,986	475,490	8,357,740	14,621,216	1
1,523				28,485	(1,200)	27,285	2
309,734			4,211,970	384,771	6,201,287	10,798,028	3
							4
							5
							6
							7
							8
							9
							10
							11
							12
							13
764,105			9,999,956	888,746	14,557,827	25,446,529	14

Florida Public Utilities Company		An Original	December 31, 2001
MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (Electric)			
Line No.	Description (a)	Amount (b)	
1	Industry Association Dues	\$4,957	
2			
3	Nuclear Power Research Expenses		
4			
5	Other Experimental and General Research Expenses		
6			
7	Publishing and Distributing Information and		
8	Reports to Stockholders; Trustee, Registrar, and		
9	Transfer Agent Fees and Expenses, and Other		
10	Expenses of Servicing Outstanding Securities		
11	of the Respondent	39,875	
12			
13	Other Expenses (List items of \$5000 or more in		
14	this column showing the (1) purpose, (2) recipient		
15	and (3) amount of such items. Group amounts of		
16	less than \$5,000 by classes if the number of items		
17	so grouped is shown)		
18			
19	Chamber of Commerce (3 items)	663	
20	Director fees and expenses (40 items)	11,588	
21	Miscellaneous Expense (99 items)	11,053	
22	Economic Development	10,190	
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	\$78,326	

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	0			
2	Steam Production Plant	0			
3	Nuclear Production Plant	0			
4	Hydraulic Production Plant-Conventional	0			0
5	Hydraulic Production Plant-Pumped Storage**	(14,400)			(14,400)
6	Other Production Plant *	0			0
7	Transmission Plant	152,926			152,926
8	Distribution Plant	1,774,733			1,774,733
9	General Plant	157,020			157,020
10	Common Plant-Electric *	62,669			62,669
11	TOTAL***	\$2,132,948	\$0	\$0	\$2,132,948

B. Basis for Amortization Charges

* Not included on page 219, Line 3.

** Amortization of deferred gain on sale of hydro plant.

*** Depreciation expense is different from change in reserve (\$2,132,826) by \$122 relating to miscellaneous adjustments.

FLORIDA PUBLIC UTILITIES COMPANY				An Original			
DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation Charges							
Line	Account	Depreciable	Estimated	Net Salvage	Applied	Monthly Curve	Average
No.	No.	Plant Base	Avg. Service	(Percent)	Depr. Rate(s)	Type	Remaining
	(a)	(In thousands)	Life	(d)	(Percent)	(f)	Life
		(b)	(c)		(e)		(g)
12			MARIANNA DIVISION				
13							
14							
15	331	4,822	N/A	4 Year Recovery Schedule			
16	332	61,479	N/A	4 Year Recovery Schedule			
17	333	98,267	N/A	4 Year Recovery Schedule			
18	334	62,084	N/A	4 Year Recovery Schedule			
19	335	375	N/A	4 Year Recovery Schedule			
20							
21	360	22,841	N/A		1.8		50.0
22	361	8,614	N/A		2.2		29.0
23	362	752,334	N/A	(10)	3.0		23.0
24	364	3,272,761	N/A	(20)	4.1		21.0
25	365	3,817,877	N/A	(10)	3.9		18.9
26	366	109,340	N/A		1.9		41.0
27	367	300,351	N/A		2.9		27.0
28	368	3,727,180	N/A	(10)	4.2		16.0
29	369	1,473,665	N/A	(15)	4.3		19.4
30	370	831,754	N/A	(10)	4.2		13.8
31	371	328,909	N/A	20	7.1		9.4
32	373	169,806	N/A	5	5.7		13.5
33							
34	390	687,132	N/A	(5)	2.2		44.0
35	391.1	17,807		7 Years Amortization			
36	391.2	13,056		7 Years Amortization			
37	391.3	34,651		5 Years Amortization			
38	392.1	46,885	N/A	15	17.0		2.0
39	392.2	114,737	N/A	10	13.9		3.5
40	392.3	615,236	N/A	10	8.2		7.5
41	392.4	11,672	N/A	5	3.5		18.6
42	393.1	16,796	N/A		3.3		22.0
43	393.2	547		7 Years Amortization			
44	394.1	13,319	N/A		4.2		14.9
45	394.2	27,462		7 Years Amortization			
46	395.1	16,904	N/A		3.6		14.3
47	395.2	9,193		7 Years Amortization			
48	396	60,638	N/A	10	7.1		7.8
49	397	57,173	N/A		5.3		3.1
50	398	3,343		7 Years Amortization			
51							
52							
53							
54							
55							
56							
57							
58							
59							
60							
61							
62							
63							

FLORIDA PUBLIC UTILITIES COMPANY				An Original			
DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation Charges							
Line	Account	Depreciable	Estimated	Net Salvage	Applied	Monthly Curve	Average
No.	No.	Plant Base	Avg. Service	(Percent)	Depr. Rate(s)	Type	Remaining
	(a)	(In thousands)	Life	(d)	(e)	(f)	(g)
	(b)	(c)					
64				FERNANDINA BEACH			
65							
66							
67	341	0					
68	342	0					
69	343	0					
70	344	0					
71	346	0					
72							
73	350	56,519		0	2.1		27.0
74	352	17,304	45	0	2.1		32.0
75	353	1,780,065	40	10	2.5		23.0
76	354	248,395	50	(10)	1.8		28.0
77	355	1,381,300	25	(20)	3.8		27.0
78	356	931,383	35	(10)	3.1		23.0
79	359	1,961	55	0	3.9		18.9
80							
81	360	188		0	5.0		19.9
82	361	33,577	44	0	2.2		23.0
83	362	1,456,419	23	10	3.9		17.7
84	364	1,279,531	25	(10)	4.9		18.3
85	365	2,358,377	33	(15)	4.5		21.0
86	366	965,825	50	0	2.0		40.0
87	367	1,817,435	30	0	2.8		23.0
88	368	3,753,926	29	(35)	4.4		17.8
89	369	2,072,020	20	(20)	3.8		25.0
90	370	1,369,322	38	(20)	3.5		16.9
91	371	186,970	18	5	6.1		7.6
92	373	290,773	22	0	4.3		15.3
93							
94	390	406,628	64	0	2.0		32.0
95	391.1	20,517		7 Year Amortization			
96	391.2	17,081		7 Year Amortization			
97	391.3	41,659		5 Year Amortization			
98	392.1	44,541	5	15	6.1		4.2
99	392.2	227,105	7	20	13.0		2.9
100	392.3	477,806	12	10	8.4		8.5
101	392.4	14,075	25	0	2.6		12.6
102	393.1	20,488	27	0	4.4		8.5
103	393.2	3,251		7 Year Amortization			
104	394.1	11,323	0	0	3.5		26.0
105	394.2	43,890		7 Year Amortization			
106	395.1	14,660	0	0	3.5		22.0
107	395.2	17,688		7 Year Amortization			
108	396	93,087	5	0	4.2		5.3
109	397	87,250	0	0	8.1		4.4
110	398	25,767		7 Year Amortization			
111							
112							
113							
114							
115							

December 31, 2001

**PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND
INTEREST CHARGES ACCOUNTS**

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

(a) Miscellaneous Amortization (Account 425) - Describe the nature of items included in this account, the contra account charged, the total of amortization charged for the year, and the period of amortization.

(b) Miscellaneous Income Deductions - Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2 Life Insurance; 426.3 Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than \$25,000 may be grouped by classes within the above accounts.

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

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

Line No.	Item (a)	Amount (b)
1	Account 425: Miscellaneous Amortization	None
2		
3	Account 426: Miscellaneous Income Deductions	
4	426.11 Charitable Contributions: Inside Service Area	7,651
5	426.12 Charitable Contributions: Outside Service Area	1,153
6	426.13 Civic and Social Club Dues	3,337
7	426.3 Penalties	8,072
8	426.4 Expenditures for Lobbying and Other Politically Related Activities	106
9	426.5 Other	
10	Chamber of Commerce	3,716
11	TOTAL MISCELLANEOUS INCOME DEDUCTIONS	24,034
12		
13		
14	Account 430: Interest on Debt to Associated Company	
15	Accounts Payable at 4.844% (12 mo. avg. of the interest rates applied)	(98,713)
16		
17		
18	Account 431: Other Interest Expense	
19	431.1 Interest on Customer Deposits	198,047
20	431.2 Interest on Notes Payable	826,494
21	431.3 Interest on Miscellaneous	0
22	TOTAL OTHER INTEREST EXPENSE	1,024,541
23		
24		
25		
26		
27		

REGULATORY COMMISSION EXPENSES

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

2. 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 in its				
2	filings for Marianna. Docket Number				
3	970537-EI		2,156	2,156	539
4					
5	All expenses incurred by the company in its				
6	filings for Rate Relief for water. Docket				
7	Number 990535-WU		40,096	40,096	32,578
8					
9	All expenses incurred by the company in its				
10	Limited proceedings for the water division.				
11	Docket Number 001806-WU		11,954	11,954	2,298
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
41					
46	TOTAL		54,206	54,206	35,415

REGULATORY COMMISSION EXPENSES (Continued)

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

or other accounts.

4. The totals of columns (f), (g) and (h) expenses incurred during year which were charged currently to income, plant

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

EXPENSES INCURRED DURING YEAR							Line No.
CHARGED CURRENTLY TO Department (f)	Account No. (g)	Amount (h)	Deferred to Account 186 (i)	AMORTIZED DURING YEAR Contra Account (j)	Amount (k)	Deferred in Account 186 End of Year (l)	
Electric - 3900				928	539		1
							2
							3
							4
							5
Water - 15261		6,194	6,194	928	7,518	31,254	6
							7
							8
							9
Water - 3370		9,656	9,656	928 & 6668	1,746	10,208	10
							11
							12
							13
							14
							15
							16
							17
							18
							19
							20
							21
							22
							23
							24
							25
							26
							27
							28
							29
							30
							31
							32
							33
							34
							35
							36
							37
							39
							42
		15,850	15,850		9,803	41,462	46

DISTRIBUTION OF SALARIES AND WAGES

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

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	Operation			
3	Production	-		
4	Transmission	7,778		
5	Distribution	519,363		
6	Customer Accounts	576,920		
7	Customer Service and Informational	141,228		
8	Sales	-		
9	Administrative and General	21,284		
10	TOTAL Operation (Enter Total of lines 3 thru 9)	1,266,572		
11	Maintenance			
12	Production			
13	Transmission	25,863		
14	Distribution	763,048		
15	Administrative and General	2,072		
16	TOTAL Maintenance (Enter Total of lines 12 thru 15)	790,983		
17	Total Operation and Maintenance			
18	Production (Enter Total of lines 3 and 12)			
19	Transmission (Enter Total of lines 4 and 13)	33,641		
20	Distribution (Enter Total of lines 5 and 14)	1,282,411		
21	Customer Accounts (Transcribe from line 6)	576,920		
22	Customer Service and Information (Transcribe from line 7)	141,228		
23	Sales (Transcribe from line 8)			
24	Administrative and General (Enter Total of lines 9 and 15)	23,356		
25	TOTAL Operation and Maintenance (Total of lines 18 - 24)	2,057,555	535,065	2,592,620
26	Gas			
27	Operation			
28	Production - Manufactured Gas	-		
29	Production - Natural Gas (Including Expl. and Dev.)			
30	Other Gas Supply	79,883		
31	Storage, LNG Terminating and Processing			
32	Transmission			
33	Distribution	1,881,221		
34	Customer Accounts	829,263		
35	Customer Service and Informational	82,264		
36	Sales	879,411		
37	Administrative and General	57,714		
38	TOTAL Operation (Enter Total of lines 28 thru 37)	3,809,756		
39	Maintenance			
40	Production - Manufactured Gas			
41	Production - Natural Gas			
42	Other Gas Supply			
43	Storage, LNG Terminating and Processing			
44	Transmission	-		
45	Distribution	463,976		
46	Administrative and General	10,114		
47	TOTAL Maintenance (Enter Total of lines 40 thru 46)	474,090		

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)	79,883		
52	Storage, LNG, Terminating and Processing (Total of lines 31 and 43)			
53	Transmission (Enter Total of lines 32 and 44)			
54	Distribution (Enter Total of lines 33 and 45)	2,345,197		
55	Customer Accounts (Transcribe from line 34)	829,263		
56	Customer Service and Informational (From line 35)	82,264		
57	Sales (Transcribe from line 36)	879,411		
58	Administrative and General (Total of lines 37 and 46)	67,828		
59	TOTAL Operation and Maint. (Total of lines 49 thru 58)	4,283,846	1,051,020	5,334,866
60	Other Utility Departments - Water			
61	Operation and Maintenance	434,596	95,547	530,143
62	TOTAL All Utility Dept. (Total of lines 25,59, and 61)	6,775,997	1,681,632	8,457,629
63	Utility Plant			
64	Construction (By Utility Departments)			
65	Electric Plant	769,403		769,403
66	Gas Plant	934,362		934,362
67	Other - Water & Common	152,648		152,648
68	TOTAL Construction (Enter Total of lines 65 thru 67)	1,856,413	-	1,856,413
69	Plant Removal (By Utility Department)			
70	Electric Plant	87,498		87,498
71	Gas Plant	132,458		132,458
72	Other - Water	2,823		2,823
73	TOTAL Plant Removal (Enter Total of lines 70 thru 72)	222,779		222,779
74	Other Accounts (Specify):			
75				
76	Other Accounts Receivable/Employee	246,703		246,703
77	Merchandise			-
78	Temporary Facilities	19,105		19,105
79	Stores Expense	346,653		346,653
80	Clearing Accounts	202,939		202,939
81	Miscellaneous Deferred Debits	153,778		153,778
82	Merchandise and Jobbing	793,990		793,990
83	Taxes Other Than Income Taxes-Electric	(93,168)		(93,168)
84	Taxes Other Than Income Taxes-Gas	(269,222)		(269,222)
85	Taxes Other Than Income Taxes-Water	(10,024)		(10,024)
86	Vacation Pay	(55,438)		(55,438)
87	Non-Operating and Rental Income	-		-
88	Other Accounts Receivable	1,876,884	229,314	2,106,197
89				
90				
91				
92				
93				
94				
95	TOTAL Other Accounts	3,212,199	229,314	3,441,512
96	TOTAL SALARIES AND WAGES	12,067,388	1,910,946	13,978,334

COMMON UTILITY PLANT AND EXPENSES

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

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

allocation and factors used.

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

\$341,926

Structures & Improvements

2,074,959

Office Furniture & Equipment

2,292,078

Communications Equipment

134,861

 \$4,843,823

Account 119: Accumulated Provision for Depreciation
of Common Utility Plant

 \$875,690

SEE ATTACHED SCHEDULES FOR ALLOCATIONS

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

FLORIDA PUBLIC UTILITIES COMPANY
ALLOCATION OF COMMON UTILITY PLANT
AS OF JUNE 30, 2000

<u>Description</u>	<u>Amount</u>	<u>Allocation of Land & Structures & Improvements</u>	<u>Allocation Per Study Sq. Footage</u>	<u>Allocation Per Study %</u>	<u>Common Land & Structures</u>
Land	\$341,926	Common - All Divisions	17,255	60.3%	1,420,321
Structures & Improvements	2,013,497	Local - WPB*	10,247	35.8%	843,241 (A)
Sub-Total	2,355,423	Local - Merchandising	1,118	3.9%	91,861 (B)
		Total	28,620	100.00%	2,355,423
Office Furniture & Equipment	15,809	Total Common Land & Structures & Improvements			\$2,355,423
Office Machines	62,855				
EDP Equipment	1,364,203				
Transportation Equipment-Cars	119,646				
Communication Equipment	111,090				
Total Common Plant	\$4,029,026				
<u>Allocation of Local - WPB*</u>					
6/30/2000 12 mos. Ave. Customers	Allocation Per Study %	Common Land & Structures			
28,751	83.5%	704,106			
5,694	16.5%	139,135			
34,445	100.0%	843,241 (A)			
FPUC					
Flo - Gas (Non-Regulated)					
Total					
		Common Plant (1180)	4,029,026		
		Less Direct to WPB	935,102 (A+B)		
		Remaining Common	3,093,924		
		Less EDP to allocated	1,364,203		
		Remaining Common Excl. EDP to allocate	1,729,721		

		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)		
Allocation of Utility Plant		Utility Plant	Acquisition	Direct	Water	Sub-Total	Allocation	Remaining	Common	Adj.	Consolidated
All Division		(101,106,107)	(114)	Loc & Mer	(2710)	(A+B+C+D)	%	Common	Equip	(E+G+H)	Allocation
											%
Florida Public Utilities Co.											
Marianna		\$23,164,386	\$3,691			\$23,168,077	18%	\$311,350	\$190,988	\$23,670,415	19%
Fernandina (E)		29,218,964				29,218,964	24%	415,133	204,630	29,838,727	23%
West Palm Beach		41,061,142	(29,523)	704,106		41,735,725	34%	588,105	463,829	42,787,659	34%
Central Florida		13,589,713	332,922			13,922,635	11%	190,269	231,915	14,344,819	11%
Fernandina (W)		13,589,726			(3,959,465)	9,630,261	8%	138,378	109,136	9,877,775	8%
Merchandising		0		91,861		91,861	0%	-	27,284	119,145	0%
Garbage and Sewer						-	0%	-	0	0	0%
Flo - Gas Corporation											
West Palm Beach		4,419,975		139,135		4,559,110	4%	69,189	95,494	4,723,793	4%
Central Florida		1,615,299				1,615,299	1%	17,297	40,926	1,673,522	1%
Fernandina		37,042				37,042	0%	-	0	37,042	0%
Total		\$126,696,247	\$307,090	935,102	(3,959,465)	\$123,978,974	100%	1,729,721	1,364,202	127,072,897	100%

		Total	Allocation
Common			%
502,339			13%
619,763			15%
1,756,040			44%
422,184			10%
247,514			6%
119,145			3%
0			0%
303,818			8%
58,223			1%
0			0%
4,029,026			100%

		EDP Equipment			Remaining Common		
Customers		Allocation	Common	FPUC	Remaining	Direct	Total
12 mos. Ave.		%	EDP	Allocation	Common	Common	Common
6/30/2000				%			
11,935		14%	190,988	16%	311,350	-	311,350
13,021		15%	204,630	17%	415,133	-	415,133
28,751		34%	463,829	39%	588,105	704,106	1,292,211
14,752		17%	231,915	19%	190,269	-	190,269
6,647		8%	109,136	9%	138,378	-	138,378
1,591		2%	27,284		0	91,861	91,861
173		0%	0		0	-	0
5,694		7%	95,494		69,189	139,135	208,324
2,668		3%	40,926		17,297	-	17,297
30		0%	0		0	-	0
85,232		100%	1,364,202	100%	1,729,721	935,102	2,664,823
Total							

		Total	Allocation
Common			%
502,339			13%
619,763			15%
1,756,040			44%
422,184			10%
247,514			6%
119,145			3%
0			0%
303,818			8%
58,223			1%
0			0%
4,029,026			100%

		Total	Allocation
Common			%
502,339			13%
619,763			15%
1,756,040			44%
422,184			10%
247,514			6%
119,145			3%
0			0%
303,818			8%
58,223			1%
0			0%
4,029,026			100%

		Total M & J	Total M & J	Total M & J
Allocation		Common	Remain	Comm
%				
67.0%		18,280	61,547	79,827
33.0%		9,004	30,314	39,318
0.0%		0	0	0
100.0%		27,284	91,861	119,145

		Total M & J	Total M & J	Total M & J
Allocation		Common	Remain	Comm
%				
67.0%		18,280	61,547	79,827
33.0%		9,004	30,314	39,318
0.0%		0	0	0
100.0%		27,284	91,861	119,145

	Materials & Supplies			Note 2	Note 3
	Adj. Plant	SJ 45-69	Total	Allocation %	Allocation 80%
Florida Public Utilities Co.					
Marianna	23,670,415	251,269	23,921,684	19%	15%
Fernandina (E)	29,838,727	632,417	30,471,144	24%	19%
West Palm Beach	42,787,659	210,607	42,998,266	34%	27%
Central Florida	14,344,819	244,813	14,589,632	12%	10%
Fernandina (W)	13,837,240	102,775	13,940,015	11%	9%
Total	124,478,860	1,441,881	125,920,741	100%	80%

	Note 1	Note 3	Note 4
	Allocation %	Allocation 70%	Allocation 20%
Florida Public Utilities Co.			
Marianna	18%	11%	3%
Fernandina (E)	24%	17%	5%
West Palm Beach	34%	24%	7%
Central Florida	11%	8%	2%
Fernandina (W)	8%	6%	2%
Merchandising	0%	0%	0%
Garbage and Sewer	0%	0%	0%
Flo - Gas Corporation			
West Palm Beach	4%	3%	1%
Central Florida	1%	1%	0%
Fernandina	0%	0%	0%
Total	100%	70%	20%

FLORIDA PUBLIC UTILITIES COMPANY	An Original	December 31, 2001
ELECTRIC ENERGY ACCOUNT		
Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged, and wheeled during the year.		

Line No.	Item (a)	Megawatt Hours (b)	Line No.	Item (a)	Megawatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	724,395
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)	853
7	Other		27	Total Energy Losses	14,716
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	739,964
9	Net Generation (Enter Total of lines 3 thru 8)	0			
10	Purchases	739,964			
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)	739,964			

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 ©	MONTHLY PEAK		
				Megawatts (d)	Day of Month (e)	Hour (f)
29	January					
30	February					
31	March					
32	April					
33	May					
34	June					
35	July					
36	August					
37	September					
38	October					
39	November					
40	December					
41	TOTAL					

**MONTHLY PEAKS AND OUTPUT
MARIANNA, FLORIDA SYSTEM**

Month (a)	Megawatts (b)	Day of Month (d)	Hour (e)	Type of Reading (f)	Monthly Output (MWh) (g)
January	69.2	27	6:45 a.m.	15 Min. Int.	25,070
February	53.5	6	7:15 a.m.	15 Min. Int.	20,291
March	44.8	7	6:45 a.m.	15 Min. Int.	22,315
April	47.1	13	2:30 p.m.	15 Min. Int.	21,754
May	57.1	31	4:15 p.m.	15 Min. Int.	25,861
June	55.5	27	3:45 p.m.	15 Min. Int.	28,105
July	61.8	9	3:45 p.m.	15 Min. Int.	31,926
August	63.3	15	3:45 p.m.	15 Min. Int.	31,424
September	60.3	10	4:00 p.m.	15 Min. Int.	26,510
October	48.3	24	4:00 p.m.	15 Min. Int.	23,835
November	41.1	26	1:00 p.m.	15 Min. Int.	21,728
December	61.5	27	7:30 a.m.	15 Min. Int.	26,596
TOTAL					305,415

**MONTHLY PEAKS AND OUTPUT
FERNANDINA BEACH SYSTEM**

Month (a)	Megawatts (b)	Day of Month (d)	Hour (e)	Type of Reading (f)	Monthly Output (MWh) (g)
January	83.8	4	7:15 a.m.	15 Min. Int.	36,055
February	76.5	28	7:30 a.m.	15 Min. Int.	30,932
March	78.6	5	7:30 a.m.	15 Min. Int.	31,047
April	77.4	13	5:30 p.m.	15 Min. Int.	37,078
May	76.3	30	5:00 p.m.	15 Min. Int.	37,846
June	90.4	15	4:30 p.m.	15 Min. Int.	38,767
July	87.1	10	3:30 p.m.	15 Min. Int.	46,688
August	88.7	17	4:15 p.m.	15 Min. Int.	45,063
September	75.0	20	7:00 p.m.	15 Min. Int.	33,055
October	69.5	25	4:45 p.m.	15 Min. Int.	35,383
November	66.8	29	6:15 p.m.	15 Min. Int.	29,982
December	75.4	27	7:30 a.m.	15 Min. Int.	32,653
TOTAL					434,549

TRANSMISSION LINE STATISTICS

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

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

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

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

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

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

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

Line No.	DESIGNATION		VOLTAGE		Type of Supporting Structure (e)	LENGTH		Number of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structures of Line Designated (f)	On Structures of Another Line (g)	
1	Yulee, FL	Block 97						
2		Fernandina				1.35		
3		Beach, FL	138,000	138,000	Steel Pole	2.0	NONE	1
4					Concrete Pole	8.05		
5	Block 97	Block 83						
6	Fernandina	Fernandina						
7	Beach, FL	Beach, FL	69,000	69,000	Wood Pole	3.5	NONE	1
8								
9	Block 97							
10	Fernandina	State Road 105			Concrete Pole	0.6		
11	Beach, FL	and Julia St.	69,000	69,000	Wood Pole	5.4	NONE	1
12								
13	Block 83	Container						
14	Fernandina	Corporation						
15	Beach, FL	of America	69,000	69,000	Wood Pole	1.66	NONE	1
16								
17	Block 83							
18	Fernandina	ITT Rayonier						
19	Beach, FL	Inc.	69,000	69,000	Wood Pole	0.65	NONE	1
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30					TOTAL	23.21		

TRANSMISSION LINE STATISTICS (Continued)

7. Do not report the same transmission line structure twice. Report lower voltage lines and higher voltage lines as one line. Designate in a footnote if you do not include lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and pole miles of the other line(s) in column (g).

8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or

share in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.

9. Designate any transmission line leased to another company and give name of lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.

10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	Land (j)	COST OF LINE		EXPENSES, EXCEPT DEPRECIATION AND TAXES**				Line no.
		Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
394.6MCM Alum.	* 25,803	1,185,925	1,211,728					1
								2
4/0 Alum.								3
394.6MCM Alum.		474,069	474,069					4
652MCM Alum.								5
								6
477MCM Alum.	32,677	489,789	522,466					7
								8
								9
394.6MCM Alum.		90,636	90,636					10
								11
								12
4/0 Alum.								13
								14
								15
								16
								17
								18
								19
								20
								21
								22
*Includes Roads and Trails								23
**Expenses Shown Below Include All Transmission Lines								24
								25
								26
								27
								28
								29
	58,480	2,240,419	2,298,899	15,858	47,202		63,060	30

SUBSTATIONS

1. Report below the information called for concerning substations for the respondent as of the end of the year.

2. Substations which serve only one industrial or street railway customer should not be listed below.

3. Substations with capacities for less than 10,000 Kva except those serving customers with energy for resale,

may be grouped according to functional character, but the number of such substations must be shown.

4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At end of the page, summarize according to function the capacities reported for the individual stations in column (f).

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

SUBSTATIONS (Continued)

5. Show in columns (i), (j) and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name

of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (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.
39	3	0	Fans Added			1
						2
40	2	0	Fans Added			3
						4
						5
8	1	0	Fans Added			6
						7
150	3	0	Fans Added			8
30	2	0	Fans Added			9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
						35
						36

ELECTRIC DISTRIBUTION METERS AND LINE TRANSFORMERS

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

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

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

Line No.	Item (a)	Number of Watt Hour Meters (b)	Line Transformers	
			Number (c)	Total Capacity (In MVA) (d)
1	Number at Beginning of Year	26,799	9,947	415028
2	Additions During Year			
3	Purchases	1,198	341	25.492
4	Associated with Utility Plant Acquired	0	0	0.000
5	Total Additions (Enter Total of lines 3 and 4)	1,198	341	25.492
6	Reductions During Year			
7	Retirements	512	184	10.879
8	Associated with Utility Plant Sold	0	0	0.000
9	Total Reductions (Enter Total of lines 7 and 8)	512	184	10.879
10	Number at End of Year (Lines 1 + 5 - 9)	27,485	10,104	415042.613
11	In Stock	793	225	19.891
12	Locked Meters on Customers' Premises	355	0	0.000
13	Inactive Transformers on System	0	0	0.000
14	In Customers' Use	26,335	9,877	409.550
15	In Company's Use	2	2	0.200
16	TOTAL End of Year(Enter Total of lines 11 to 15. This line should equal line 10.)	27,485	10,104	429.641

Affiliation of Officers and Directors

Company: Florida Public Utilities Company

For the Year Ended December 31, 2001

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 Business Affiliation	Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership	
		Affiliation or Connection	Name and Address
Directors			
Ellen Terry Benoit	Investor Palm Beach, Florida		
John T. English	President Florida Public Utilities Company		
Paul L. Maddock, Jr	President of Palamad Development Co. West Palm Beach, FL	President	McLean-Maddock multi family housing and land development Telluride, CO
Richard C. Hitchins	President of R.C. Hitchins & Co., P.A., a CPA firm, West Palm Beach, FL		
Rudy E. Schupp	Chairman and Chief Executive Officer of Republic Security Bank West Palm Beach, FL	President	Florida Bankers Association PO Box 1117 Tallahassee, FL 32302
Officers			
Charles L. Stein	Senior Vice President		
John T. English	President & Chief Executive Officer		
Jack R. Brown	Vice President & Secretary		
George M. Bachman	Treasurer & Chief Financial Officer		

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

FLORIDA PUBLIC UTILITIES COMPANY

For the Year Ended December 31, 2001

For the current year, reconcile the gross operating revenues as reported on Page 300 of this report with the gross operating revenues as reported on the utility's regulatory assessment fee return. Explain and justify any differences between the reported gross operating revenues in column (f).

Line No.	(a) Description	(b) Gross Operating Revenues per Page 300	(c) Interstate and Sales for Resale Adjustments	(d) Adjusted Intrastate Gross Operating Revenues	(e) Gross Operating Revenues per RAF Return	(f) Intrastate and Sales for Resale Adjustments	(g) Adjusted Intrastate Gross Operating Revenues	(h) Difference (d) - (g)
1	Total Sales to Ultimate Customers (440-446, 448)	38,209,774		38,209,774	38,160,094		38,160,094	49,680
2	Sales for Resale (447)	-		-	-		-	-
3	Total Sales of Electricity	38,209,774		38,209,774	38,160,094		38,160,094	49,680
4	Provision for Rate Refunds (449.1)	6,155		6,155	6,155		6,155	-
5	Total Net Sales of Electricity	38,215,929		38,215,929	38,166,249		38,166,249	49,680
6	Total Other Operating Revenues (450-456)	833,702		833,702	883,382.17		883,382	(49,680)
7	Total Electric Operating Revenues	39,049,631		39,049,631	39,049,631		39,049,631	0
8	Other (specify): Refund of Fuel Overrecoveries				(448,131)		(448,131)	448,131
9								
10	Total Gross Operating Revenues	39,049,631		39,049,631	38,601,500		38,601,500	448,131

Notes:

On page 300, total sales to ultimate customers include unbilled revenues of 49,680
Unbilled revenue is included in total other operating revenues on RAF return. 49,680

Refund of Fuel Overrecoveries for \$448,131 are reversed to pay RAF only on the actual collected revenue.
(The original payment of the RAF occurred when the actual revenues were collected.)

Analysis of Diversification Activity

Changes in Corporate Structure

Company: Florida Public Utilities Company

For the Year Ended December 31, 2001

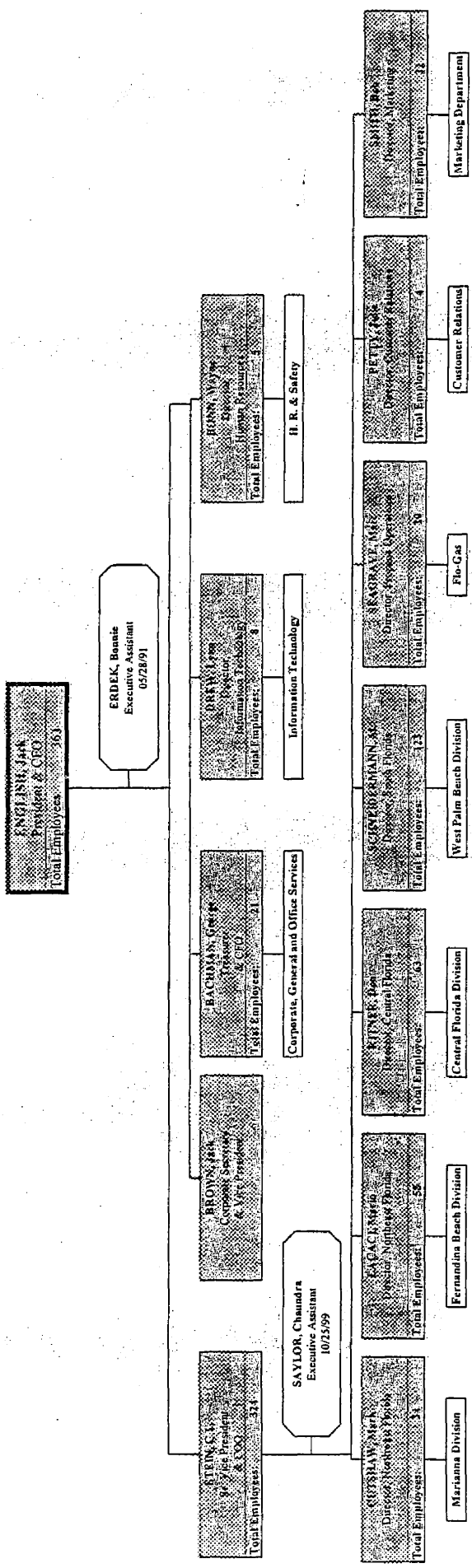
Provide any changes in Corporate Structure including partnerships, minority interest, and joint ventures and an updated organizational chart.

Effective Date (a)	Description of Change (b)
	<p data-bbox="386 863 1088 925">We have enclosed copies of our updated Organizational Chart for Florida Public Utilities Company</p> <p data-bbox="386 987 803 1017">Flo-Gas does not have any employees.</p>

FLORIDA PUBLIC SERVICE COMMISSION

DIVERSIFICATION REPORT

PSC/AFA 16 (12/94)



ORGANIZATIONAL CHART TOTAL

	Total	Full-Time	Part-Time
Number of Positions	363	355	8
Total Vacancies	16	15	1
Active Employees	347	340	7

ORGCART.XLS

April 2, 2002

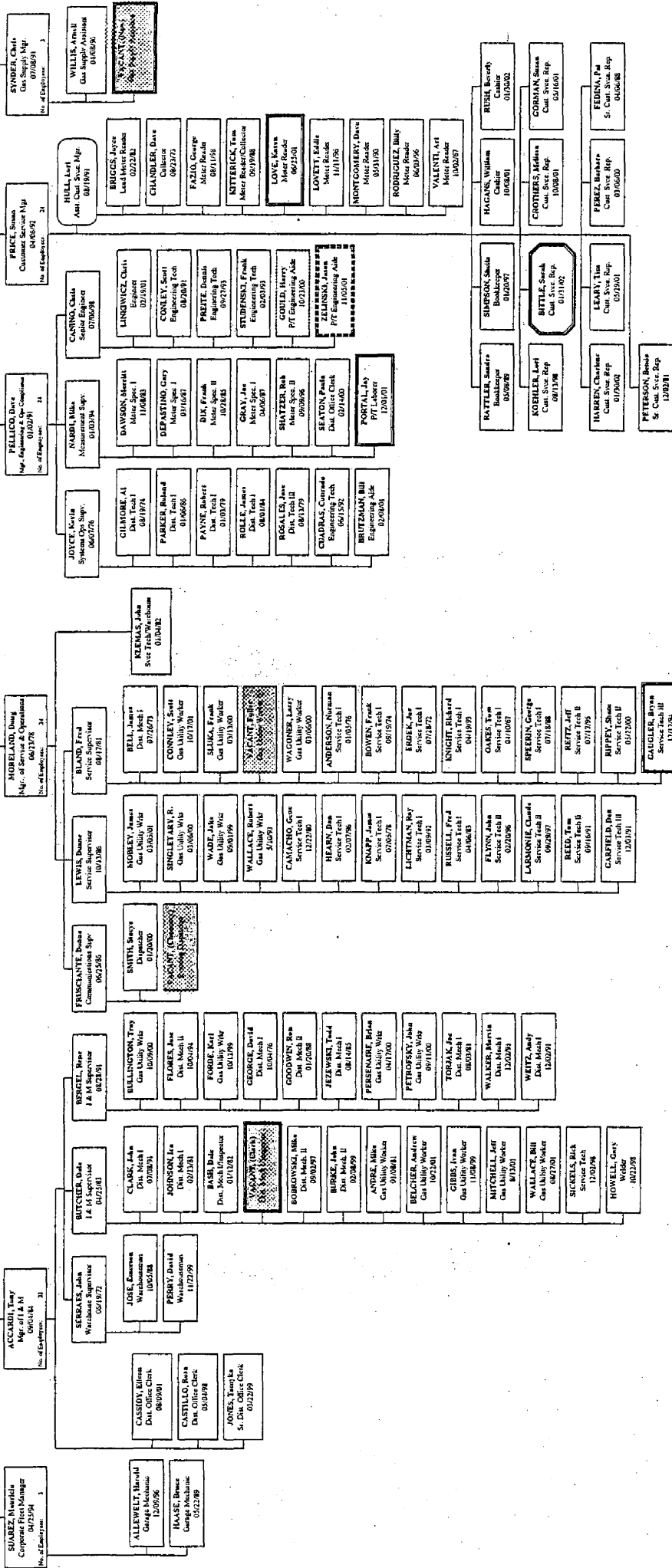
	As of 1/1/1999	Total Additions	Acquisitions/Setup Additions	Reductions	Total Net Additions	As of 2/2002
Full-Time	302	58	25	5	53	355
Part-Time	2	6	1	0	6	8
	304	64	26	5	59	363

SENIOR MANAGEMENT TEAM

Corporate Structure.qxd

SCHNEIDERMAN, Marc
Director of Gas Operations
02/21/89
Total Employees: 123

SCHNIER, Greta
Office Assistant
02/17/91



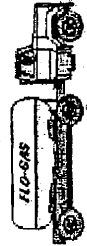
As of	Total	Acquisitions	Stamp	As of	Total	As of
1/1/90	1/1/90	1/1/90	1/1/90	1/1/90	1/1/90	1/1/90
Full-Time	117	5	1	1	4	121
Part-Time	0	2	0	0	2	2
	117	7	1	1	6	123

Revised: Dairy Outcomes Service May

Total	Full-Time	Part-Time
Number of Positions	123	2
Total Vacancies	115	117
Active Employees	115	117

Acquisitions
Stamp Additions

Flo-Gas Corporation - Organizational Chart



SEAGRAVE, Mark
Director, Propane Operations
07/19/99
Total Employees: 20

Central Florida
Propane Dept.

Fernandina Beach
Propane Dept.

SCHWARTZ, Richard
Flo-Gas District Mgr.
07/26/00
No. of Employees: 18

WADE, Sharon
Sr. Flo-Gas Clerk
08/26/97

GRIFFITH, Brandy
Flo-Gas Clerk
08/14/01

VACANT (1 position)
Propane Mktg. Rep.

HUGGINS, Frankie
Flo-Gas Field Supv.
05/25/77

GILCHRIST, Sam
Propane Op. I
12/13/72

MITCHELL, Henry
Propane Op. II
05/26/92

DAVIS, Carlton
Propane Operator
08/20/01

FIELDS, Tim
Propane Op. I
08/26/80

FLEISCHMAN, Jeff
Propane Op. II
08/29/83

RUDERMAN, Joel
Propane Op. II (Laud.)
12/15/01

POCKELL, Joseph
Gas Utility Worker (Laud.)
12/15/01

CROSS, George
Propane Op. II
02/21/89

MORGAN, Garfield
Propane Op. II
12/11/89

GARRITY, Joseph
Gas Utility Worker
11/06/01

BUCCI, Jim
Propane Op. II
05/10/88

MOONEY, Phil
Propane Op. II
01/30/89

CAMPBELL, Harry
Service Tech (Laud.)
12/15/01

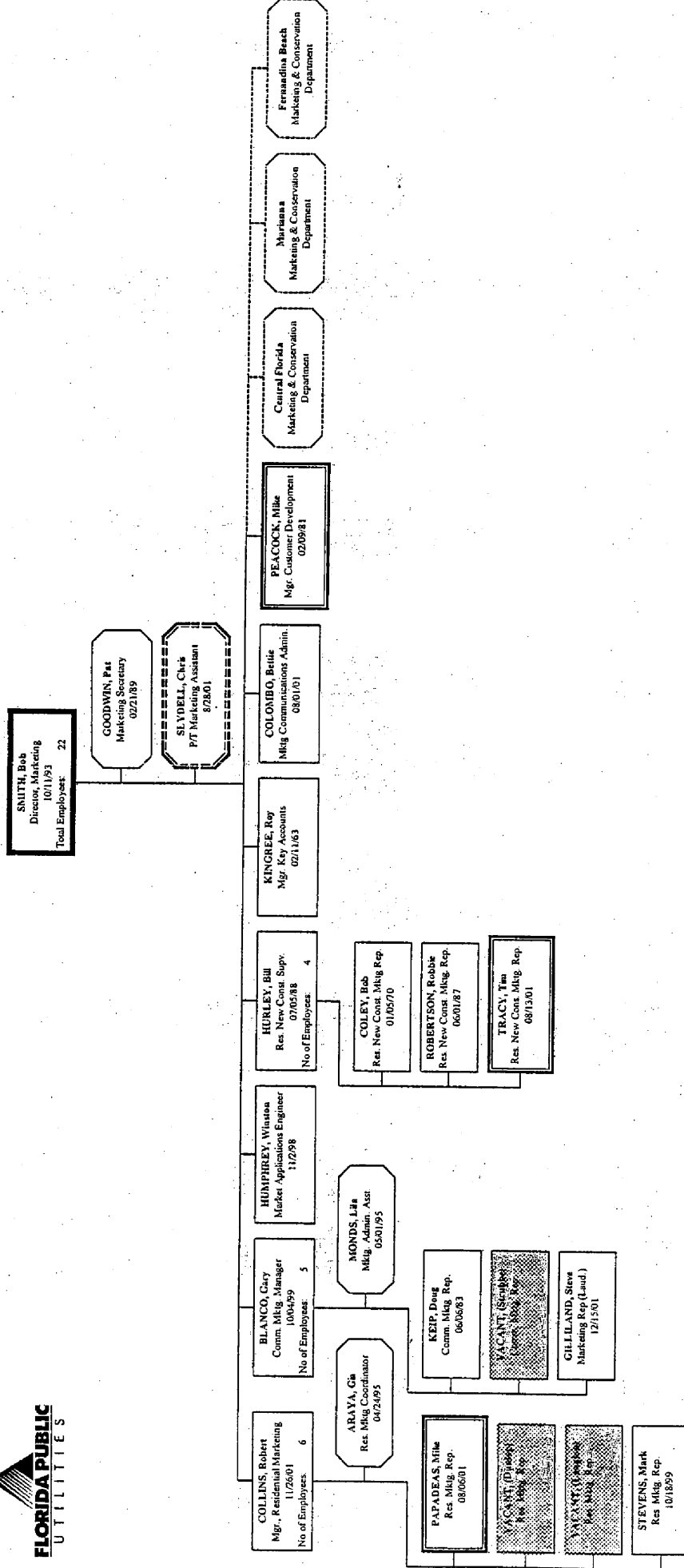
Flo-Gas	As of 1/1/1999		Total Additions		Acquisitions/Startup Additions		Total Net Additions		As of 2/20/02	
	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time
	13	0	7	0	3	0	7	0	20	0
	0	0	0	0	0	0	0	0	0	0
	13	0	7	0	3	0	7	0	20	0

Additions

Acquisition/Startup Additions

04/02/02			
Number of Positions	Full-Time	Part-Time	
Total Vacancies	20	0	
Active Employees	1	19	

MARKETING DEPARTMENT



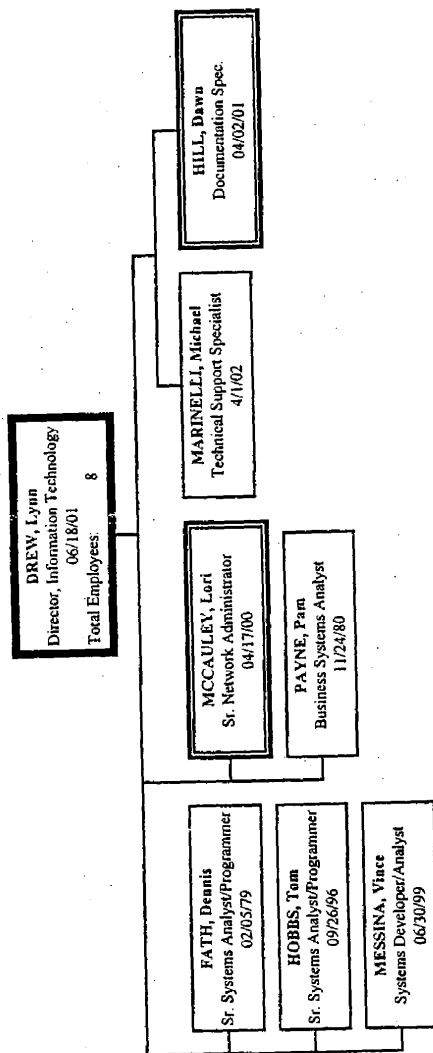
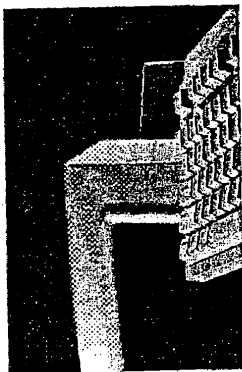
Marketing	As of 1/1/1999	Total Additions	Acquisitions/Startup Additions	Reductions	Total Net Additions	As of 2/20/02
Full-Time	18	3	0	0	3	21
Part-Time	0	1	0	0	1	1
	18	4	0	0	4	22

MARKETING	Total	Full-Time	Part-Time
Number of Positions	22	21	1
Total Vacancies	1	1	0
Active Employees	21	20	1

04/02/02

Marketing.opx

INFORMATION TECHNOLOGY DEPARTMENT (IT)



IT DEPT	As of 1/1/1999	Total Additions	Acquisitions/Startup Additions	Reductions	Total Net Additions	As of 2/20/02
Full-Time	7	2	0	1	1	8
Part-Time	0	0	0	0	0	0
	7	2	0	1	1	8

IT DEPT

Number of Positions

Total Vacancies

Active Employees

04/09/02

Additions

Acquisition/Startup Additions

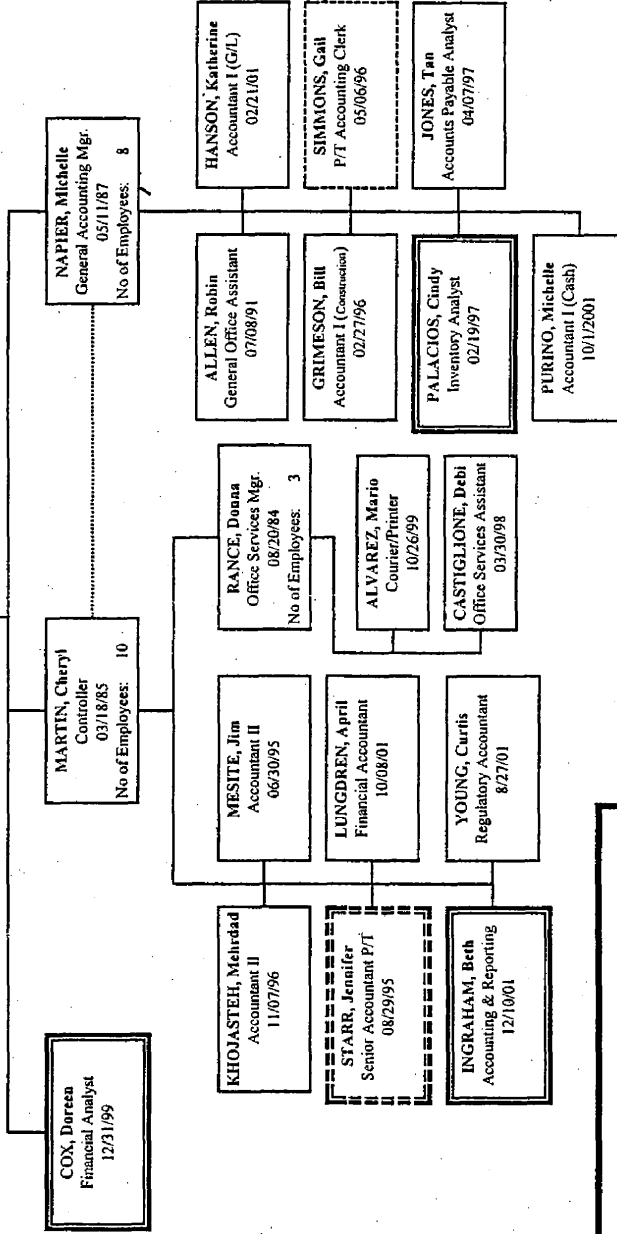
IT DEPT	Number of Positions	Total Vacancies	Active Employees
	8	0	8
	0	0	0
	8	8	0

Inf Systems

ACCOUNTING DEPARTMENT



BACHMAN, George
Treasurer & CFO
01/28/85
Total Employees: 21



ACCOUNTING

Number of Positions	21	Full-Time	19	Part-Time	2
Total Vacancies	0		0		0
Active Employees	21		19		2

Additions
Acquisition/Startup Additions

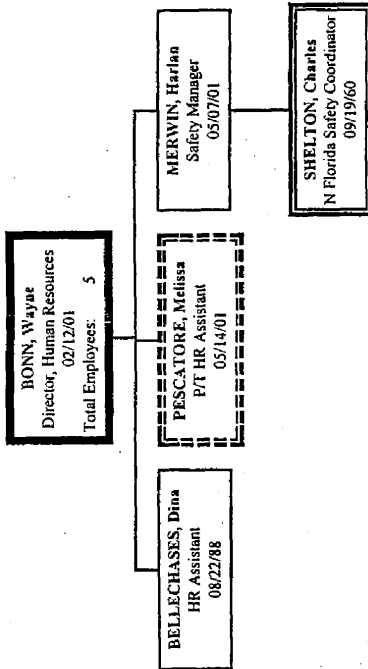
Accounting	As of 1/1/1999	Total Additions	Acquisitions/Startup Additions	Reductions	Total Net Additions	As of 2/20/02
Full-Time	18	3	0	2	1	19
Part-Time	1	1	0	0	1	2
	19	4	0	2	2	21

Reduction: Vice President, Printer

04/02/02



HUMAN RESOURCES DEPARTMENT



HR	As of 1/1/1999	Total Additions	Acquisitions/Startup Additions	Reductions	Total Net Additions	As of 2/20/02
Full-Time	3	1	0	0	1	4
Part-Time	0	1	0	0	1	1
	3	2	0	0	2	5

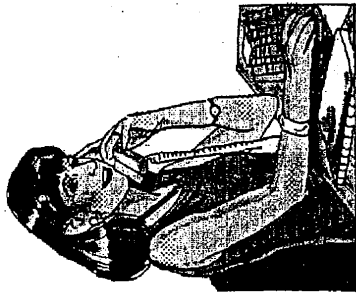
HumanResources.opx

Additions
Acquisition/Startup Additions

				04/02/02
Human Resources	Total	Full-Time	Part-Time	
Number of Positions	5	4	1	
Total Vacancies	0	0	0	
Active Employees	5	4	1	



CUSTOMER RELATIONS DEPARTMENT



PETTY, Julie
Director, Customer Relations
10/11/99 4
Total Employees:

OAKES, Kathi
CIS Manager
11/29/72

HUGHLEY, Stephanie
CIS Analyst
09/09/99

HYLTON, Pam
Orcom Computer Operator
01/12/70

C.I.S.	As of 1/1/1999	Total Additions	Acquisitions/Startup Additions	Reductions	Total Net Additions	As of 2/20/02
Full-Time	2	2	0	0	2	4
Part-Time	0	0	0	0	0	0
	2	2	0	0	2	4

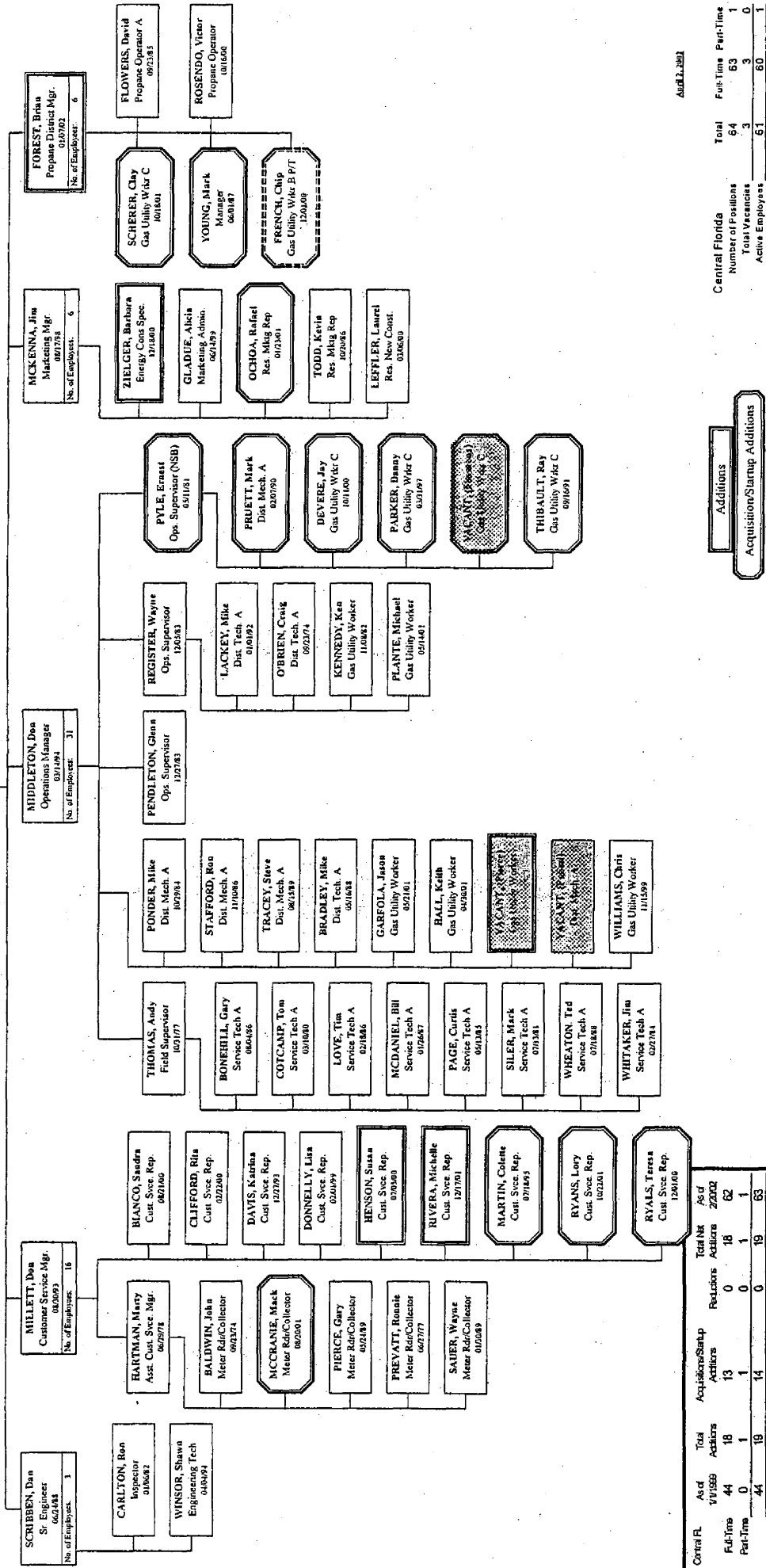
Customer Relations

04/02/02

Customer Relations	Total	Full-Time	Part-Time
Number of Positions	4	4	0
Total Vacancies	0	0	0
Active Employees	4	4	0

Additions

Acquisition/Startup Additions

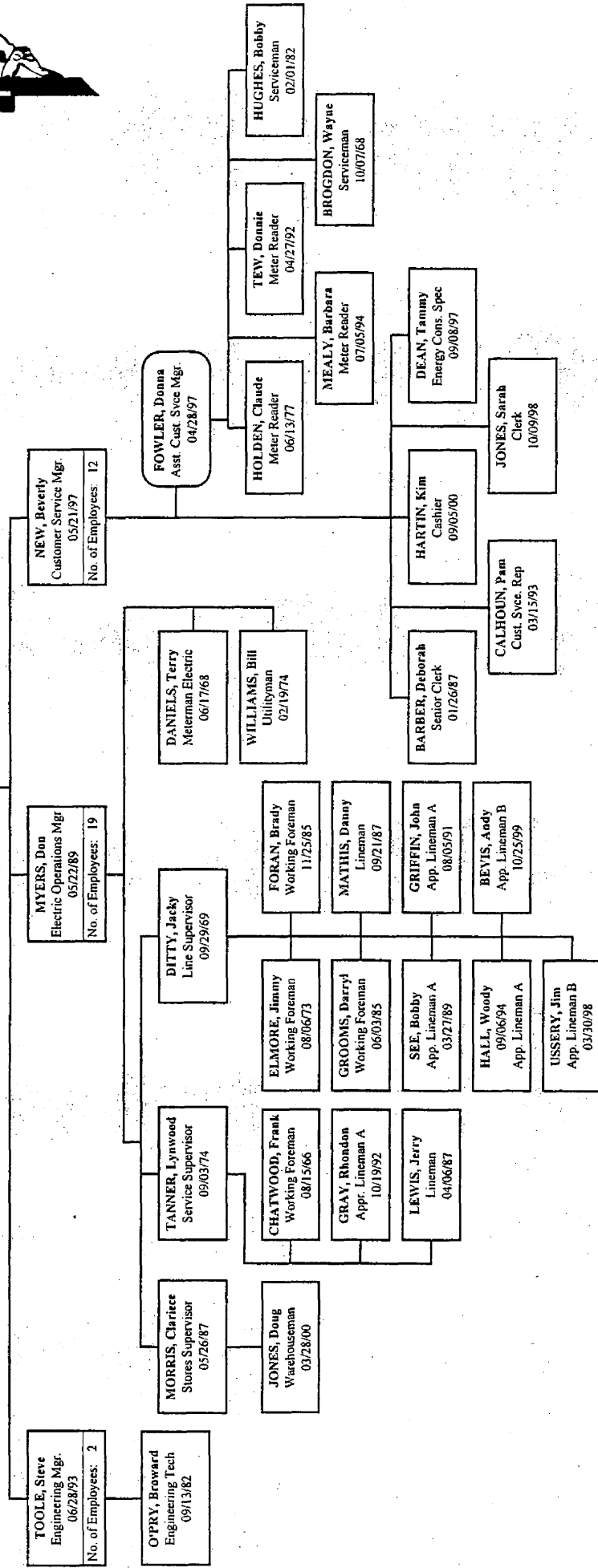


April 2, 2001

Marianna Division - Organizational Chart



CUTSHAW, Mark
Director, Northwest Florida
05/13/91
Total Employees: 34



04/02/02

Marianna			
Total	Full-Time	Part-Time	
34	34	0	0
Number of Positions			
0	0	0	0
Total Vacancies			
34	34	0	0
Active Employees			
34	34	0	0

Additions

Acquisition/Startup Additions

Analysis of Diversification Activity

ASSETS OR RIGHTS PURCHASED FROM OR SOLD TO AFFILIATES

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

For the Year Ended December 31, 2001

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)
	NONE

(Schedules 2,3 & 4)

ANALYSIS OF DIVERSIFICATION ACTIVITY REPORT

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

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

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

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

ANALYSIS OF DIVERSIFICATION ACTIVITY SUPPLEMENT
FLO-GAS
INCOME STATEMENT
12 MONTHS ENDING 12/31/01

	Year-to-Date Actual	Last Year-to-Date Actual
Operating Revenue	5,398,762	4,380,110
Operation Expenses	4,306,042	3,487,038
Maintenance Expenses	273,279	280,156
Depreciation Expense	322,575	284,096
Amortization of Utility Plant-		
Acquisition Adjustment	-	-
Tax Other Than Income Tax-Utility		
Operation Expense	65,846	64,837
Income Tax - Federal - Utility		
Operating Income	183,449	86,739
Income Tax - State - Utility		
Operating Income	31,107	14,851
Deferred Income Tax - Utility		
Operating Income	(124,685)	(69,409)
Investment Tax Credit - Utility		
Operating Income	(5,411)	(6,332)
Operating Income	<u>346,560</u>	<u>238,134</u>
Other Income and Deductions		
Interest and Dividend Income	-	-
Misc. Non-Operating Income	99,521	2,725
Other Income Deductions	(68,112)	(3,384)
Taxes Other Than Income - Other	(6,000)	-
Income Taxes-Federal-Other Income	(9,552)	200
Income Taxes-State-Other Income	-	-
Other (Income) and Deductions	<u>15,857</u>	<u>(459)</u>
Interest Charges		
Interest on Debt to Associated Companies	98,713	81,838
Other Interest Expense	(269)	10,015
Interest Charges	<u>98,444</u>	<u>91,853</u>
Extraordinary Items		
Cumulative Effect - Change in		
Accounting Principles - Net	-	-
Net Income	<u>263,973</u>	<u>145,822</u>

ANALYSIS OF DIVERSIFICATION ACTIVITY SUPPLEMENT
FLO-GAS
BALANCE SHEET - 09
December 31, 2001

Assets and Other Debits	Current	Last Year End
Utility Plant		
Utility Plant in Service	8,825,976	6,466,702
Utility Plant Purchased/Sold	-	-
Completed Construction Not Classified		
Construction Work in Progress	403,491	161,576
Utility Plant	<u>9,229,467</u>	<u>6,628,278</u>
Accumulated Depreciation		
Accumulated Dep. - Utility Plant in Service	(2,413,594)	(2,171,022)
Accumulated Dep. - Transportation Equip.	(450,109)	(497,322)
Retirement Work in Progress		
Accumulated Dep. - Rental Equipment	-	-
Accumulated Depreciation	<u>(2,863,703)</u>	<u>(2,668,344)</u>
Other Utility Plant		
Utility Plant Acquisition Adj.	2,538,061	-
Accum. Amort. - Utility Acq. Adj.	-	-
Other Utility Plant	<u>2,538,061</u>	<u>-</u>
Other Property and Investments		
Investment in Assoc. Companies -		
Common Stock	-	17
Other Property and Investments	<u>-</u>	<u>17</u>
Current and Accrued Assets		
Customer Accounts Receivable	690,127	515,098
Allowance for Uncollectible Accounts	(28,627)	(10,515)
Accounts Rec. from Associated Companies		
Operating Supplies - Propane	1,068,648	1,086,280
Prepayments - Taxes	-	(93)
Interest and Dividends Receivable		
Merchandise-Applian.& Supplies		
Accrued Utility Revenues	93,797	93,797
Current and Accrued Assets	<u>1,823,945</u>	<u>1,684,567</u>
Deferred Debits		
Misc. Deferred Debits - Other W.I.P.		
Misc. Deferred Debits - Miscellaneous	177,383	59,269
Accum. Deferred Income Taxes	12,202	6,539
Deferred Debits	<u>189,585</u>	<u>65,808</u>
ASSETS AND OTHER DEBITS	<u>10,917,355</u>	<u>5,710,326</u>

ANALYSIS OF DIVERSIFICATION ACTIVITY SUPPLEMENT
FLO-GAS
BALANCE SHEET - 09
December 31, 2001

	<u>Current</u>	<u>Last Year End</u>
Liabilities and Other Credits		
Proprietary Capital		
Common Stock Issued	10,000	10,000
Appropriated Retained Earnings	-	-
Unappropriated Retained Earnings	1,876,099	1,730,278
Proprietary Capital	<u>1,886,099</u>	<u>1,740,278</u>
Current and Accrued Liabilities		
Accounts Payable to Assoc. Companies	6,807,358	1,918,236
Customer Deposits	457,900	379,608
Taxes Accrued	40,728	(55,316)
Interest Accrued	2,818	15,663
Dividends Declared	-	-
Tax Collections Payable	46,270	35,634
Misc. Current and Accrued Liabilities	-	-
Customer Advances for Construction	565	-
Other Deferred Income Taxes - Other	-	-
Accumulated Deferred I.T.C.	12,022	17,434
Current and Accrued Liabilities	<u>7,367,661</u>	<u>2,311,259</u>
Operating Reserves		
Misc. Operating Reserves	-	-
Accum. Deferred Income Tax -		
Liberalized Depreciation	1,399,622	1,512,967
Accum. Deferred Income Taxes - Other	-	-
Operating Reserves	<u>1,399,622</u>	<u>1,512,967</u>
Year-to-Date Income/Loss	<u>263,973</u>	<u>145,822</u>
LIABILITIES AND OTHER CREDITS	<u>10,917,355</u>	<u>5,710,326</u>

Analysis of Diversification Activity

Summary of Affiliated Transfers and Cost Allocations

Company: Florida Public Utilities Company

For the Year Ended December 31, 2001

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

(a) Enter name of affiliate.

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

(C) Enter contract or agreement effective dates.

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

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

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

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

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

FLORIDA PUBLIC UTILITIES COMPANY

For the Year Ended December 31, 2001

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
Purchases from Affiliates:		1,841	308	1,533	\$ N/A	\$ N/A	N/A
Flo-Gas Corporation	Meters	723	297	426	N/A	Transfer	N/A
	Computer Equipment	1,118	11	1,107	N/A	Transfer	N/A
Sales to Affiliates:		14,896	4,452	10,444	\$ N/A	Sales Price	N/A
	Computer Equipment	1,118	91	1,027	N/A	Transfer	N/A
	Meters	12,925	4,064	8,861	N/A	Transfer	N/A
	Regulators	852	297	555	N/A	Transfer	N/A
Total						\$	

Analysis of Diversification Activity

Employee Transfers

Company: Florida Public Utilities Company

For the Year Ended December 31, 2001

List employees earning more than \$30,000 annually transferred to/from the utility to/from an affiliate company.				
Company Transferred From	Company Transferred To	Old Job Assignment	New Job Assignment	Transfer Permanent or Temporary and Duration
Flo-Gas Does Not Have Any Transfers				

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STATEMENT OF INCOME FOR THE YEAR

1. Report amounts for Accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (i,k,m,o) in a similar manner to a utility department. Spread the amount (s) over lines 01 through 20 as appropriate. Include these amounts in columns (c) and (d) totals.

2. Report amounts in Account 414, Other Utility Operating Income, in the same manner as Accounts 412 and 413 above.

3. Report data for lines 7,9,10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.

4. Use page 122 for important notes regarding the statement of income or any account thereof.

5. Give concise explanations concerning unsettled rate

proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power and gas purchases.

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

Line No.	Account	Ref. Page No.	Total Current Year	Total Previous Year
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	\$17,246,192	\$17,146,943
3	Operating Expenses			
4	Operation Expenses (401)	320-323	12,813,166	12,622,925
5	Maintenance Expenses (402)	320-323	698,203	807,353
6	Depreciation Expense (403,405)	336-337	953,572	907,488
7	Amort. & Depl. of Utility Plant (404-405)	336-337	-	-
8	Amort. of Utility Plant Acq. Adj. (406)	336-337	-	-
9	Amort. of Property Losses, Unrecovered Plant and Regulatory Study Costs (407)		-	-
10	Amort. of Conversion Expenses (407)		-	-
11	Regulatory Debits (407.3)		-	-
12	(Less) Regulatory Credits (407.4)		-	-
13	Taxes Other Than Income Taxes (408.1)		1,526,275	1,504,641
14	Income Taxes - Federal (409.1)		121,792	150,628
15	- Other (409.1)		20,680	25,612
16	Provision for Deferred Inc. Taxes (410.1)	234,272-277	43,247	48,881
17	(Less) Provision for Deferred Income Taxes-Cr.(411.1)	234,272-277	-	-
18	Investment Tax Credit Adj. - Net (411.4)	266	(22,282)	(23,609)
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)		-	-
	TOTAL Utility Operating Expenses (Total of lines 4-18)		16,154,653	16,043,919
24	Net Utility Operating Income (Total of line 2 less 19) (Carry forward to page 117, line 25)		\$1,091,539	\$1,103,024

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

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

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

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization		
3	(302) Franchises and Consents		
4	(303) Miscellaneous Intangible Plant		
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	0	0
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights		
9	(311) Structures and Improvements		
10	(312) Boiler Plant Equipment		
11	(313) Engines and Engine Driven Generators		
12	(314) Turbogenerator Units		
13	(315) Accessory Electric Equipment		
14	(316) Misc. Power Plant Equipment		
15	TOTAL Steam Production Plant (Enter Total of lines 8 through 14)	0	0
16	B. Nuclear Production Plant		
17	(320) Land and Land Rights		
18	(321) Structures and Improvements		
19	(322) Reactor Plant Equipment		
20	(323) Turbogenerator Units		
21	(324) Accessory Electric Equipment		
22	(325) Misc. Power Plant Equipment		
23	TOTAL Nuclear Production Plant (Enter Total of lines 17 through 22)	0	0
24	C. Hydraulic Production Plant		
25	(330) Land and Land Rights	0	
26	(331) Structures and Improvements		
27	(332) Reservoirs, Dams, and Waterways		
28	(333) Water Wheels, Turbines, and Generators		
29	(334) Accessory Electric Equipment		
30	(335) Misc. Power Plant Equipment		
31	(336) Roads, Railroads, and Bridges		
32	TOTAL Hydraulic Production Plant (Enter Total of lines 25 through 31)	0	0
33	D. Other Production Plant		
34	(340) Land and Land Rights		
35	(341) Structures and Improvements		
36	(342) Fuel Holders, Products and Accessories		
37	(343) Prime Movers		
38	(344) Generators		
39	(345) Accessory Electric Equipment		

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

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

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

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

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

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
			\$0	(301)	1
			0	(302)	2
			0	(303)	3
0	0	0	0		4
					5
					6
					7
			0	(310)	8
			0	(311)	9
			0	(312)	10
			0	(313)	11
			0	(314)	12
			0	(315)	13
0	0	0	0	(316)	14
			0		15
					16
			0	(320)	17
			0	(321)	18
			0	(322)	19
			0	(323)	20
			0	(324)	21
0	0	0	0	(325)	22
			0		23
					24
		0	0	(330)	25
			0	(331)	26
			0	(332)	27
			0	(333)	28
			0	(334)	29
			0	(335)	30
0	0	0	0	(336)	31
			0		32
					33
			0	(340)	34
			0	(341)	35
			0	(342)	36
			0	(343)	37
			0	(344)	38
			0	(345)	39

Marianna Division		December 31, 2001	
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106)			
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
40	(346) Misc. Power Plant Equipment		
41	TOTAL Other Production Plant (Enter Total of lines 34 through 40)	-	-
42	TOTAL Production Plant (Enter Total of lines 15, 23, 32, and 41)	-	-
43	3. TRANSMISSION PLANT		
44	(350) Land and Land Rights	-	-
45	(352) Structures and Improvements	-	-
46	(353) Station Equipment	-	-
47	(354) Towers and Fixtures	-	-
48	(355) Poles and Fixtures	-	-
49	(356) Overhead Conductors and Devices	-	-
50	(357) Underground Conduit	-	-
51	(358) Underground Conductors and Devices	-	-
52	(359) Roads and Trails	-	-
53	TOTAL Transmission Plant (Enter Total of lines 44 through 52)	-	-
54	4. DISTRIBUTION PLANT		
55	(360) Land and Land Rights	17,100	-
56	(361) Structures and Improvements	-	-
57	(362) Station Equipment	905,581	23,251
58	(363) Storage Battery Equipment	-	-
59	(364) Poles, Towers, and Fixtures	4,965,856	254,243
60	(365) Overhead Conductors and Devices	5,151,928	106,239
61	(366) Underground Conduit	111,506	2,268
62	(367) Underground Conductors and Devices	488,607	16,312
63	(368) Line Transformers	4,895,389	188,237
64	(369) Services	2,464,578	164,922
65	(370) Meters	1,000,083	29,857
66	(371) Installations on Customer Premises	829,342	88,416
67	(372) Leased Property on Customer Premises	-	-
68	(373) Street Lighting and Signal Systems	259,679	32,776
69	TOTAL Distribution Plant (Enter Total of lines 55 through 68)	21,089,649	906,521
70	5. GENERAL PLANT		
71	(389) Land and Land Rights	3,766	-
72	(390) Structures and Improvements	912,235	-
73	(391) Office Furniture and Equipment	104,921	19,591
74	(392) Transportation Equipment	1,044,850	70,734
75	(393) Stores Equipment	87,191	-
76	(394) Tools, Shop and Garage Equipment	25,085	-
77	(395) Laboratory Equipment	25,766	-
78	(396) Power Operated Equipment	5,103	-
79	(397) Communication Equipment	77,578	-
80	(398) Miscellaneous Equipment	8,857	-
81	SUBTOTAL (Enter Total of lines 71 through 80)	2,295,352	90,325
82	(399) Other Tangible Property	-	-
83	TOTAL General Plant (Enter Total of lines 81 and 82)	2,295,352	90,325
84	TOTAL (Accounts 101 and 106)	23,385,001	996,846
85	(102) Electric Plant Purchased	-	-
86	(Less) (102) Electric Plant Sold	-	-
87	(103) Experimental Plant Unclassified	-	-
88	TOTAL Electric Plant in Service	23,385,001	996,846

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

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
			0	(346)	40
-	-	-	-		41
-	-	-	-		42
-	-	-	-	(350)	43
-	-	-	-	(352)	44
-	-	-	-	(353)	45
-	-	-	-	(354)	46
-	-	-	-	(355)	47
-	-	-	-	(356)	48
-	-	-	-	(357)	49
-	-	-	-	(358)	50
-	-	-	-	(359)	51
-	-	-	-		52
-	-	-	-		53
-	-	-	17,100	(360)	54
-	-	-	-	(361)	55
-	-	-	928,832	(362)	56
-	-	-	-	(363)	57
(43,642)	-	-	5,176,457	(364)	58
(37,587)	-	-	5,220,580	(365)	59
-	-	-	113,774	(366)	60
(909)	-	-	504,010	(367)	61
(20,586)	-	(868)	5,062,172	(368)	62
(7,987)	-	-	2,621,513	(369)	63
(8,422)	-	-	1,021,518	(370)	64
(41,128)	-	-	876,630	(371)	65
-	-	-	-	(372)	66
(27,360)	-	-	265,095	(373)	67
(187,621)	-	(868)	21,807,681		68
-	-	-	3,766	(389)	69
-	-	-	912,235	(390)	70
-	-	-	124,512	(391)	71
(26,439)	-	-	1,089,145	(392)	72
-	-	-	87,191	(393)	73
-	-	-	25,085	(394)	74
-	-	-	25,766	(395)	75
-	-	-	5,103	(396)	76
(56,353)	-	-	21,225	(397)	77
-	-	-	8,857	(398)	78
(82,792)	-	-	2,302,885		79
-	-	-	-	(399)	80
(82,792)	-	-	2,302,885		81
(270,413)	-	(868)	24,110,566		82
-	-	-	-	(102)	83
-	-	-	-	(103)	84
(270,413)	-	(868)	24,110,566		85
					86
					87
					88

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

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

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

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1.	Balance Beginning of Year	10,192,463	10,192,463		
2.	Depreciation Provisions for Year, Charged to				
3.	(403) Depreciation Expense	938,855	938,855		
4.	(413) Exp. of Elec. Plt. Leas. to Others				
5.	Transportation Expenses-Clearing	102,577	102,577		
6.	Other Clearing Accounts				
7.	Other Accounts (Specify):				
8.	Accrued Depreciation on Transfers	(452)	(452)		
9.	TOTAL Deprec. Prov. for Year (Enter Total of lines 3 thru 8)	1,040,980	1,040,980		
10.	Net Charges for Plant Retired:				
11.	Book Cost of Plant Retired	(270,413)	(270,413)		
12.	Cost of Removal	(92,959)	(92,959)		
13.	Salvage (Credit)	32,260	32,260		
14.	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 11 thru 13)	(331,112)	(331,112)		
15.	Other Debit or Credit Items (Describe)				
16.					
17.	Balance End of Year (Enter Total of lines 1, 9, 14, 15, and 16)	10,902,331	10,902,331		

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

18.	Steam Production				
19.	Nuclear Production				
20.	Hydraulic Production - Conventional				
21.	Hydraulic Production - Pumped Storage				
22.	Other Production				
23.	Transmission				
24.	Distribution	10,048,237	10,048,237		
25.	General	854,093	854,093		
26.	TOTAL (Enter Total of lines 18 thru 25)	10,902,330	10,902,330		

ELECTRIC OPERATING REVENUES (Account 400)

1. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
 2. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer

counted for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.
 3. If increases or decreases from previous year (columns (c), (e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.

OPERATING REVENUES			
Line No.	Title of Account (a)	Amount for Year (b)	Amount for Previous Year (c)
1	Sales of Electricity		
2	(440) Residential Sales	\$8,535,516	\$8,705,716
3	(442) Commercial and Industrial Sales		
4	Small (or Commercial)	1,974,622	5,898,300
5	Large (or Industrial)	5,640,570	2,157,429
6	(444) Public Street and Highway Lighting	128,588	137,076
7	(445) Other Sales to Public Authorities	505,226	134,706
8	(456.3) Unbilled Revenues	14,825	54,213
9	(448) Interdepartmental Sales		
10			
11	TOTAL Sales to Ultimate Consumers	16,799,347	17,087,440
12	(447) Sales for Resale	0	0
13			
14	TOTAL Sales of Electricity	16,799,347	17,087,440
15	(Less) (449.1) Provision for Rate Refunds	0	(8,340)
16			
17	TOTAL Revenue Net of Provision for Refunds	16,799,347	17,079,100
18	Other Operating Revenues		
19	(450) Forfeited Discounts	60,581	(292)
20	(451) Miscellaneous Service Revenues	86,907	79,636
21	(453) Sales of Water and Water Power	0	0
22	(454) Rent from Electric Property	77,656	76,106
23	(455) Interdepartmental Rents	0	0
24	(456.2) Other Electric Revenues	1,177	3,220
25	(456.1) Overrecoveries Purchase Electric	230,213	(84,902)
26	(456.6) Conservation Overrecoveries	(9,689)	(5,925)
27			
28			
29	TOTAL Other Operating Revenues	446,845	67,843
30			
31	TOTAL Electric Operating Revenues	\$17,246,192	\$17,146,943

ELECTRIC OPERATING REVENUES (Account 400) (Continued)

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

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

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

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

MEGAWATT HOURS SOLD		AVERAGE NUMBER OF CUSTOMERS PER MONTH		
Amount for Year (d)	Amount for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	Line No.
132,627	134,278	9,776	9,743	1
26,650	106,252	1,858	2,045	2
120,834	47,522	358	99	3
958	1,071	29	46	4
10,495	2,257	150	101	5
1,391	5,170			6
	0		0	7
292,955	296,550	12,171	12,034	8
292,955	296,550	12,171	12,034	9
292,955	296,550	12,171	12,034	10
				11
				12
				13
				14
				15
				16
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ELECTRIC OPERATION AND MAINTENANCE EXPENSES

Account	Amount for Current Year	Amount for Previous Year
1 (1) POWER PRODUCTION EXPENSES		
2 A. Steam Power Generation		
3 Operation		
4 (500) Operation Supervision and Engineering		
5 (501) Fuel		
6 (502) Steam Expenses		
7 (503) Steam from Other Sources		
8 (Less) (504) Steam Transferred-Cr.		
9 (505) Electric Expenses		
10 (506) Miscellaneous Steam Power Expenses		
11 (507) Rents		
12 TOTAL Operation	-	-
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	-	-

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

Account	Amount for Current Year	Amount for Previous Year
50 C. Hydraulic Power Generation (Continued)		
51 Maintenance		
52 (541) Maintenance Supervision and Engineering		
53 (542) Maintenance of Structures	-	-
54 (543) Maintenance of Reservoirs, Dams, and Waterways	-	-
55 (544) Maintenance of Electric Plant	-	-
56 (545) Maintenance of Miscellaneous Hydraulic Plant	-	-
57 TOTAL Maintenance	-	-
58 TOTAL Power Production Expenses-Hydraulic Power	-	-
59 D. Other Power Generation		
60 Operation		
61 (546) Operation Supervision and Engineering		
62 (547) Fuel		
63 (548) Generation Expenses		
64 (549) Miscellaneous Other Power Generation Expenses		
65 (550) Rents		
66 TOTAL Operation	-	-
67 Maintenance		
68 (551) Maintenance Supervision and Engineering		
69 (552) Maintenance of Structures		
70 (553) Maintenance of Generating and Electric Plant		
71 (554) Maintenance of Miscellaneous Other Power Generation Plant	-	-
72 TOTAL Maintenance	-	-
73 TOTAL Power Production Expenses-Other Power	-	-
74 E. Other Power Supply Expenses		
75 (555) Purchased Power	10,789,275	10,806,624
76 (556) System Control and Load Dispatching		
77 (557) Other Expenses		
78 TOTAL Other Power Supply Expenses	10,789,275	10,806,624
79 TOTAL Power Production Expenses	10,789,275	10,806,624
80 2. TRANSMISSION EXPENSES		
81 Operation		
82 (560) Operation Supervision and Engineering		
83 (561) Load Dispatching		
84 (562) Station Expenses		
85 (563) Overhead Line Expenses		
86 (564) Underground Line Expenses		
87 (565) Transmission of Electricity by Others		
88 (566) Miscellaneous Transmission Expenses		
89 (567) Rents		
90 TOTAL Operation	-	-
91 Maintenance		
92 (568) Maintenance Supervision and Engineering		
93 (569) Maintenance of Structures		
94 (570) Maintenance of Station Equipment		
95 (571) Maintenance of Overhead Lines		
96 (572) Maintenance of Underground Lines		
97 (573) Maintenance of Miscellaneous Transmission Plant		
98 TOTAL Maintenance	-	-
99 TOTAL Transmission Expenses	-	-
100 3. DISTRIBUTION EXPENSES		
101 Operation		
102 (580) Operation Supervision and Engineering	140,146	136,550
103 (581) Load Dispatching		

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

Account		Amount for Current Year	Amount for Previous Year
104	3. DISTRIBUTION EXPENSES (Continued)		
105			
106	(582) Station Expenses	8,296	7,309
107	(583) Overhead Line Expenses	57,028	62,824
108	(584) Underground Line Expenses	1,009	100
109	(585) Street Lighting and Signal System Expenses	10,197	10,316
110	(586) Meter Expenses	128,124	120,472
111	(587) Customer Installations Expenses	46,017	49,276
112	(588) Miscellaneous Distribution Expenses	68,967	47,948
113	(589) Rents	695	695
114	TOTAL Operation	460,479	435,490
115	Maintenance		
116	(590) Maintenance Supervision and Engineering	23,002	25,623
117	(591) Maintenance of Structures	0	0
118	(592) Maintenance of Station Equipment	12,122	3,875
119	(593) Maintenance of Overhead Lines	531,845	644,975
120	(594) Maintenance of Underground Lines	8,490	7,333
121	(595) Maintenance of Line Transformers	55,696	52,410
122	(596) Maintenance of Street Lighting and Signal Systems	6,305	5,407
123	(597) Maintenance of Meters	13,616	13,008
124	(598) Maintenance of Miscellaneous Distribution Plant	23,215	27,722
125	TOTAL Maintenance	674,291	780,353
126	TOTAL Distribution Expenses	1,134,770	1,215,843
127	4. CUSTOMER ACCOUNTS EXPENSES		
128	Operation		
129	(901) Supervision	47,256	45,643
130	(902) Meter Reading Expenses	146,637	134,604
131	(903) Customer Records and Collection Expenses	321,945	349,548
132	(904) Uncollectible Accounts	47,384	45,910
133	(905) Miscellaneous Customer Accounts Expenses	32,337	29,422
134	TOTAL Customer Accounts Expenses	595,559	605,127
135	5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
136	Operation		
137	(907) Supervision	43,611	35,944
138	(908) Customer Assistance Expenses	74,006	73,437
139	(909) Informational and Instructional Expenses	52,861	37,372
140	(910) Misc. Cust. Service & Informational -Includes underrecovery (906)	(17,795)	(26,503)
141	TOTAL Cust. Service and Informational Expenses	152,683	120,250
142	6. SALES EXPENSES		
143	Operation		
144	(911) Supervision		
145	(912) Demonstrating and Selling Expenses	-	-
146	(913) Advertising Expenses	1,510	940
147	(916) Miscellaneous Sales Expenses	-	-
148	TOTAL Sales Expenses	1,510	940
149	7. ADMINISTRATIVE AND GENERAL EXPENSES		
150	Operation		
151	(920) Administrative and General Salaries	365,850	211,335
152	(921) Office Supplies and Expenses	88,461	76,159
153	(Less) (922) Administrative expenses Transferred-Cr.	-	-
154	(923) Outside Services Employed	29,942	30,993
155	(924) Property Insurance	112,759	107,935
156	(925) Injuries and Damages	62,631	102,444
157	(926) Employee Pensions and Benefits	110,334	79,440

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

Account	Amount for Current Year	Amount for Previous Year
157 7. ADMINISTRATIVE AND GENERAL EXPENSES		
158 (927) Franchise Requirements		
159 (928) Regulatory Commission Expenses	1,587	1,093
160 (Less) (929) Duplicate Charges-Cr.		
161 (930.1) General Advertising Expenses	21	0
162 (930.2) Miscellaneous General Expenses	40,411	44,038
163 (931) Rents	1,664	1,062
164 TOTAL Operation	813,660	654,494
165 Maintenance		
166 (935) Maintenance of General Plant	23,912	27,000
167 TOTAL Administrative and General Expenses	837,572	681,494
168 TOTAL Electric Operation and Maintenance Expenses	13,511,369	13,430,278

NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES

1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.
2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special construction employees in a footnote.
3. The number of employees assignable to the electric department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the electric department from joint functions.

1 Payroll Period Ended (Date)	10/28/2001
2 Total Regular Full-Time Employees	35
3 Total Part-Time and Temporary Employees	-
4 Total Employees	35

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

1. Report in Section A for the year the amounts for:
(a) Depreciation Expense (Account 403); (b) Amortization of Limited-Term Electric Plant (Account 404); and (c) Amortization of Other Electric Plant (Account 405).
2. Report in section B the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute the charges and whether any changes have been made in the basis or rates used from the preceding report year.

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

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

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

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

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

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

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

A. Summary of Depreciation and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization of Limited-Term Electric Plant (Acct. 404) (c)	Amortization of Other Electric Plant (Acct. 405) (d)	Total (e)
1	Intangible Plant				
2	Steam Production Plant				
3	Nuclear Production Plant				
4	Hydraulic Production Plant-Conventional	0			0
5	Hydraulic Production Plant-Pumped Storage **	(14,400)			(14,400)
6	Other Production Plant	0			0
7	Transmission Plant	0			0
8	Distribution Plant	890,251			890,251
9	General Plant	48,604			48,604
10	Common Plant-Electric	29,241			29,241
11	TOTAL***	\$953,696	\$0	\$0	\$953,696

B. Basis for Amortization Charges

* Not included on page 219, Line 3.

** Amortization of deferred gain on sale of hydro plant.

*** Includes adjustment of \$122 posted in error to depreciation expense.

FLORIDA PUBLIC UTILITIES COMPANY
MARIANNA ELECTRIC DIVISION
REPORT OF DEPRECIATION DATA UNDER RULE 25-6.0436(8)
2001

PLANT IN SERVICE (\$)							RESERVE (\$)							(CREDIT BALANCES)														
Plant	Beginning Balance	Additions	Purchases & Adjustments	Transfers	Retirements	Ending Balance	Plant Acct.	Beginning Balance	Retirements	Accruals	Salvage	Cost of Removal	Purchases & Adjustments	Transfers	Reclassifications	Ending Balance												
350	-	-	-	-	-	-	350	-	-	-	-	-	-	-	-	-												
3501	-	-	-	-	-	-	3501	-	-	-	-	-	-	-	-	-												
352	-	-	-	-	-	-	352	-	-	-	-	-	-	-	-	-												
353	-	-	-	-	-	-	353	-	-	-	-	-	-	-	-	-												
354	-	-	-	-	-	-	354	-	-	-	-	-	-	-	-	-												
355	-	-	-	-	-	-	355	-	-	-	-	-	-	-	-	-												
356	-	-	-	-	-	-	356	-	-	-	-	-	-	-	-	-												
359	-	-	-	-	-	-	359	-	-	-	-	-	-	-	-	-												
360	1,100	-	-	-	-	1,100	360	(5,233)	-	288	-	-	-	-	-	-												
3601	16,000	-	-	-	-	16,000	3601	1,185	-	-	-	-	-	-	-	1,185												
361	-	-	-	-	-	-	361	(5,205)	-	-	-	-	-	-	-	(4,945)												
362	905,581	23,251	-	-	-	928,832	362	434,951	-	27,806	-	(68)	-	-	-	462,689												
364	4,965,856	254,243	-	-	(43,642)	5,176,457	364	2,073,041	(43,642)	208,101	4,038	(48,473)	-	-	-	2,193,065												
365	5,151,928	106,239	-	-	(37,587)	5,220,580	365	2,430,246	(37,587)	201,927	4,252	(16,764)	-	-	-	2,582,074												
366	111,506	2,268	-	-	-	113,774	366	26,733	-	2,139	968	-	-	-	-	29,840												
367	488,607	16,312	-	-	(909)	504,010	367	133,943	(909)	14,437	253	(1,668)	-	-	-	146,056												
368	4,895,389	188,237	-	-	(20,586)	5,062,172	368	2,435,103	(20,586)	209,354	72	(5,217)	-	(452)	-	2,618,274												
369	2,464,578	164,922	-	-	(7,987)	2,621,513	369	1,029,379	(7,987)	109,124	2,870	(7,316)	-	-	-	1,126,070												
370	1,000,083	29,857	-	-	(8,422)	1,021,518	370	593,372	(8,422)	42,614	6,124	(68)	-	-	-	633,620												
371	829,342	88,416	-	-	(41,128)	876,630	371	180,817	(41,128)	59,859	6,049	(6,014)	-	-	-	199,583												
373	259,679	32,776	-	-	(27,360)	265,095	373	81,145	(27,360)	14,602	4,249	(6,705)	-	-	-	65,931												
389	3,766	-	-	-	-	3,766	389	-	-	-	-	-	-	-	-	-												
390	912,235	-	-	-	-	912,235	390	155,379	-	15,348	-	-	-	-	-	170,727												
3911	2,657	-	-	-	-	2,657	3911	2,550	-	70	-	-	-	-	-	2,620												
3912	5,714	8,041	-	-	-	13,755	3912	4,620	-	936	-	-	-	-	-	5,556												
3913	96,550	11,550	-	-	-	108,100	3913	49,362	-	14,149	-	-	-	-	-	63,511												
3921	23,772	17,745	-	-	-	41,517	3921	1,958	-	6,805	-	-	-	-	-	8,763												
3922	192,301	52,989	-	-	(26,439)	218,851	3922	116,056	(26,439)	28,764	3,385	-	-	-	-	121,766												
3923	808,742	-	-	-	-	808,742	3923	326,642	-	66,312	-	-	-	-	-	392,954												
3924	20,035	-	-	-	-	20,035	3924	6,750	-	696	-	-	-	-	-	7,446												
3931	86,430	-	-	-	-	86,430	3931	26,949	-	9,062	-	-	-	-	-	36,011												
3932	761	-	-	-	-	761	3932	243	-	108	-	-	-	-	-	351												
3941	5,063	-	-	-	-	5,063	3941	1,501	-	588	-	-	-	-	-	2,089												
3942	20,022	-	-	-	-	20,022	3942	14,615	-	1,140	-	-	-	-	-	15,755												
3951	9,547	-	-	-	-	9,547	3951	2,698	-	1,140	-	-	-	-	-	3,838												
3952	16,219	-	-	-	-	16,219	3952	10,394	-	1,584	-	-	-	-	-	11,978												
396	5,103	-	-	-	-	5,103	396	774	-	360	-	-	-	-	-	1,134												
397	77,578	-	-	-	(56,353)	21,225	397	59,223	(56,353)	4,119	-	(666)	-	-	-	6,323												
398	8,857	-	-	-	-	8,857	398	3,271	-	-	-	-	-	-	-	3,271												
23,385,001							996,847							(868)			24,110,566		10,192,463		32,260		(92,959)		10,902,331			

STATEMENT OF INCOME FOR THE YEAR

1. Report amounts for Accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (i,k,m,o) in a similar manner to a utility department. Spread the amount (s) over lines 01 through 20 as appropriate. Include these amounts in columns (c) and (d) totals.

2. Report amounts in Account 414, Other Utility Operating Income, in the same manner as Accounts 412 and 413 above.

3. Report data for lines 7,9,10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.

4. Use page 122 for important notes regarding the statement of income or any account thereof.

5. Give concise explanations concerning unsettled rate

proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power and gas purchases.

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

Line No.	Account	Ref. Page No.	Total Current Year	Total Previous Year
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	\$21,803,439	\$22,157,141
3	Operating Expenses			
4	Operation Expenses (401)	320-323	16,455,611	16,955,307
5	Maintenance Expenses (402)	320-323	936,529	701,824
6	Depreciation Expense (403,405)	336-337	1,179,254	1,107,182
7	Amort. & Depl. of Utility Plant (404-405)	336-337	-	-
8	Amort. of Utility Plant Acq. Adj. (406)	336-337	-	-
9	Amort. of Property Losses, Unrecovered Plant and Regulatory Study Costs (407)		-	-
10	Amort. of Conversion Expenses (407)		-	-
11	Regulatory Debits (407.3)		-	-
12	(Less) Regulatory Credits (407.4)		-	-
13	Taxes Other Than Income Taxes (408.1)		1,594,342	1,681,155
14	Income Taxes - Federal (409.1)		139,654	291,453
15	- Other (409.1)		23,655	49,652
16	Provision for Deferred Inc. Taxes (410.1)	234,272-277	106,697	(30,325)
17	(Less) Provision for Deferred Income Taxes-Cr.(411.1)	234,272-277		-
18	Investment Tax Credit Adj. - Net (411.4)	266	(36,764)	(36,890)
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)		-	-
	TOTAL Utility Operating Expenses (Total of lines 4-18)		20,398,978	20,719,358
24	Net Utility Operating Income (Total of line 2 less 19) (Carry forward to page 117, line 25)		\$1,404,461	\$1,437,783

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

1. Report below the original cost of electric plant in service according to the prescribed accounts.

2. In addition to Account 101, Electric Plant in Service (Classified) this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Gas Plant Unclassified; and Account 106, Completed Construction Not Classified - Electric

3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.

4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.

5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for

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

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization		
3	(302) Franchises and Consents		
4	(303) Miscellaneous Intangible Plant		
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	0	0
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights		
9	(311) Structures and Improvements		
10	(312) Boiler Plant Equipment		
11	(313) Engines and Engine Driven Generators		
12	(314) Turbogenerator Units		
13	(315) Accessory Electric Equipment		
14	(316) Misc. Power Plant Equipment		
15	TOTAL Steam Production Plant (Enter Total of lines 8 through 14)	0	0
16	B. Nuclear Production Plant		
17	(320) Land and Land Rights		
18	(321) Structures and Improvements		
19	(322) Reactor Plant Equipment		
20	(323) Turbogenerator Units		
21	(324) Accessory Electric Equipment		
22	(325) Misc. Power Plant Equipment		
23	TOTAL Nuclear Production Plant (Enter Total of lines 17 through 22)	0	0
24	C. Hydraulic Production Plant		
25	(330) Land and Land Rights	0	
26	(331) Structures and Improvements		
27	(332) Reservoirs, Dams, and Waterways		
28	(333) Water Wheels, Turbines, and Generators		
29	(334) Accessory Electric Equipment		
30	(335) Misc. Power Plant Equipment		
31	(336) Roads, Railroads, and Bridges		
32	TOTAL Hydraulic Production Plant (Enter Total of lines 25 through 31)	0	0
33	D. Other Production Plant		
34	(340) Land and Land Rights		
35	(341) Structures and Improvements		
36	(342) Fuel Holders, Products and Accessories		
37	(343) Prime Movers		
38	(344) Generators		
39	(345) Accessory Electric Equipment		

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

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

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

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

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

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
			\$0	(301)	1
			0	(302)	2
			0	(303)	3
0	0	0	0		4
					5
					6
					7
			0	(310)	8
			0	(311)	9
			0	(312)	10
			0	(313)	11
			0	(314)	12
			0	(315)	13
0	0	0	0	(316)	14
			0		15
			0	(320)	16
			0	(321)	17
			0	(322)	18
			0	(323)	19
			0	(324)	20
0	0	0	0	(325)	21
			0		22
			0	(330)	23
			0	(331)	24
			0	(332)	25
			0	(333)	26
			0	(334)	27
			0	(335)	28
0	0	0	0	(336)	29
			0		30
			0	(340)	31
			0	(341)	32
			0	(342)	33
			0	(343)	34
			0	(344)	35
			0	(345)	36
					37
					38
					39

Fernandina Division		December 31, 2001	
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106)			
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
40	(346) Misc. Power Plant Equipment		
41	TOTAL Other Production Plant (Enter Total of lines 34 through 40)	0	0
42	TOTAL Production Plant (Enter Total of lines 15, 23, 32, and 41)	0	0
43	3. TRANSMISSION PLANT		
44	(350) Land and Land Rights	74,148	0
45	(352) Structures and Improvements	26,401	0
46	(353) Station Equipment	1,938,469	11,878
47	(354) Towers and Fixtures	244,665	0
48	(355) Poles and Fixtures	1,776,077	238
49	(356) Overhead Conductors and Devices	986,486	0
50	(357) Underground Conduit	0	0
51	(358) Underground Conductors and Devices	0	0
52	(359) Roads and Trails	6,788	0
53	TOTAL Transmission Plant (Enter Total of lines 44 through 52)	5,053,034	12,116
54	4. DISTRIBUTION PLANT		
55	(360) Land and Land Rights	10,160	0
56	(361) Structures and Improvements	39,925	54,483
57	(362) Station Equipment	1,927,574	40,888
58	(363) Storage Battery Equipment	0	0
59	(364) Poles, Towers, and Fixtures	1,670,297	43,699
60	(365) Overhead Conductors and Devices	2,748,428	59,487
61	(366) Underground Conduit	1,498,405	72,543
62	(367) Underground Conductors and Devices	2,773,092	90,935
63	(368) Line Transformers	5,423,345	407,329
64	(369) Services	3,364,594	199,351
65	(370) Meters	1,772,707	85,198
66	(371) Installations on Customer Premises	378,147	72,779
67	(372) Leased Property on Customer Premises	0	0
68	(373) Street Lighting and Signal Systems	614,632	111,164
69	TOTAL Distribution Plant (Enter Total of lines 55 through 68)	22,221,306	1,237,856
70	5. GENERAL PLANT		
71	(389) Land and Land Rights	68,696	0
72	(390) Structures and Improvements	438,054	3,773
73	(391) Office Furniture and Equipment	395,604	80,454
74	(392) Transportation Equipment	1,083,775	91,550
75	(393) Stores Equipment	20,488	0
76	(394) Tools, Shop and Garage Equipment	85,570	11,772
77	(395) Laboratory Equipment	50,910	0
78	(396) Power Operated Equipment	79,395	35,324
79	(397) Communication Equipment	112,090	0
80	(398) Miscellaneous Equipment	23,454	1,821
81	SUBTOTAL (Enter Total of lines 71 through 80)	2,358,036	224,694
82	(399) Other Tangible Property		
83	TOTAL General Plant (Enter Total of lines 81 and 82)	2,358,036	224,694
84	TOTAL (Accounts 101 and 106)	29,632,376	1,474,666
85	(102) Electric Plant Purchased	0	0
86	(Less) (102) Electric Plant Sold		
87	(103) Experimental Plant Unclassified	0	0
88	TOTAL Electric Plant in Service	\$29,632,376	\$1,474,666

Fernandina Division		An Original			December 31, 2001	
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)						
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.	
			0	(346)	40	
0	0	0	0		41	
0	0	0	0		42	
					43	
0	0	0	74,148	(350)	44	
0	0	0	26,401	(352)	45	
0	0	0	1,950,347	(353)	46	
0	0	0	244,665	(354)	47	
0	0	0	1,776,315	(355)	48	
0	0	(1,743)	984,743	(356)	49	
0	0	0	0	(357)	50	
0	0	0	0	(358)	51	
0	0	0	6,788	(359)	52	
0	0	(1,743)	5,063,407		53	
					54	
0	0	0	10,160	(360)	55	
0	0	0	94,408	(361)	56	
0	0	0	1,968,462	(362)	57	
0	0	0	0	(363)	58	
(6,960)	0	2,497	1,709,533	(364)	59	
(8,693)	0	(754)	2,798,468	(365)	60	
0	0	0	1,570,948	(366)	61	
(452)	0	0	2,863,575	(367)	62	
(181,526)	0	868	5,650,016	(368)	63	
(1,249)	0	0	3,562,696	(369)	64	
(52,999)	0	0	1,804,906	(370)	65	
(12,916)	0	0	438,010	(371)	66	
0	0	0	0	(372)	67	
(12,506)	0	0	713,290	(373)	68	
(277,301)	0	2,611	23,184,472		69	
					70	
0	0	0	68,696	(389)	71	
0	0	0	441,827	(390)	72	
(34,738)	0	(5,245)	436,075	(391)	73	
17,246	0	(34,682)	1,157,889	(392)	74	
0	0	0	20,488	(393)	75	
(2,491)	0	(1,871)	92,980	(394)	76	
(2,999)	0	0	47,911	(395)	77	
(1,764)	0	(1,416)	111,539	(396)	78	
(4,621)	0	0	107,469	(397)	79	
0	0	(14,095)	11,180	(398)	80	
(29,367)	0	(57,309)	2,496,054		81	
				(399)	82	
(29,367)	0	(57,309)	2,496,054		83	
(306,668)	0	(56,441)	30,743,933		84	
0			0	(102)	85	
					86	
0			0	(103)	87	
(\$306,668)	\$0	(\$56,441)	30,743,933		88	

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

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

the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.

4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1.	Balance Beginning of Year	11,593,542	11,593,542		
2.	Depreciation Provisions for Year, Charged to				
3.	(403) Depreciation Expense	1,145,824	1,145,824		
4.	(413) Exp. of Elec. Plt. Leas. to Others				
5.	Transportation Expenses-Clearing	107,018	107,018		
6.	Other Clearing Accounts				
7.	Other Accounts (Specify):				
8.	Accrued Depreciation on Transfers	(25,459)	(25,459)		
9.	TOTAL Deprec. Prov. for Year (Enter Total of lines 3 thru 8)	1,227,383	1,227,383		
10.	Net Charges for Plant Retired:				
11.	Book Cost of Plant Retired	(306,668)	(306,668)		
12.	Cost of Removal	(172,458)	(172,458)		
13.	Salvage (Credit)	20,746	20,746		
14.	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 11 thru 13)	(458,380)	(458,380)		
15.	Other Debit or Credit Items (Describe)				
16.					
17.	Balance End of Year (Enter Total of lines 1, 9, 14, 15, and 16)	12,362,545	12,362,545		

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

18.	Steam Production				
19.	Nuclear Production				
20.	Hydraulic Production - Conventional	0	0		
21.	Hydraulic Production - Pumped Storage				
22.	Other Production	0	0		
23.	Transmission	1,959,041	1,959,041		
24.	Distribution	9,253,029	9,253,029		
25.	General	1,150,475	1,150,475		
26.	TOTAL (Enter Total of lines 18 thru 25)	12,362,545	12,362,545		

ELECTRIC OPERATING REVENUES (Account 400)

1. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
2. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer

counted for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.
3. If increases or decreases from previous year (columns (c), (e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.

OPERATING REVENUES			
Line No.	Title of Account (a)	Amount for Year (b)	Amount for Previous Year (c)
1	Sales of Electricity		
2	(440) Residential Sales	\$9,901,383	\$9,534,471
3	(442) Commercial and Industrial Sales		
4	Small (or Commercial)	1,856,121	4,622,743
5	Large (or Industrial)	9,299,045	7,294,064
6	(444) Public Street and Highway Lighting	101,076	96,282
7	(445) Other Sales to Public Authorities	79,054	262,352
8	(456.3) Unbilled Revenues	34,855	82,033
9	(448) Interdepartmental Sales	138,893	129,743
10			
11	TOTAL Sales to Ultimate Consumers	21,410,427	22,021,688
12	(447) Sales for Resale		
13			
14	TOTAL Sales of Electricity	21,410,427	22,021,688
15	(Less) (449.1) Provision for Rate Refunds	6,155	(305,380)
16			
17	TOTAL Revenue Net of Provision for Refunds	21,416,582	21,716,308
18	Other Operating Revenues		
19	(450) Forfeited Discounts	73,127	(317)
20	(451) Miscellaneous Service Revenues	43,873	39,869
21	(453) Sales of Water and Water Power	0	0
22	(454) Rent from Electric Property	29,377	26,697
23	(455) Interdepartmental Rents	0	0
24	(456.2) Other Electric Revenues	12,873	2,337
25	(456.1) Overrecoveries Purchase Electric	242,296	379,341
26	(456.6) Overrecoveries Conservation	(14,689)	(7,094)
27			
28			
29	TOTAL Other Operating Revenues	386,857	440,833
30			
31	TOTAL Electric Operating Revenues	\$21,803,439	\$22,157,141

ELECTRIC OPERATING REVENUES (Account 400) (Continued)

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

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

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

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

MEGAWATT HOURS SOLD		AVERAGE NUMBER OF CUSTOMERS PER MONTH		
Amount for Year (d)	Amount for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	Line No.
178,060	171,123	12,090	11,741	1
				2
				3
31,082	93,929	1,234	1,321	4
218,650	181,440	228	60	5
762	881	7	12	6
1,258	5,187	97	127	7
2,830	6,723			8
3,019	2,899	6	3	9
				10
435,661	462,182	13,662	13,264	11
				12
				13
435,661	462,182	13,662	13,264	14
				15
				16
435,661	462,182	13,662	13,264	17
				18
				19
				20
				21
				22
				23
				24
				25
				26
				27
				28
				29
				30
				31

ELECTRIC OPERATION AND MAINTENANCE EXPENSES

Account	Amount for Current Year	Amount for Previous Year
1 (1) POWER PRODUCTION EXPENSES		
2 A. Steam Power Generation		
3 Operation		
4 (500) Operation Supervision and Engineering		
5 (501) Fuel		
6 (502) Steam Expenses		
7 (503) Steam from Other Sources		
8 (Less) (504) Steam Transferred-Cr.		
9 (505) Electric Expenses		
10 (506) Miscellaneous Steam Power Expenses		
11 (507) Rents		
12 TOTAL Operation	-	-
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	-	-

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

Account	Amount for Current Year	Amount for Previous Year
50 C. Hydraulic Power Generation (Continued)		
51 Maintenance		
52 (541) Maintenance Supervision and Engineering		
53 (542) Maintenance of Structures	-	-
54 (543) Maintenance of Reservoirs, Dams, and Waterways	-	-
55 (544) Maintenance of Electric Plant	-	-
56 (545) Maintenance of Miscellaneous Hydraulic Plant	-	-
57 TOTAL Maintenance	-	-
58 TOTAL Power Production Expenses-Hydraulic Power	-	-
59 D. Other Power Generation		
60 Operation		
61 (546) Operation Supervision and Engineering		
62 (547) Fuel		
63 (548) Generation Expenses		
64 (549) Miscellaneous Other Power Generation Expenses		
65 (550) Rents		
66 TOTAL Operation	-	-
67 Maintenance		
68 (551) Maintenance Supervision and Engineering		
69 (552) Maintenance of Structures		
70 (553) Maintenance of Generating and Electric Plant		
71 (554) Maintenance of Miscellaneous Other Power Generation Plant	-	-
72 TOTAL Maintenance	-	-
73 TOTAL Power Production Expenses-Other Power	-	-
74 E. Other Power Supply Expenses		
75 (555) Purchased Power	14,500,594	15,367,508
76 (556) System Control and Load Dispatching		
77 (557) Other Expenses		
78 TOTAL Other Power Supply Expenses	14,500,594	15,367,508
79 TOTAL Power Production Expenses	14,500,594	15,367,508
80 2. TRANSMISSION EXPENSES		
81 Operation		
82 (560) Operation Supervision and Engineering		
83 (561) Load Dispatching		
84 (562) Station Expenses	13,382	20,251
85 (563) Overhead Line Expenses		
86 (564) Underground Line Expenses		
87 (565) Transmission of Electricity by Others		
88 (566) Miscellaneous Transmission Expenses	110	1,596
89 (567) Rents		
90 TOTAL Operation	13,492	21,847
91 Maintenance		
92 (568) Maintenance Supervision and Engineering		
93 (569) Maintenance of Structures		
94 (570) Maintenance of Station Equipment	76,730	15,613
95 (571) Maintenance of Overhead Lines	33,496	45,861
96 (572) Maintenance of Underground Lines		
97 (573) Maintenance of Miscellaneous Transmission Plant	-	-
98 TOTAL Maintenance	110,226	61,474
99 TOTAL Transmission Expenses	123,718	83,321
100 3. DISTRIBUTION EXPENSES		
101 Operation		
102 (580) Operation Supervision and Engineering	114,458	95,262
103 (581) Load Dispatching	319	273

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

Account	Amount for Current Year	Amount for Previous Year
104 3. DISTRIBUTION EXPENSES (Continued)		
105		
106 (582) Station Expenses	5,993	6,277
107 (583) Overhead Line Expenses	12,618	21,539
108 (584) Underground Line Expenses	10,764	19,349
109 (585) Street Lighting and Signal System Expenses	7,112	4,366
110 (586) Meter Expenses	65,023	65,151
111 (587) Customer Installations Expenses	30,027	24,236
112 (588) Miscellaneous Distribution Expenses	102,546	118,378
113 (589) Rents	4,787	
114 TOTAL Operation	353,647	354,831
115 Maintenance		
116 (590) Maintenance Supervision and Engineering	34,695	25,628
117 (591) Maintenance of Structures	21,825	15,597
118 (592) Maintenance of Station Equipment	107,807	36,172
119 (593) Maintenance of Overhead Lines	403,122	328,636
120 (594) Maintenance of Underground Lines	129,568	123,373
121 (595) Maintenance of Line Transformers	53,020	57,554
122 (596) Maintenance of Street Lighting and Signal Systems	20,063	8,520
123 (597) Maintenance of Meters	11,807	4,254
124 (598) Maintenance of Miscellaneous Distribution Plant	14,798	6,603
125 TOTAL Maintenance	796,705	606,337
126 TOTAL Distribution Expenses	1,150,352	961,168
127 4. CUSTOMER ACCOUNTS EXPENSES		
128 Operation		
129 (901) Supervision	57,467	44,374
130 (902) Meter Reading Expenses	61,248	72,908
131 (903) Customer Records and Collection Expenses	348,084	333,511
132 (904) Uncollectible Accounts	51,763	27,980
133 (905) Miscellaneous Customer Accounts Expenses	42,783	24,387
134 TOTAL Customer Accounts Expenses	561,345	503,160
135 5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
136 Operation		
137 (907) Supervision	38,036	33,307
138 (908) Customer Assistance Expenses	70,852	98,045
139 (909) Informational and Instructional Expenses	48,665	25,371
140 (910) Misc. Cust. Service and Informational -Includes underrecovery	(11,956)	(40,923)
141 TOTAL Cust. Service and Informational Expenses	145,597	115,800
142 6. SALES EXPENSES		
143 Operation		
144 (911) Supervision		
145 (912) Demonstrating and Selling Expenses	76	-
146 (913) Advertising Expenses	1,179	779
147 (916) Miscellaneous Sales Expenses	-	-
148 TOTAL Sales Expenses	1,255	779
149 7. ADMINISTRATIVE AND GENERAL EXPENSES		
150 Operation		
151 (920) Administrative and General Salaries	442,958	223,666
152 (921) Office Supplies and Expenses	96,269	77,489
153 (Less) (922) Administrative expenses Transferred-Cr.	-	-
154 (923) Outside Services Employed	33,621	26,411
155 (924) Property Insurance	37,570	31,528
156 (925) Injuries and Damages	120,441	119,834
157 (926) Employee Pensions and Benefits	107,589	70,128

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

Account	Amount for Current Year	Amount for Previous Year
157 7. ADMINISTRATIVE AND GENERAL EXPENSES		
158 (927) Franchise Requirements		
159 (928) Regulatory Commission Expenses	933	1,771
160 (Less) (929) Duplicate Charges-Cr.		
161 (930.1) General Advertising Expenses	721	318
162 (930.2) Miscellaneous General Expenses	37,915	39,175
163 (931) Rents	1,664	1,062
164 TOTAL Operation	879,681	591,382
165 Maintenance		
166 (935) Maintenance of General Plant	29,598	34,013
167 TOTAL Administrative and General Expenses	909,279	625,395
168 TOTAL Electric Operation and Maintenance Expenses	17,392,140	17,657,131

NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES

1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.
2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special construction employees in a footnote.
3. The number of employees assignable to the electric department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the electric department from joint functions.

1 Payroll Period Ended (Date)	10/28/2001
2 Total Regular Full-Time Employees (Equivalent Employees from joint functions -6)	53
3 Total Part-Time and Temporary Employees	-
4 Total Employees	53

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

1. Report in Section A for the year the amounts for:
(a) Depreciation Expense (Account 403); (b) Amortization of Limited-Term Electric Plant (Account 404); and (c) Amortization of Other Electric Plant (Account 405).
2. Report in section B the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute the charges and whether any changes have been made in the basis or rates used from the preceding report year.
3. Report all available information called for in section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.

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

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

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

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

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

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

A. Summary of Depreciation and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization of Limited-Term Electric Plant (Acct. 404) (c)	Amortization of Other Electric Plant (Acct. 405) (d)	Total (e)
1	Intangible Plant				
2	Steam Production Plant				
3	Nuclear Production Plant				
4	Hydraulic Production Plant-Conventional	0			0
5	Hydraulic Production Plant-Pumped Storage	0			0
6	Other Production Plant	0			0
7	Transmission Plant	152,926			152,926
8	Distribution Plant	884,482			884,482
9	General Plant	108,416			108,416
10	Common Plant-Electric *	33,428			33,428
11	TOTAL**	\$1,179,252	\$0	\$0	\$1,179,252

B. Basis for Amortization Charges

* Not included on page 219, Line 3.

FLORIDA PUBLIC UTILITIES COMPANY
FERNANDINA BEACH ELECTRIC DIVISION
REPORT OF DEPRECIATION DATA UNDER RULE 25-6.0435(6)
2001

PLANT IN SERVICE (\$)							RESERVE (\$)							(CREDIT BALANCES)		
Plant	Beginning Balance	Additions	Purchases & Adjustments	Transfers	Retirements	Ending Balance	Plant Acct.	Beginning Balance	Retirements	Accruals	Salvage	Cost of Removal	Purchases & Adjustments	Transfers	Reclassifications	Ending Balance
350	17,629					17,629	350	26,480	-	1,188						27,668
3501	56,519					56,519	3501	-	-							-
352	26,401					26,401	352	11,291	-	552						11,843
353	1,938,469	11,878				1,950,347	353	714,517	-	48,456						762,973
354	244,665					244,665	354	152,955	-	4,404						157,359
355	1,776,077	238		(1,743)		1,774,572	355	593,248	-	67,486			(56,260)	(581)		603,893
356	986,486	-				986,486	356	420,449	-	30,576	16,536	(74,853)				392,708
359	6,788					6,788	359	2,333	-	264						2,597
360	9,972					9,972	360	97	-	12						109
3601	188					188	3601	-	-							-
361	39,925	54,483				94,408	361	18,709	-	1,359						20,068
362	1,927,574	40,888				1,968,462	362	849,733	-	75,655						925,388
364	1,670,297	43,699				1,709,533	364	699,812	(6,960)	82,700		(13,870)		995		762,677
365	2,748,428	59,487		(754)		2,798,468	365	1,133,994	(6,893)	125,304	1,997	(5,446)		(414)		1,246,742
366	1,498,405	72,543				1,570,948	366	288,309	-	30,378		(113)				318,574
367	2,773,092	90,935				2,863,575	367	891,742	(452)	78,266		(309)		452		989,247
368	5,423,345	407,329		868		5,650,016	368	2,335,709	(181,526)	244,516	2,055	(17,203)				2,384,003
369	3,364,594	199,351				3,562,696	369	1,231,134	(1,249)	131,317		(1,106)				1,360,096
370	1,772,707	85,198				1,804,906	370	914,090	(52,999)	62,882	158	(713)				923,418
371	378,147	72,779				438,010	371	137,324	(12,916)	24,669		(1,204)				147,873
373	614,632	111,164				713,290	373	181,297	(12,506)	27,424		(1,381)				194,834
389	68,696					68,696	389	6,704	-							6,704
390	438,054	3,773				441,827	390	176,248	-	8,790						185,038
3911	4,713	-				4,713	3911	2,088	-	404						2,492
3912	25,603					23,961	3912	15,438	(1,642)	2,256						16,052
3913	365,288	80,454		(5,245)		407,401	3913	157,117	(33,096)	63,547				(2,977)		184,591
3921	50,586	15,779				66,365	3921	31,489	-	2,684						34,173
3922	276,854	72,190		(34,682)		331,609	3922	105,737	17,246	42,481				(13,338)		152,126
3923	726,038					726,038	3923	272,478	-	60,984						333,462
3924	30,297	3,582				33,879	3924	7,619	-	869						8,488
3931	20,488					20,488	3931	14,710	-	960						15,670
3932	-					-	3932	-	-							-
3941	32,200			621		32,821	3941	5,154	-	4,512				151		9,817
3942	53,370	11,772		(2,492)		60,159	3942	33,686	(2,491)	4,739				(605)		35,329
3951	30,675					30,675	3951	8,505	-	3,695						12,200
3952	20,235					17,236	3952	17,377	(2,999)	576						14,954
396	79,395	35,324		(1,416)		111,539	396	53,182	(1,764)	4,640				1,724		67,782
397	112,090	-				107,469	397	54,989	(4,621)	13,769						64,137
398	23,454	1,821		(14,095)		11,180	398	17,798	-	528				(10,866)		7,460
29,632,376							11,593,542							12,362,545		
1,474,665							1,252,842							(25,459)		
							(172,456)									

**Florida Public Utilities Company
Annual Status Report for
Storm Damage Reserve (Marianna)**

Status of Reserve

Beginning Balance	1/1/2001	\$647,219.61
Accruals under Docket No. 93-0400EI (2001)		99,996.00
Additional Accrual from Overrecovery		0.00
Ending Balance	12/31/2001	<u>\$747,215.61</u>

Reasonableness of Reserve

Distribution Plant - Book Cost

Storm Damage Reserve Balance @ 12/31/2001	\$747,215.61
Total Distribution Plant (per books) @ 12/31/2001	<u>\$21,807,685.52</u>
Ratio of Reserve to Distribution Plant	<u>3.43%</u>

Distribution Plant - Replacement Cost

Storm Damage Reserve Balance @ 12/31/2001	\$747,215.61
Estimated Replacement Cost of Distribution Plant (cost times 2)	<u>\$43,615,371.04</u>
Ratio of Reserve to Replacement Distribution Plant	<u>1.71%</u>

Availability of Distribution Systems Insurance

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

