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(Expires 11/30/2001)



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FERC Form No. 1

ANNUAL REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHERS

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

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PUBLIC SERVICE COMMISSION

Actual Legal Name of Respondent (Company)	Year of Report
Florida Public Utilities Company	Dec. 31, 2009



Independent Auditors' Report

To the Board of Directors
Chesapeake Utilities Corporation
and Florida Public Utilities

We have audited the balance sheet of Florida Public Utilities Company as of December 31, 2009, and the accompanying statements of income (excluding additional information on pages 114F – Northeast Division, 114M – Northwest Division and 115 – Electric, Gas and Other Utility Divisions), retained earnings, and cash flows included on pages 110 through 122 of the accompanying Annual Report of Major Electric Utilities, Licensees and Other, as filed with the Florida Public Service Commission. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements for Florida Public Utilities Company as of December 31, 2008 and for the year then ended were audited by other auditors whose report dated May 27, 2009, expressed an unqualified opinion on those statements.

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 provide a reasonable basis for our opinion.

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

In our opinion, the 2009 financial statements referred to above present fairly, in all material respects, the financial position of Florida Public Utilities Company as of December 31, 2009 and the results of its operations and cash flows for the year then ended, in accordance with accounting requirements of the Florida Public Service Commission, which are substantially equivalent to the accounting requirements of the Federal Energy Regulatory Commission as set forth in the applicable Uniform System of Accounts and published accounting releases.

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

ParenteBeard LLC

Malvern, Pennsylvania
July 7, 2010

EXECUTIVE SUMMARY

SUPPLEMENT TO ANNUAL REPORT

OF

FLORIDA PUBLIC UTILITIES COMPANY

FOR THE

YEAR ENDED DECEMBER 31, 2009

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 non-technical 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 such as to achieve a reasonable return on equity."

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 S. 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.

Table of Contents

	Page
Part I Telephone Numbers	2
A. Corporate	
B. Officers	
C. Directors	
Part II Company Profile	3
A. Brief Company history	
B. Operating Territory	
C. Major Goals and Objectives	
D. Major Operating Divisions and Functions	
E. Affiliates and Relationships	
F. Current and Projected Growth Patterns	
Part III Corporate Records	5
A. Location	
B. Description	
C. List Audit Groups Reviewing Records and Operations	
Part IV Parent/Affiliate Organizational Charts	6
Part V Liaison Personnel Directory	7
A. List	
B. Organizational Chart	

PART I - TELEPHONE NUMBERS

A. FPUC's Universal Telephone Number:		(561) 832-2461
B. Direct Telephone Number for Officer (s)		
Officer (s) Name	Title	Telephone Numbers
1 John R. Schimkaitis	Vice Chairman & CEO	(302) 734-6799
2 Michael P. McMasters	President & COO	(302) 734-6799
3 Stephen C. Thompson	Sr. Vice President & President, ESNGC	(302) 734-6799
4 Thomas A. Geoffroy	Vice President	(302) 734-6799
5 George M. Bachman	CFO/Treasurer & Corporate Secretary	(561) 838-1731
6 Charles L. Stein	Sr. Vice President	(561) 838-1760
7 Beth Cooper	Sr. Vice President & Chief Financial Officer	(302) 734-6799
C. Direct Telephone Number for Director (s)		
Officer (s) Name	Title	Telephone Numbers
1 Ralph J. Adkins	Chairman of Board, Director	(302) 734-6799
2 John R. Schimkaitis	Vice Chairman & CEO	(302) 734-6799
3 Michael P. McMasters	President & COO	(302) 734-6799
4 Eugene H. Bayard	Director	(302) 734-6799
5 Richard Bernstein	Director	(302) 734-6799
6 Thomas J. Bresnan	Director	(302) 734-6799
7 Thomas P. Hill, Jr.	Director	(302) 734-6799
8 Dennis S. Hudson, III	Director	(302) 734-6799
9 Paul L. Maddock, Jr.	Director	(302) 734-6799
10 J. Peter Martin	Director	(302) 734-6799
11 Joseph E. Moore, Esq.	Director	(302) 734-6799
12 Calvert A. Morgan	Director	(302) 734-6799
13 Dianna F. Morgan	Director	(302) 734-6799

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. In November 2002, the Company acquired Nature Coast Utilities, a propane gas service distribution company, in a cash for stock transaction. On October 28, 2009 FPU became a wholly-owned subsidiary of Chesapeake Utilities Corporation.

B. Operating Territory

Four areas of Florida are served by Florida Public Utilities Company. The South Florida division serves 40,100 customers within Palm Beach and Broward Counties. The Central Florida division serves 23,700 customers in Seminole, Volusia and Marion Counties.

The Northwest division, located in the panhandle of Florida, serves 15,300 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 and propane services to 15,800 and 1,600 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 is a wholly-owned subsidiary of Chesapeake Utilities Corporation and 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), divisions.

Electricity is supplied by the divisions in Marianna (Northwest Florida) and Fernandina (Northeast Florida).

E. Affiliates and Relationships

Florida Public Utilities is a wholly-owned subsidiary of Chesapeake Utilities Corporation which operates regulated energy segments in Delaware, Maryland, Pennsylvania and Florida.

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	0%	Annually	0 % Annual
Fernandina Beach - Electric	0%	Annually	0 % Annual
Gas Operations	0%	Annually	0 % Annual

PART III - CORPORATE RECORDS

A. Location

Divisional Offices

Address

West Palm Beach (South Florida)	401 South Dixie Highway, West Palm Beach
Debary (Central Florida)	450 South Highway, Debary
Marianna (Northwest Florida)	2825 Pennsylvania Avenue, Marianna
Fernandina Beach (Northeast Florida)	911 S. 8th Street, Fernandina Beach
Nature Coast (Central Florida)	19510 SE Diana Street, Inglis

Chesapeake Utilities Corporation	909 Silver Lake Blvd., Dover, Delaware 19904
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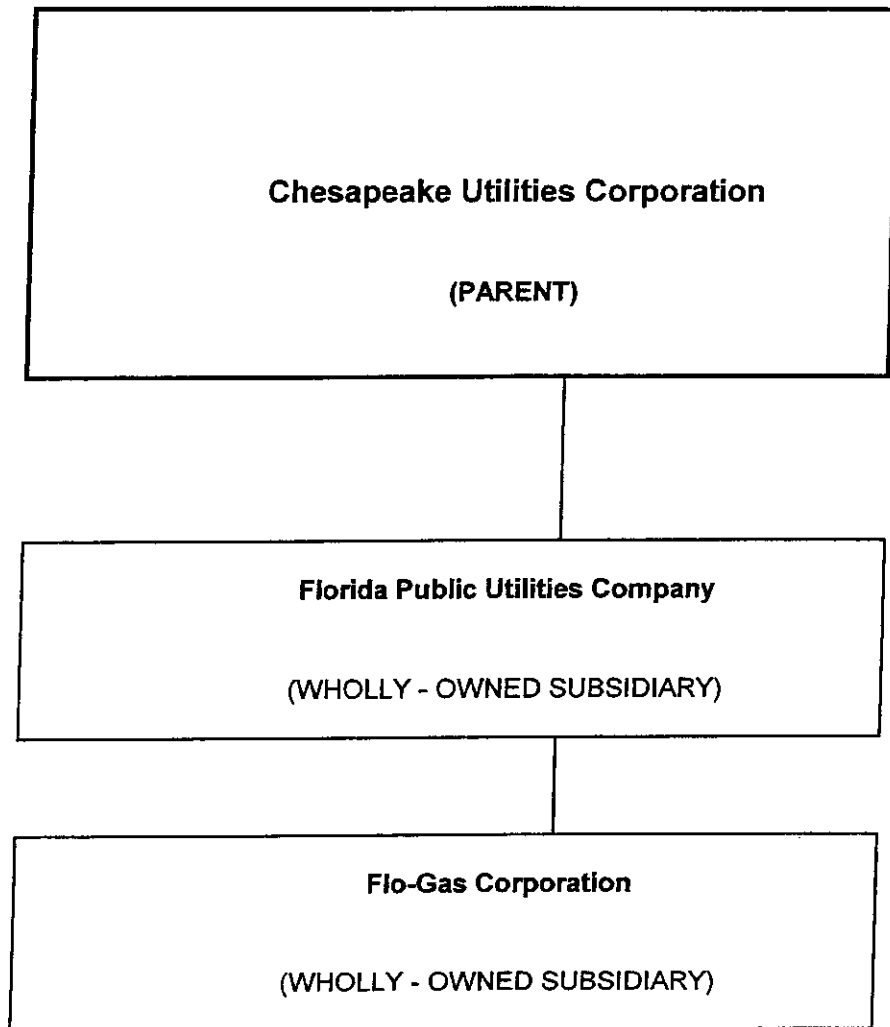
Each divisional office has on file records limited to individual divisional operations. The general office in West Palm Beach contains the general corporate accounting records for Company-wide operations.

C. List Audit Groups Reviewing Records and Operations

BDO Seidman, LLP - Annual audits and quarterly corporate reviews. Review of income tax return.
Florida Public Service Commission - Electric and gas.
Crowe Harwath, LLP, - Professional accounting services for internal audits.
Ana Blanchard, CPA PA - Professional accounting services.
ParenteBeard, LLC - Annual audits and quarterly corporate reviews. Review of income tax return.

PART IV - PARENT / AFFILIATE ORGANIZATION CHART

CURRENT AS OF : December 31, 2009



PART V - LIAISON PERSONNEL DIRECTORY

(4)

A. List

Name of Company (1) (2) Representative	Title or Position	Organizational Unit Title (Dept/Div/Etc.) (3)	Name of Immediate Supervisor	Area (s) Responsible
George Bachman	CFO/Treasurer & Corporate Secretary	Electric and Gas Operations	J. Schimkaitis	Engineering, Rates Rules and Regulations
Charles L. Stein	Sr. Vice President	Electric and Gas Operations	G. Bachman	Engineering, Rates Rules and Regulations
Drane Shelley	GM - North West Florida	NW Florida Electric Operations	C. Stein	Conservation, Rates and Engineering
P. Mark Cutshaw	GM - North East Florida	NE Florida Electric Operations	C. Stein	Rates and Engineering
M. Schneidermann	Corporate Services Director	Electric and Gas Operations	C. Stein	Conservation
Cheryl Martin	Controller	Electric and Gas Operations	G. Bachman	Open Dockets, Accounting, Rules and Regulations
Beth Keating (850) 224-9634	Attorney	Ackerman Senterfitt	-	Fuel Adj., PGA, and Conservation, All Divisions
Norman Horton, Jr. (850) 222-0720	Attorney	Messer, Caparello, & Self	-	Rate Proceedings

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

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

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

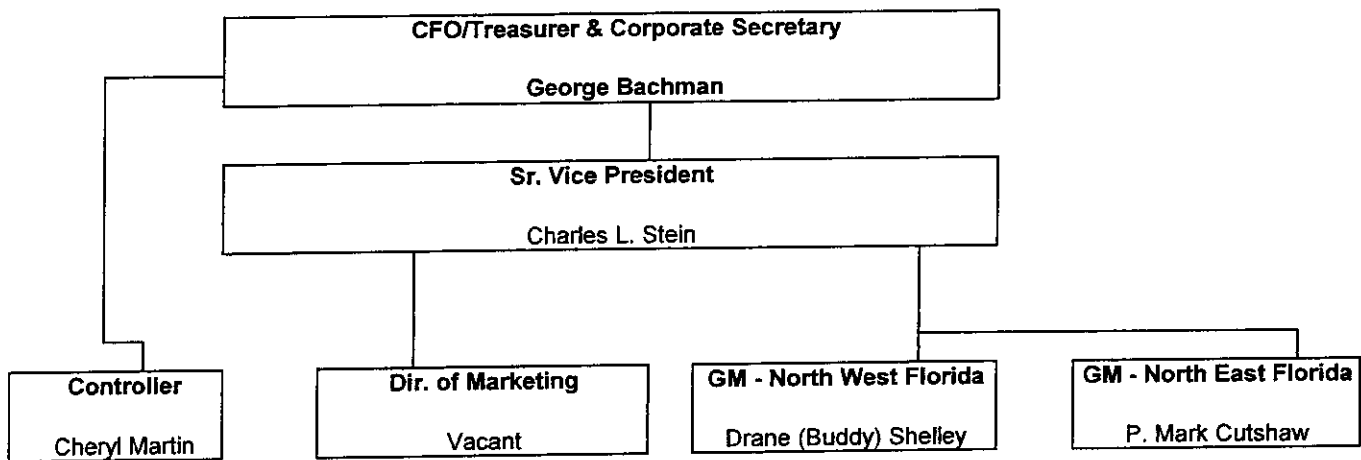
(4) Defined as personal visits or telephone call as a result of either routine interface, rate cases, or audits.

PART V - LIAISON PERSONNEL

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

CURRENT AS OF: December 31, 2009

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, 2009 to December 31, 2009, 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.

Date

Signature

George Bachman

CFO/Treasurer & Corporate Secretary

Name

Title

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 on electronic media consisting of two (2) duplicate data diskettes 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-21
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 contained on the electronic media, that the signer knows the contents of the paper copies and electronic media, and that the contents as stated in the copies and on the electronic media 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.
Room 1A-21
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 form for the letter or report unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

In connection with our regular examination of the financial 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-1 ED-12.2
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 NE., Washington, DC 20426 (Attention: Mr. Michael Miller, ED-12.3); 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).

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 MMH) 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, two (2) new data diskettes 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) must be filed. Resubmissions must be numbered sequentially both on the diskettes and 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.

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

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

...(3) 'corporation' means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, 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, utilizing, or distributing power;...."

(11) 'project' means a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or forebay reservoirs directly connected therewith, the primary line or lines transmitting power therefrom to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit 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, amend, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the form or forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be filed...."

GENERAL PENALTIES

"Sec. 315. (a) Any licensee or public utility which willfully fails, within the time prescribed by the Commission, to comply with any order of the Commission, to file any report required under this Act or any rule or regulation of the Commission thereunder, to submit any information 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		02 Year of Report	
FLORIDA PUBLIC UTILITIES COMPANY		December 31, 2009	
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		06 Title of Contact Person	
George Bachman		CFO/Treasurer & Corporate Secretary	
07 Address of Contact Person (Street, City, State, Zip Code)			
Same as above			
08 Telephone of Contact Person, Including Area Code		09 This Report Is	
(561) 838-1731		(1) <input checked="checked" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	
		10 Date of Report (Mo, Da, Yr)	
		December 31, 2009	
ATTESTATION			
<p>The undersigned officer certifies that he/she has examined the accompanying report; that to the best of his/her knowledge, information, and belief, all statements of fact contained in the accompanying report are true and the accompanying report is a correct statement of the business and affairs of the above named respondent in respect to each and every matter set forth therein during the period from and including January 1 to and including December 31 of the year of the report.</p>			
01 Name		02 Title	
George Bachman		CFO/Treasurer & Corporate Secretary	
03 Signature		04 Date Signed (Mo, Da, Yr)	
<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 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) December 31, 2009	Year of Report December 31, 2009
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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. 107 - None
Important Changes During the Year.....	108-109	Ed. 12-90	Pg. 116-None
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	Pg. 123-None
Statement of Cash Flows.....	120-121	Rev. 12-94	
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	
Electric Plant Leased to Others.....	213	Rev. 12-95	None
Electric Plant Held for Future Use.....	214	Ed. 12-89	None
Construction Work in Progress-Electric.....	216	Ed. 12-87	None
Construction Overheads-Electric.....	217	Ed. 12-89	
General Description of Construction Overhead Procedure.....	218	Ed. 12-88	
Accumulated Provision for Depreciation of Electric Utility Plant..	219	Ed. 12-88	See page 461
Nonutility Property.....	221	Ed. 12-95	
Investment in Subsidiary Companies.....	224-225	Ed. 12-89	
Materials and Supplies.....	227	Ed. 12-89	None
Allowances.....	228-229	Ed. 12-95	
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	None
Miscellaneous Deferred Debits.....	233	Ed. 12-94	
Accumulated Deferred Income Taxes (Account 190).....	234	Ed. 12-88	
BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other credits)			
Capital Stock.....	250-251	Ed. 12-90	None
Capital Stock Subscribed, Capital Stock Liability for Conversion, Premium on Capital Stock, and Installments Received on Capital Stock.....	252	Rev. 12-95	
Other Paid-In Capital.....	253	Ed. 12-87	
Discount on Capital Stock.....	254	Ed. 12-87	None
Capital Stock Expense.....	254	Ed. 12-86	None
Long-Term Debt.....	256-257	Ed. 12-91	

Name of Respondent Florida Public Utilities Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) December 31, 2009	Year of Report December 31, 2009
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LIST OF SCHEDULES (Electric Utility)(Continued)

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

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

Title of Schedule (A)	Reference Page No. (B)	Date Revised (C)	Remarks (D)
BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other Credits) (Continued)			
Reconciliation of Reporting Net Income with Taxable Income for Federal Income Taxes.....	261	Ed. 12-88	
Taxes Accrued, Prepaid and Changed During Year.....	262-263	Rev. 12-95	
Accumulated Deferred Investment Tax Credits.....	266-267	Ed. 12-89	
Other Deferred Credits.....	269	Ed. 12-88	
Accumulated Deferred Income Taxes-Accelerated Amortization Property.....	272-273	Ed. 12-94	None
Accumulated Deferred Income Taxes-Other Property.....	274-275	Ed. 12-94	
Accumulated Deferred Income Taxes-Other.....	276-277	Ed. 12-94	
Other Regulatory Liabilities.....	278	Ed. 12-94	
INCOME ACCOUNT SUPPORTING SCHEDULES			
Electric Operating Revenues.....	300-301	Ed. 12-90	
Sales of Electricity by Rate Schedules.....	304	Ed. 12-95	
Sales for Resale.....	310-311	Ed. 12-88	None
Electric Operation and Maintenance Expenses.....	320-323	Ed. 12-95	
Number of Electric Department Employees.....	323	Ed. 12-93	See page 462
Purchase Power.....	326-327	Ed. 12-95	
Transmission of Electricity for Others.....	328-330	Ed. 12-90	None
Transmission of Electricity by Others.....	332	Ed. 12-90	None
Miscellaneous General Expenses-Electric.....	335	Ed. 12-94	
Depreciation and Amortization of Electric Plant.....	336-338	Ed. 12-95	
Particulars Concerning Certain Income Deduction and Interest Charges Accounts.....	340	Ed. 12-87	See page 463
COMMON SECTION			
Regulatory Commission Expenses.....	350-351	Ed. 12-90	
Research, Development and Demonstration Activities.....	352-353	Ed. 12-87	None
Distribution of Salaries and Wages.....	354-355	Ed. 12-88	
Common Utility Plant and Expenses.....	356	Ed. 12-87	
ELECTRIC PLANT STATISTICAL DATA			
Electric Energy Account.....	401	Rev. 12-90	
Monthly Peaks and Output.....	401	Rev. 12-90	
Steam -Electric Generating Plant Statistics (Large Plants).....	402-403	Ed. 12-89	None
Hydroelectric Generating Plant Statistics (Large Plants).....	406-407	Ed. 12-89	None
Pumped Storage Generating Plant Statistics (Large Plants).....	408-409	Ed. 12-88	None
Generating Plant Statistics (Small Plant).....	410-411	Ed. 12-87	None

Name of Respondent	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) December 31, 2009	December 31, 2009

LIST OF SCHEDULES (Electric Utility)(Continued)

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

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

Title of Schedule (A)	Reference Page No. (B)	Date Revised (C)	Remarks (D)
ELECTRIC PLANT STATISTICAL DATA (CONTINUED)			
Transmission Line Statistics.....	422-423	Ed. 12-87	
Transmission Lines Added During Year.....	424-425	Ed. 12-86	None
Substations.....	426-427	Ed. 12-96	
Electric Distribution Meters and Line Transformers.....	429	Ed. 12-88	None
Environmental Protection Facilities.....	430	Ed. 12-88	None
Environmental Protection Expenses.....	431	Ed. 12-88	None
Footnote Data.....	450	Ed. 12-87	None
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.		

December 31, 2009

GENERAL INFORMATION

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

Florida Public Utilities Company
401 South Dixie Highway, P.O. Box 3395
West Palm Beach, Florida 33401

Chesapeake Utilities Corporation
909 Silver Lake Boulevard
Dover, Delaware 19904

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

State of Florida
March 6, 1924; Reincorporated April 25, 1929

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

N/A

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

Distribution of electricity and gas in the state of Florida.

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

(1) X YES ...Enter the date when such independent accountant was initially engaged: October 28, 2009

(2) NO

December 31, 2009

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%	
Note: As of October 28, 2009 Florida Public Utilities is a wholly-owned subsidiary of Chesapeake Utilities Corporation			

December 31, 2009

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 R. Schimkaitis	
2			
3	Sr. Vice President	* Steven C. Thompson	
4			
5	Vice President	* Thomas A. Geoffroy	
6			
7	Sr. Vice President & Chief Financial Officer	* Beth Cooper	
8			
9	President & Chief Executive Officer	** J. T. English	1,045,702
10			
11	Sr. Vice President	Charles L. Stein	770,685
12			
13	CFO/Treasurer & Corporate Secretary	George M. Bachman	728,711
14			
15		* as of 11/2009	
16		** Retired 10/2009	
17			
18	Note: The salaries above represent only that portion allocated to FPUC.		
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FLORIDA PUBLIC UTILITIES COMPANY

For the Year Ended

December 31, 2009

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)

Ralph J. Adkins, Chairman of Board
John R. Schimkaitis, Vice Chairman & CEO
Michael P. McMasters, President & COO
Eugene H. Bayard, Director
Richard Bernstein, Director
Thomas J. Bresnan, Director
Thomas P. Hill, Jr., Director
Dennis S. Hudson, III, Director
Paul L. Maddock, Jr., Director
J. Peter Martin, Director
Joseph E. Moore, Esq., Director
Calvert A. Morgan, Jr., Director
Dianna F. Morgan, Director
R. C. Hitchins
P.L. Maddock, Jr.
D. Hudson

909 Silver Lake Blvd., Dover Delaware 19901
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909 Silver Lake Blvd., Dover Delaware 19901
909 Silver Lake Blvd., Dover Delaware 19901
909 Silver Lake Blvd., Dover Delaware 19901
909 Silver Lake Blvd., Dover Delaware 19901
909 Silver Lake Blvd., Dover Delaware 19901
325 South Olive Ave. West Palm Beach, FL
250 El Pueblo Way, Palm Beach, FL
1142 Watertower Road, Lake Park, FL

December 31, 2009

SECURITY HOLDERS AND VOTING POWERS

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

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

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

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

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

VOTING SECURITIES

Name (Title) and Address of Security Holder (a)	Number of votes as of (date):			
	Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
TOTAL votes of all voting securities	0	-	-	-
TOTAL number of security holders	0	-	-	-
TOTAL votes of security holders listed below	0	0	-	-
Shareholder information may be obtained through: Beth Cooper, Senior Vice President & Chief Financial Officer 909 Silver Lake Boulevard Dover, Delaware 19901				

IMPORTANT CHANGES DURING THE YEAR

December 31, 2009

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 Florida Public Utilities Company was acquired by Chesapeake Utilities Corporation on October 28, 2009.
- 3 None
- 4 None
- 5 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	197,227,669	235,488,190
3	Construction Work in Progress (107)	200-201	2,011,845	1,799,781
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		199,239,514	237,287,971
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 111, 115)	200-201	(64,967,958)	(69,578,199)
6	Net Utility Plant (Enter Total of line 4 less 5)		134,271,556	167,709,772
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)		134,271,556	167,709,772
11	Utility Plant Adjustments (116)	122		
12	Gas Stored Underground-Noncurrent (117)			
13	OTHER PROPERTY AND INVESTMENTS			
14	Nonutility Property (121)	461	8,436	8,436
15	(Less) Accum. Prov. for Depr. and Amort. (122)		-	-
16	Investments in Associated Company (123)	224-225	-	-
17	Investment in Subsidiary Companies (123.1)	224-225	1,480,594	335,339
18	(For Cost of Account 123.1, See Footnote Page 224, line 42)		-	-
19	Noncurrent Portion of Allowances	228-229	-	-
20	Other Investments (124-128, 171)		5,619,015	14,934
21	Special Funds		-	-
22	TOTAL Other Property and Investments (Total of lines 14 through 20)		7,108,045	358,709
23	CURRENT AND ACCRUED ASSETS			
24	Cash (131)		2,961,407	2,658,120
25	Special Deposits (132-133)		3,636,815	-
26	Working Funds (135)		35,650	35,650
27	Temporary Cash Investments (136)		-	-
28	Notes Receivable (141)		252,000	5,846,619
29	Customer Accounts Receivable (142)		11,825,771	10,189,198
30	Other Accounts Receivable (143)		930,802	168,893
31	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		(389,382)	(425,094)
32	Notes Receivable from Associated Companies (145)		-	-
33	Accounts Receivable from Assoc. Companies (146)		14,712,473	16,623,757
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	1,524,027	1,429,800
38	Merchandise (155)	227	401,495	226,266
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)		1,036,785	369,339
47	Advances for Gas (166-167)		-	-
48	Interest and Dividends Receivable		-	-
49	Rents Receivable (172)		-	-
50	Accrued Utility Revenues (173)		1,714,063	5,631,270
51	Miscellaneous Current and Accrued Assets (174)		-	890,678
52	TOTAL Current and Accrued Assets (Enter Total of lines 24 through 51)		38,641,906	43,644,496

December 31, 2009

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS, cont.)				
Line No.	Title of Account	Ref. Page No.	Balance at Beginning of Year	Balance at End of Year
53	DEFERRED DEBITS			
54	Unamortized Debt Expense (181)		-	-
55	Extraordinary Property Losses (182.1)		-	-
56	Unrecovered Plant and Regulatory Study Costs (182.2)		-	-
57	Other Regulatory Assets (182.3)		17,037,022	9,748,189
58	Prelim. Survey and Investigation Charges (Electric) (183)		-	-
59	Prelim. Survey and Investigation Charges (Gas) (183.1, 183.2)		-	-
60	Clearing Accounts (184)		-	-
61	Temporary Facilities (185)		(3,698)	-
62	Miscellaneous Deferred Debits (186)	233	6,394,122	3,432,617
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)		172,174	135,606
66	Accumulated Deferred Income Taxes (190)	234	5,648,204	5,638,723
67	Unrecovered Purchased Gas Costs (191)	233	756,074	-
68				
69	TOTAL Deferred Debits (Enter Total of lines 54 through 67)		30,003,898	18,955,135
70	TOTAL Assets and other Debits (Enter Total of lines 10, 11, 12, 22, 52, and 68)		210,025,405	230,668,112

FLORIDA PUBLIC UTILITIES COMPANY

An Original

For the Year Ended
December 31, 2009

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	9,299,105	-
3	Preferred Stock Issued (204)	250-251	600,000	-
4	Capital Stock Subscribed (202, 205)		-	-
5	Stock Liability for Conversion (203, 206)		-	-
6	Premium on Capital Stock (207)		5,890,209	-
7	Other Paid-In Capital (208-211)	253	(947,777)	76,038,774
8	Installments Received on Capital Stock (212)		-	-
9	(Less) Discount on Capital Stock (213)		-	-
10	(Less) Capital Stock Expense (214)		(428,441)	-
11	Retained Earnings (215, 215.1, 216)	118-119	34,979,795	1,503,364
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	1,444,205	325,338
13	(Less) Reacquired Capital Stock (217)	250-251	(1,725,042)	-
14	TOTAL Proprietary Capital (Enter Total of lines 2 through 13)		49,112,054	77,867,476
15	LONG-TERM DEBT			
16	Bonds (221)	256-257	49,329,161	19,183,167
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)		49,329,161	19,183,167
23	OTHER NONCURRENT LIABILITIES			
24	Obligations Under Capital Leases - Noncurrent (227)		-	-
25	Accumulated Provision for Property Insurance (228.1)		2,417,615	2,554,477
26	Accumulated Provision for Injuries and Damages (228.2)		264,922	169,761
27	Accumulated Provision for Pensions and Benefits (228.3)		19,351,582	11,255,466
28	Accumulated Miscellaneous Operating Provisions (228.4)		-	-
29	Accumulated Provision for Rate Refunds (229)		-	257,745
30	TOTAL Other Noncurrent Liabilities (Enter Total of lines 24 through 29)		22,034,119	14,237,449
31	CURRENT AND ACCRUED LIABILITIES			
32	Notes Payable (231)		12,747,000	-
33	Accounts Payable (232)		11,480,775	11,266,647
34	Notes Payable to Associated Companies (233)		-	-
35	Accounts Payable to Associated Companies (234)		-	8,948,348
36	Customer Deposits (235)		10,250,728	12,779,268
37	Taxes Accrued (236)	262-263	551,512	1,668,535
38	Interest Accrued (237)		1,079,676	882,227
39	Dividends Declared (238)		724,077	-
40	Long-Term Debt Current(239)		1,409,000	28,642,629
41	Matured Interest (240)		-	-
42	Tax Collections Payable (241)		1,228,989	798,893
43	Miscellaneous Current and Accrued Liabilities (242)		3,291,907	4,448,728
44	Obligations Under Capital Leases-Current (243)		-	-
45	TOTAL Current and Accrued Liabilities (Enter Total of lines 32 through 44)		42,763,664	69,435,275

FLORIDA PUBLIC UTILITIES COMPANY

An Original

For the Year Ended
December 31, 2009

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)			
48	Accumulated Deferred Investment Tax Credits (255)	266-267	2,405,970	2,076,017
49	Deferred Gains from Disposition of Utility Plant (256)		202,797	141,455
50	Other Deferred Credits (253)		0	0
51	Other Regulatory Liabilities (254)	269	14,620,227	13,065,167
52	Unamortized Gain on Reacquired Debt (257)		10,303,991	11,692,864
53	Accumulated Deferred Income Taxes (281-283)	269	0	0
54	TOTAL Deferred Credits (Enter Total of lines 47 through 53)	274-277	20,662,422	22,969,242
55			48,195,407	49,944,745
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)		210,025,405	230,668,112

* Prior year's balance was restated to reflect current presentation

STATEMENT OF INCOME FOR THE YEAR

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

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

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

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

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

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

Line No.	Account (a)	Ref. Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	147,678,582	151,279,113
3	Operating Expenses			
4	Operation Expenses (401)	320-323	115,261,594	120,245,263
5	Maintenance Expenses (402)	320-323	3,874,543	3,303,752
6	Depreciation Expense (403)	336-337	6,883,353	6,507,435
7	Amort. & Depl. of Utility Plant (404-405)	336-337	1,792,300	1,549,477
8	Amort. of Utility Plant Acq. Adj. (406)	336-337	31,520	31,060
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	12,105,040	11,874,190
14	Income Taxes - Federal (409.1)	262-263	(1,230,633)	(925,763)
15	- Other (409.1)	262-263	130,827	(170,261)
16	Provision for Deferred Inc. Taxes (410.1) *	234,272-277	2,978,934	2,359,060
17	(Less) Provision for Deferred Income Taxes-Cr.(411.1)	234,272-277	-	-
18	Investment Tax Credit Adj. - Net (411.4)	266	(61,342)	(63,439)
19	(Less) Gains from Disp. of Utility Plant (411.6)		-	-
20	Losses from Disp. of Utility Plant (411.7)		-	-
21	(Less) Gains from Disposition of Allowances (411.8)		-	-
22	Losses from Disposition of Allowances (411.9)		-	-
23	TOTAL Utility Operating Expenses (Total of lines 4-22)		141,766,136	144,710,774
24	Net Utility Operating Income (Total of line 2 less 23) (Carry forward to page 117, line 25)		5,912,446	6,568,339
* Excludes Common				

STATEMENT OF INCOME FOR THE YEAR (Continued)

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

7. If any notes appearing in the report to stockholders are different from that reported in prior reports. 9. Explain in a footnote if the previous year's figures are applicable to this Statement of Income, such notes must be attached at page 122. 10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 1 to 19, and report the information in the blank space on page 122 or in a supplemental statement.

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

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY - WATER		Line No.
Current Year (e)	Previous Year (f)	Current Year (g)	Previous Year (h)	Current Year (i)	Previous Year (j)	
88,275,669	78,654,826	59,402,913	72,624,287	-	-	1
74,201,459	63,230,942	41,060,135	57,014,321	-	-	2
2,400,641	2,146,970	1,473,902	1,156,782	-	-	3
3,428,419	3,314,955	3,454,934	3,192,480	-	-	4
-	-	1,792,300	1,549,477	-	-	5
-	-	31,520	31,060	-	-	6
-	-	-	-	-	-	7
-	-	-	-	-	-	8
-	-	-	-	-	-	9
-	-	-	-	-	-	10
-	-	-	-	-	-	11
-	-	-	-	-	-	12
6,524,016	5,757,128	5,581,024	6,117,062	-	-	13
(1,143,860)	(95,850)	(86,773)	(829,913)	-	-	14
(77,325)	(28,461)	208,152	(141,800)	-	-	15
1,626,292	1,080,190	1,352,642	1,278,870	-	-	16
-	-	-	-	-	-	17
(25,168)	(26,598)	(36,174)	(36,841)	-	-	18
-	-	-	-	-	-	19
-	-	-	-	-	-	20
-	-	-	-	-	-	21
-	-	-	-	-	-	22
86,934,474	75,379,276	54,831,662	69,331,498	-	-	23
1,341,195	3,275,550	4,571,251	3,292,789	-	-	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)	—	5,912,446	6,568,339
26	Other Income and Deductions	—		
27	Other Income	—		
28	Nonutility Operating Income	—		
29	Revenues From Merchandising, Jobbing and Contract Work (415)	—	2,312,656	2,494,461
30	(Less) Costs and Exp. of Merchandising, Job & Contract Work (416)	—	(1,966,797)	(2,250,801)
31	Revenues From Nonutility Operations (417)	—	-	-
32	(Less) Expenses of Nonutility Operations (417.1)	—	-	-
33	Nonoperating Rental Income (418)	—	3,039	3,156
34	Equity in Earnings of Subsidiary Companies (418.1)	119	241,558	594,602
35	Interest and Dividend Income (419)	—	263,866	381,094
36	Allowance for Other Funds Used During Construction (419.1)	—	-	-
37	Miscellaneous Nonoperating Income (421)	*	254,998	252,229
38	Gain on Disposition of Property (421.1)	—	-	-
39	TOTAL Other Income (Enter Total of lines 29 through 38)	—	1,109,320	1,474,741
40	Other Income Deductions	—		
41	Loss on Disposition of Property (421.2)	—	-	-
42	Miscellaneous Amortization (425)	340	-	-
43	Miscellaneous Income Deductions (426.1-426.5)	463	29,558	25,378
44	TOTAL Other Income Deductions (Total of lines 41 through 43)	—	29,558	25,378
45	Taxes Applicable to Other Income and Deductions	—		
46	Taxes Other Than Income Taxes (408.2)	262-263	-	-
47	Income Taxes - Federal (409.2)	262-263	190,240	195,885
48	Income Taxes - Other (409.2)	262-263	46,403	45,546
49	Provision for Deferred Income Taxes (410.2)	234,272-277	(5,506)	188
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)	—	231,137	241,619
54	Net Other Income and Deductions (Enter Total of lines 39,44,53)	—	848,625	1,207,744
55	Interest Charges	—		
56	Interest on Long-Term Debt (427)	—	3,709,144	3,854,840
57	Amortization of Debt Disc. and Expense (428)	—	98,918	99,925
58	Amortization of Loss on Recquired Debt (428.1)	—	-	-
59	(Less) Amort. of Premium on Debt - Credit (429)	—	-	-
60	(Less) Amortization of Gain on Recquired Debt - Credit (429.1)	—	-	-
61	Interest on Debt to Assoc. Companies (430)	340	(151,509)	(525,316)
62	Other Interest Expense (431)	340	682,962	859,559
63	(Less) Allow. for Borrowed Funds Used During Const. - Cr. (432)	—	-	-
64	Net Interest Charges (Total of lines 56 through 63)	—	4,339,515	4,289,008
65	Income Before Extraordinary Items (Enter Total of lines 25, 54 and 64)	—	2,421,556	3,487,075
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)	—	2,421,556	3,487,075

STATEMENT OF RETAINED EARNINGS FOR THE YEAR

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

Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)		
1	Balance - Beginning of Year		34,979,795
2	Changes (Identify by prescribed retained earnings accounts)		
3	Adjustments to Retained Earnings (Account 439)		
4	Credit:		-
5	Credit:		-
6	Credit:		-
7	Credit:		-
8	Credit:		-
9	TOTAL Credits to Retained Earnings (Account 439) (Enter Total of lines 4 through 8)		-
10	Debit: Chesapeake Utilities Corporations Acquisition of FPU		34,409,619
11	Debit:		-
12	Debit:		-
13	Debit:		-
14	Debit:		-
15	TOTAL Debits to Retained Earnings (Account 439) (Enter Total of lines 10 through 14)		34,409,619
16	Balance Transferred from Income (Account 433 less Account 418.1)		2,179,998
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	20,250
25			
26			
27			
28	TOTAL Dividends Declared - Preferred Stock (Account 437)		20,250
29	(Enter Total of lines 24 through 28)		
30	Dividends Declared - Common Stock (Account 438)		
31	Common - Cash	2380	1,226,560
32			
33			
34			
35	TOTAL Dividends Declared - Common Stock (Account 438)		1,226,560
36	(Enter Total of lines 31 through 35)		
37	Transfers from Acct. 216.1, Unappropriated Undistributed Subsidiary Earnings		-
38	Balance - End of Year (Enter Total of lines 01, 09, 15, 16, 22, 29, 36 and 37)		1,503,364

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)	1,503,364
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)	
49	Balance - Beginning of Year (Debit or Credit)	1,444,205
50	Equity in Earnings for Year (Credit) (Account 418.1)	241,558
51	(Less) Dividends Received (Debit)	(1,000,000)
52	Other Changes (Explain) Cost of shares issued for employee stock plan	(360,425)
53	Balance - End of year (Total of Lines 49 Thru 52)	325,338

CONSOLIDATED STATEMENT OF CASH FLOWS

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

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

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

Line No.	Description (See Instruction No.5 for Explanation of Codes) (a)	Amounts (b)
1	Cash Flow from Operating Activities	
2	Net Income	2,421,556
3		
4		
5	Depreciation & Amortization	9,743,696
6	Deferred Income Taxes (Net)	3,690,445
7	Bad Debt Expense	679,064
8	Investment Tax Credit	(61,342)
9	Net Other non-cash charges to income	693,684
10	Comp. from issuance of Stock	62,997
11	Interest income for sale of Asset	(242,538)
12	Receivables	1,712,939
13	Unbilled Receivables	(4,281,059)
14	Inventory	2,042,453
15	Other	(473,424)
16	Payables and Accrued Expenses	3,983,489
17	Non cash Storm Reserve Transfer	136,862
18	Over/(under) Recovery of Energy Cost	1,283,292
19	Area Expansion Program Deferred Costs	375,182
20	Environmental Liabilities	11,800
21	Storm Reserve Liability	-
22	Retirement Plan Liability	5,954,219
23	Deferred Credits	(2,082,278)
24	Net Cash Provided by (Used in) Operating Activities (Total of lines 2 through 23)	25,651,037
25		
26		
27		
28	Cash Flow from Investing Activities	
29	Construction Expenditure	(7,628,348)
30	Acquisition of Plant Assets	(4,400,698)
31	Customer Advances for Construction	(329,953)
32	Purchase of Long-Term Investments	3,506,509
33	Payment on Sale of Plant Assets	252,000
34	Issuance of Stock	-
35	Cash Outflows for Plant (Total of lines 29 through 34)	(8,600,490)
36		
37		
38		
39		
40		
41		
42		

CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

4. Investing Activities

5. Codes used:

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

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

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

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

Line No.	Description (See Instruction No.5 for Explanation of Codes) (a)	Amounts (b)
43		
44	Net Cash Provided by (Used in) Investing Activities	(8,600,490)
45		
46		
47	Cash Flows From Financing Activities:	
48		
49	Short Term Borrowing	(12,747,000)
50	Long Term Borrowing	(1,503,365)
51	Dividend Reinvesting Plan	213,794
52	ESSP Activity	205,219
53	Compensation Expense from the Issuance of Stock	(62,997)
54	Treasury Stock Purchased	92,605
55	Dividends Paid	(2,916,090)
56	Preferred Stock Redemption and Premium	(636,000)
57		
58	Net Cash Provided by (Used in) Financing Activities	(17,353,834)
59		
60		
61	Net Increase (Decrease) in Cash and Cash Equivalents	(303,287)
62	(Total of lines 24, 44, and 58)	
63		
64	Cash and Cash Equivalents at Beginning of Year	2,997,057
65		
66	Cash and Cash Equivalents at End of Year	2,693,770
67		
68		
69	Note:	
70	Cash Paid During the Year:	
71	Interest	4,032,097
72	Income Taxes	1,932,176
73	Non-Cash Investing and Financing Activities During the Year	
74	Chesapeake Utilities Corporation Acquisition of FPUC	34,409,619
75		
76		
77		
78		
79		
80		
81		

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 Notes to the Financial Statements Supplements.

Notes to the Financial Statements

A. SUMMARY OF ACCOUNTING POLICIES

Nature of Business

Florida Public Utilities Company ("we," "us," "our," "FPU" or 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. We are subject to the jurisdiction of the Florida Public Service Commission ("FPSC") with respect to our natural gas and electric operations. The suppliers of electric 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 electric power by a municipality which is exempt from FERC and FPSC regulation. We also distribute propane gas through a non-regulated subsidiary.

On October 28, 2009, we merged with Chesapeake Utilities Corporation ("Chesapeake"), pursuant to which FPU became a wholly-owned subsidiary of Chesapeake. The Company's accompanying Statement of Income is presented for the entire year-ended December 31, 2009, rather than from January 1, 2009 to the date of the merger.

Basis of Presentation

The financial statements include the accounts of Florida Public Utilities Company and its wholly owned non-regulated subsidiary accounted for under the equity method of accounting. All significant intercompany balances and transactions have been eliminated. Under the equity method of accounting, our non-regulated subsidiary's accounts are not reflected within our balance sheet and statement of income, however, the Company's share of earnings and losses are reflected in the aggregate as equity in earnings of subsidiary companies in the accompanying statements of income and the Company's carrying value of its non-regulated subsidiary is reflected in the Company's balance sheet. Where applicable the accompanying notes to the financial statements include amounts on a consolidated basis, inclusive of amounts and balances of our non-regulated subsidiary. In addition, the accompanying statement of cash flows is presented on a consolidated basis, inclusive of the results of our non-regulated subsidiary's operations and cash flows.

System of Accounts

Our financial statements are prepared in conformity with the accounting requirements of the FERC as set forth in the applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America ("GAAP"). We also maintain our accounts in accordance with recognized policies prescribed by the FPSC. The accounting requirements of the FERC are consistent with GAAP, except for:

- Lack of reclassifications of certain negative balances on the balance sheets as required by GAAP;
- The presentation of deferred income tax assets and liabilities separately rather than as a single amount as required by GAAP;
- The omission of the statement of cash flows for the prior year as required by GAAP;
- The omission of the statement of retained earnings for the prior year for a comparative presentation as required by GAAP;
- The presentation of positive acquisition adjustments in Account 114, which are included in the plant assets on the balance sheets, rather than as a regulatory asset or goodwill in accordance with GAAP; and

- The presentation of costs of removal in Account 108, which is included in accumulated depreciation on the balance sheets, rather than as a liability as required by GAAP.

Property, Plant, Equipment and Depreciation

Property, plant and equipment are stated at original cost. Costs include direct labor, materials and third-party construction contractor costs, allowance for capitalized interest and certain indirect costs related to equipment and employees engaged in construction. The costs of repairs and minor replacements are charged against income as incurred, and the costs of major renewals and betterments are capitalized. The provision for depreciation is computed using the straight-line method at rates that amortize the unrecovered cost of depreciable property over the estimated remaining useful life of the asset. Depreciation and amortization expenses for the regulated energy operations are provided at various annual rates, as approved by the FPSC.

Allowance for Funds Used During Construction

The allowance for funds used during construction ("AFUDC") is an accounting procedure whereby the cost of borrowed and other funds used to finance construction project is capitalized as part of utility plant on the balance sheet and is credited as non-cash items on the income statement. The costs of borrowed and equity funds are segregated between interest expenses and other income, respectively. We did not capitalize any AFUDC during 2009 and 2008.

Related Party Transactions

FPUC allocates costs between our regulated and non-regulated operations (Flo-Gas) which generate inter-company receivables and payables. These amounts consolidate to zero and were \$16,568,103 and \$14,712,473 at December 31, 2009 and 2008, respectively.

Cash and Cash Equivalents

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

Pension and Other Postretirement Plans

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

The discount rates are utilized principally in calculating the actuarial present value of our pension and postretirement obligations and net pension and postretirement costs. When establishing its discount rates, we consider high quality corporate bond rates based on the Citigroup yield curve, changes in the rates from the prior year, and other pertinent factors, such as the expected life of each of our plans and their respective payment options.

The expected long-term rates of return on assets are utilized in calculating the expected returns on plan assets component of our annual pension and plan costs. We estimate the expected returns on plan assets of each of our plans by evaluating expected bond returns, asset allocations, the effects of active plan management, the impact of

periodic plan asset rebalancing and historical performance. We also consider the guidance from our investment advisors in making a final determination of our expected rates of return on assets.

We estimate the assumed health care cost trend rates used in determining our postretirement net expense based upon actual health care cost experience, the effects of recently enacted legislation and general economic conditions. Our assumed rate of retirement is estimated based upon our annual reviews of participant census information as of the measurement date.

Income Taxes and Investment Tax Credit Adjustments

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

We account for uncertainty in income taxes in the financial statements only if it is "more likely than not" that an uncertain tax position is sustainable based on technical merits. Recognizable tax positions are then measured to determine the amount of benefit recognized in the financial statements.

Interest and penalties associated with uncertain tax positions as part of the income tax provision. We have determined that we have no material uncertain tax positions.

Financial Instruments

None of our natural gas or electric contracts are accounted for using the fair value method of accounting. All material contracts that meet the definition of derivative instruments are considered "normal purchase" under Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 815, "Derivatives and Hedging."

Operating Revenues and Cost of Sales

Revenues for our natural gas and electric distribution operations are based on rates approved by the FPSC. For deliveries of natural gas and electricity, we read meters and bill customers on monthly cycles that do not coincide with the accounting periods used for financial reporting purposes. We accrue unbilled revenues for natural gas and electricity that have been delivered, but not yet billed, at the end of an accounting period to the extent that they do not coincide. In connection with this accrual, we must estimate the amount of natural gas and electricity that have not been accounted for on our delivery systems and must estimate the amount of the unbilled revenue by jurisdiction and customer class.

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

Operations and Maintenance Expenses

Operations and maintenance expenses are costs associated with the operation and maintenance of our natural gas and electric businesses. Major cost components include operation and maintenance salaries and benefits, materials and supplies, usage of vehicles, tools and equipment, payments to contractors, utility plant maintenance, customer

service, professional fees and other outside services, insurance expense, minor amounts of depreciation, accretion of cost of removal for future retirements of utility assets, and other administrative expenses.

Allowance for Doubtful Accounts

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

Certain Risks and Uncertainties

Our financial statements are prepared in accordance with recognized policies prescribed or permitted by the FERC and FPSC, which require management to make estimates in measuring assets and liabilities and related revenues and expenses. These estimates involve judgments with respect to, among other things, various future economic factors that are difficult to predict and are beyond the control of the Company; therefore, actual results could differ from those estimates.

We record certain assets and liabilities in accordance with ASC Topic 980, "Regulated Operations." In applying provisions of this Topic, our regulated operations may defer costs or revenues in different periods than our unregulated operations would recognize, resulting in their being recorded as assets or liabilities on the applicable operation's balance sheet. If we were required to terminate the application of these provisions to our regulated operations, all such deferred amounts would be recognized in the income statement at that time. This would result in a charge to earnings, net of applicable income taxes, which could be material.

Taxes Collected from Customers and Remitted to Governmental Authorities

We remit to governmental authorities various taxes collected from customers throughout the year including gross receipts and franchise taxes. These taxes are pass through revenues and expenses and do not impact our results of operations. The amount of gross receipts and franchise taxes for the year ending December 31, 2009 and 2008 was \$8.9 million and \$8.7 million, respectively.

Acquisition accounting

The merger with Chesapeake was accounted for under the acquisition method of accounting under GAAP, with Chesapeake treated as the acquirer. The acquisition method of accounting under GAAP requires, among other things, that the assets acquired and liabilities assumed in the merger be recognized at their fair value as of the acquisition date. In estimating the fair value of FPU's assets and liabilities subject to rate regulation, we considered the nature and impact of such regulations on those assets and liabilities as a factor in determining their appropriate fair value. We also considered the existence of a regulatory process that would allow, or sometimes require, regulatory assets and liabilities to be established for fair value adjustment to certain assets and liabilities subject to rate regulation. If a regulatory asset or liability should be established to offset the fair value adjustment based on the current regulatory process, as was the case for fuel contracts and long-term debt, we did not "gross-up" our balance sheet to reflect the fair value adjustment and corresponding regulatory asset/liability. As a result, there were no fair value adjustments to FPU's assets and liabilities subject to rate regulation in the merger.

The merger with Chesapeake resulted in a purchase premium of approximately \$34.0 million for FPU's regulated operations, which was reflected in account 114 as part of the plant assets on the balance sheet. For GAAP purposes, such amount, net of a negative purchase premium related to FPU's unregulated operations, which decreased the carrying value of certain assets in the merger, was reflected as goodwill in Chesapeake's financial statements as of

December 31, 2009. The purchase price allocation is not final as estimates of deferred income taxes and certain accruals are subject to change.

As of December 31, 2009, Chesapeake incurred approximately \$3.0 million in acquisition-related costs to consummate the merger and integrate operations following the merger. Since the allocation of the acquisition-related costs has not been finalized, none of such costs has been allocated to FPU as of December 31, 2009. FPU incurred approximately \$4.1 million in acquisition-related costs, all of which have been expensed in 2009.

Regulatory Assets, Liabilities and Expenditures

We account for our regulated operations in accordance with ASC Topic 980, "Regulated Operations." This Topic includes accounting principles for companies whose rates are determined by independent third-party regulators. When setting rates, regulators often make decisions, the economics of which require companies to defer costs or revenues in different periods than may be appropriate for unregulated enterprises. When this situation occurs, a regulated company defers the associated costs as regulatory assets on the balance sheet and records them as expense on the income statement as it collects revenues. Further, regulators can also impose liabilities upon a regulated company for amounts previously collected from customers, and for recovery of costs that are expected to be incurred in the future as regulatory liabilities.

At December 31, 2009 and 2008, the regulated utility operations had recorded the following regulatory assets and liabilities on the Balance Sheets. These assets and liabilities will be recognized as revenues and expenses in future periods as they are reflected in customers' rates.

	December 31, 2009	December 31, 2008
<i>(in thousands)</i>		
Regulatory Assets		
Deferred development costs (1)	\$ 1,698	\$ 4,161
Unamortized fuel related regulatory costs (5)	12	24
Environmental assets (2)	6,624	7,092
Deferred retirement plan costs (4)	3,580	9,945
Unamortized rate case expense (7)	906	861
Under-recovery of fuel costs (6)	-	756
Unamortized piping and conversion costs (1)	1,061	1,273
Unamortized loss on reacquired debt (1)	154	172
Unamortized bridge crossing (10)	89	-
Acquisition adjustment (11)	795	-
Income tax related amounts due from customers (12)	440	-
Total Regulatory Assets	\$ 15,359	\$ 24,284
Regulatory Liabilities		
Tax liabilities (8)	655	707
Cost of removal (9)	11,693	10,304
Storm reserve liabilities (3)	2,554	2,418
Over-recovery of fuel costs (6)	2,082	1,608
Over-recovery of conservation (6)	411	357
Natural gas rate refund liability (3)	258	-
Total Regulatory Liabilities	\$ 17,653	\$ 15,394

- (1) Deferred development costs, unamortized piping and conversion costs, and unamortized loss on reacquired debt are included in deferred charges in the consolidated balance sheets. Our 2009 rate proceeding allowed the transfer of approximately \$2.1 million in unrecovered AEP excess construction costs to rate base.
- (2) We have included the amount due from customers as a regulatory asset for environmental costs. The FPSC authorized recovery of these environmental costs from customers over 20 years.
- (3) The FPSC ordered disposition in 2008 of our 2006 natural gas over-earnings to additionally fund our storm reserve for our natural gas operations. Our natural gas storm reserve is approximately \$792,000 as of December 31, 2009. Our electric storm reserve is approximately \$1,762,000 as of December 31, 2009.
- (4) The actuarial valuation of the retirement plan obligations has been completed and resulted in a regulatory asset of \$3.6 million and \$9.9 million at December 31, 2009 and 2008, respectively.
- (5) We have deferred certain regulatory fuel-related costs and since January 2006 have been amortizing these over five years according to a FPSC order in the November 2005 fuel hearings.
- (6) We have certain costs that are passed directly through to customers for recovery including fuel and conservation costs. There are amounts related to expenses that are either over or under-recovered

- in a calendar year. The over-recoveries will be refunded to customers and under-recoveries will be collected from customers in the following year, but both are deferred in the current period.
- (7) We have costs associated with preparing and filing rate proceedings before the FPSC. These costs are amortized over a four year period. This represents the unamortized portion of these costs. We have incurred rate case costs associated with the recent electric filing finalized in 2008 and natural gas filing finalized in 2009. Amortization of natural gas costs began in mid 2009.
 - (8) We have deferred tax liabilities associated with property, plant and equipment. We use a FPSC-approved method to amortize these liabilities.
 - (9) We have a liability for the estimated future costs to remove or retire existing fixed assets.
 - (10) We have costs associated with repairs and maintenance on bridge crossings recommended by FPSC's Bureau of Safety. These costs are amortized over a four year period. This amount represents the unamortized portion of these costs. Amortization of bridge crossings repairs and maintenance costs began in mid 2009.
 - (11) The FPSC approved the recovery in rates of certain acquisition premiums from FPU's previous acquisition.
 - (12) Income taxes related amounts due from customers, is attributable to the merger with Chesapeake.

Subsequent Events

We have assessed and reported on subsequent events through July 7 2010, the date these financial statements are available to be issued.

Codification

Beginning in 2009, we adopted FASB ASC, which is now the single source of authoritative accounting principles in the United States. The adoption of the ASC did not have a material impact on our financial position and results of operations. As a result of this adoption, we updated all references to accounting and reporting standards included in this filing and in some instances provided references to both pre-and post-Codification standards, as appropriate.

FASB Statements and Other Authoritative Pronouncements

Accounting Amendments Adopted by the Company in 2009:

In December 2007, the FASB issued Statement of Financial Accounting Standard ("SFAS") No. 141(R), now codified within ASC Topic 805, "Business Combinations." SFAS No.141(R): (a) defines the acquirer as the entity that obtains control of one or more businesses in a business combination; (b) establishes the acquisition date as the date that the acquirer achieves control; and (c) requires the acquirer to recognize the assets acquired, liabilities assumed and any non-controlling interests at their fair values as of the acquisition date. Provisions of this standard were adopted effective January 1, 2009. The merger with Chesapeake, effective October 28, 2009, was accounted for using provisions of this standard.

In April 2008, the FASB issued FASB Staff Position ("FSP") FAS 142-3, "Determination of the Useful Life of Intangible Assets," which is codified within ASC Sections 350-30-50, 55 and 65 of the Topic, "Intangibles – Goodwill and Other," and ASC Section 275-10-50, of the Topic, "Risks and Uncertainties." It amended factors that should be considered in developing renewal or extension assumptions used to determine the useful life of a recognized intangible asset. The intent of these provisions is to improve the consistency between the useful life of a recognized intangible asset and the period of expected cash flows used to measure the fair value of the asset. We

adopted this standard, effective January 1, 2009. Adoption of this standard did not have an impact on our financial position and results of operations.

In December 2008, the FASB issued FSP SFAS 132(R)-1, "Employers' Disclosures about Postretirement Benefit Plan Assets." This FSP is codified within ASC Section 715-20-65, of the Topic, "Compensation – Retirement Benefits." It expands the disclosure requirements of a defined benefit pension or other postretirement plan by including the following discussions about plan assets: (i) how investment allocation decisions are made, including the plan's investment policies and strategies; (ii) the major categories of plan assets; (iii) the inputs and valuation techniques used to measure the fair value of plan assets; (iv) the effect of fair value measurements, using significant unobservable inputs on changes in plan assets for the period; and (v) significant concentrations of risk within plan assets. The disclosures required by this standard are discussed in Note K, "Employee Benefit Plans," to these financial statements.

In May 2009, the FASB issued SFAS No. 165, "Subsequent Events," which we adopted in 2009. The provisions of this standard, now residing in ASC Sections 855-10-05, 15, 25, 45, 50 and 55 of the Topic, "Subsequent Events," establish general standards of accounting for, and disclosure of, events that occur after the balance sheet date but before financial statements are issued or are available to be issued. The adoption of this standard did not have an impact on our consolidated financial position and results of operations.

B. TRANSACTIONS WITH AFFILIATES

Cash arrangements

Subsequent to the merger, we operate under an arrangement with Chesapeake whereby Chesapeake may invest certain of our excess cash in an overnight income producing accounts. We are allocated a portion of interest income generated from those accounts.

Also subsequent to the merger with Chesapeake, the investments totaling \$3.5 million from insurance proceeds related to the environmental costs were transferred to Chesapeake's general account that invests in overnight income producing securities. These investments were previously reflected as a non-current investment on the balance sheet prior to the transfer to Chesapeake.

Short term debt

In connection with the merger with Chesapeake, our outstanding borrowings under the revolving line of credit totaling \$4.2 million were repaid in full in November 2009 and the revolving line of credit was terminated on November 23, 2009. We now utilizes Chesapeake's short term borrowing facility to finance our short term needs and are allocated a portion of interest expense on Chesapeake's short-term credit facilities

Allocated Costs from Affiliates

During the period from the effective date of the merger to December 31, 2009, we were allocated approximately \$290,000 of operating expenses from Chesapeake, which primarily represent our share of the insurance and external audit fees for the period.

C. NOTES RECEIVABLE

As of December 31, 2009 there was approximately \$5.8 million in receivables from the 2003 sale of our water assets with the interest of 4.34 percent. We received payment for the notes receivable in March 2010.

D. OVER-EARNINGS AND RATE REFUND – NATURAL GAS

The FPSC approves rates that are intended to permit a specified rate of return on investment and limits the maximum amount of earnings of regulated operations. We have agreed with the FPSC staff to limit the earned return on equity for regulated natural gas and electric operations.

In 2009 and 2008, there were no estimated natural gas and electric over-earnings.

On September 29, 2008 the FPSC finalized the 2006 over-earnings for the natural gas segment. Total over-earnings were determined to be \$160,000 plus interest of \$17,000. The FPSC ordered the disposition of the 2006 over-earnings to provide additional funds for the natural gas storm reserve.

On December 15, 2009, the FPSC approved the settlement agreement for a final natural gas rate increase of \$7,969,000 for our natural gas distribution operation. The rates authorized pursuant to the order approving the settlement agreement became effective on January 14, 2010. In February 2010, we refunded to our natural gas customers approximately \$290,000 representing revenues in excess of the amount provided by the settlement agreement that had been billed to customers from June 2009 through January 14, 2010.

E. STORM RESERVES

As of December 31, 2009, we had a storm reserve of approximately \$1.8 million for the electric segment and approximately \$792,000 for the natural gas segment. We do not have a storm reserve for the propane gas segment. The FPSC ordered disposition of 2005 over earnings to eliminate the related regulatory asset – storm reserve in natural gas operations and the storm surcharge collected from customers. The remaining 2005 over-earnings and the 2006 over-earning were used to fund a storm reserve for any future storm costs.

F. INCOME TAXES

We have filed and will file a separate federal income tax return for FPU for the period prior to the merger. For the period after the merger, we will be included in the Chesapeake consolidated federal return for the post-merger period. We have filed and will continue to file a separate state income tax return for FPU in the state of Florida.

In February 2008, the IRS completed its examination of our 2003 and 2004 federal income tax returns. We reclassified the tax liability recognized in 2007 related to this audit as a current tax payable. We paid this tax liability and the interest of approximately \$195,000 and \$48,000 respectively in July 2008. This adjustment does not affect our annual effective income tax rate, and did not result in a material change in our financial position. We amended our 2004 Florida corporate income tax returns to reflect the 2004 IRS audit adjustments. During 2008, the IRS also examined our 2005 and 2006 tax years. Based on the completion of the IRS examination, at December 31, 2008 we had an income tax receivable of \$346,000 and interest income of approximately \$45,000 for the 2005 and 2006 tax years. The federal portion of this refund was received in 2009. We are not subject to income tax examinations by the IRS for the years before December 31, 2006.

The tables below provide the following: (a) the components of income tax expense; (b) reconciliation between the statutory federal income tax rate and the effective income tax rate; and (c) the components of deferred income tax assets and liabilities at December 31, 2009 and 2008 for FPU on a consolidated basis (inclusive of our non-regulated subsidiary). Income expense attributable to our non-regulated subsidiary for the years ended December 31, 2009 and 2008 were \$ 258,000 and \$ 362,000, respectively. Net deferred income tax liabilities attributable to our non-regulated subsidiary at December 31, 2009 and 2008 were \$ 4,789,000 and \$ 3,000,000, respectively.

For the Years Ended December 31,		2009	2008
<i>(in thousands)</i>			
Current Income Tax Expense			
Federal	\$	(1,482)	\$ (558)
State		152	(102)
Investment tax credit		(62)	(63)
Total current income benefit		(1,392)	(723)
Deferred Income Tax Expense			
Federal		3,488	2,152
State		208	374
Total deferred income tax expense		3,696	2,526
Total Income Tax Expense	\$	2,304	\$ 1,803

For the Years Ended December 31,		2009	2008
Reconciliation of Effective Income Tax Rates			
<i>(in thousands)</i>			
Federal income tax at statutory rate	\$	1,562	\$ 1,798
State income tax, net of federal benefit		260	194
Investment tax credit		(62)	(63)
Tax exempt interest		(83)	(83)
Merger Related Expenses		661	-
Other		(34)	(43)
Total Income Tax Expense	\$	2,304	\$ 1,803
Effective income tax rate		48.34%	34.09%
At December 31,		2009	2008
<i>(in thousands)</i>			
Deferred Income Taxes			
Deferred income tax liabilities			
Property, plant and equipment	\$	25,610	\$ 22,790
Deferred gas costs		2,347	709
Propane Customer List		1,466	-
Other		417	404
Total deferred income tax liabilities		29,840	23,903
Deferred income tax assets			
Pension and other employee benefits		2,504	1,389
Environmental costs		2,185	2,384
Self insurance		920	829
Storm reserve liability		985	910
Other		1,026	1,084
Total deferred income tax assets		7,620	6,596
Net Deferred Income Taxes Per Balance Sheet	\$	22,220	\$ 17,307

G. LONG TERM DEBT

Our outstanding long-term debt, net of unamortized debt issuance costs, is as shown below:

	December 31, 2009	December 31, 2008
<i>(in thousands)</i>		
Secured first mortgage bonds:		
9.57% bond, due May 1, 2018	\$8,156	\$9,059
10.03% bond, due May 1, 2018	4,486	4,983
9.08% bond, due June 1, 2022	7,950	7,945
6.85% bond, due October 1, 2031	14,012	13,286
4.90% bond, due November 1, 2031	13,222	14,056
Total long-term debt	47,826	49,329
Less: current maturities	(28,643)	(1,409)
Total long-term debt, net of current maturities	\$19,183	\$47,920

Annual maturities of consolidated long-term debt are as follows: \$30,109 for 2010; \$1,409 for 2011; \$1,409 for 2012; \$1,409 for 2013; \$1,409 for 2014 and \$13,636 thereafter. The annual maturity for 2010 of \$30,109, includes \$28,700 of the secured first mortgage bonds redeemed prior to stated maturity in January 2010.

Secured First Mortgage Bonds

As of December 31, 2009, our secured first mortgage bonds had a carrying value of \$47.8 million, net of unamortized debt issuance costs (\$49.3 million in outstanding principal balance). The first mortgage bonds are secured by a lien covering all of FPU's property. The 9.57 percent bond and 10.03 percent bond require annual sinking fund payments of \$909,000 and \$500,000, respectively.

In January 2010, we redeemed the 6.85 percent and 4.90 percent series of our secured first mortgage bonds prior to their respective maturity for \$28.7 million, which represented the outstanding principal balance of those bonds. Chesapeake obtained a new short-term borrowing to finance the redemption of these bonds and is currently in discussions with a lender for the long-term financing of these bonds. The difference between the carrying value of those bonds and the amount paid at redemption totaling \$1.5 million was deferred as a regulatory asset.

Each series of our first mortgage bonds contains a restriction that limits the payment of dividends by FPU. The most restrictive covenants of this type are included within the series that is due in 2031, which provided that we cannot make dividend or other restricted payments in excess of the sum of \$2.5 million plus our consolidated net income accrued on and after January 1, 2001. As of December 31, 2009, we had the cumulative net income base of \$32.7 million, offset by restricted payments of \$22.1 million, leaving \$10.6 million of cumulative net income of our free of restrictions based on this covenant. In January 2010, this series of first mortgage bonds were redeemed prior to their maturities. The second most restrictive covenant of this type is included in the series that is due in 2022, which provided that we cannot make dividend or other restricted payments in excess of the sum of \$2.5 million plus consolidated net income accrued on and after January 1, 1992. This covenant provides us with the cumulative net income base of \$56.0 million, offset by restricted payments of \$37.6 million, leaving \$18.4 million of cumulative net income of FPU free of restrictions as of December 31, 2009.

H. SHORT TERM BORROWING

In 2004, we entered into an amended and restated loan agreement that allowed us to increase the line of credit to a maximum of \$20 million, upon 30 days notice. In 2008, the agreement was amended with an expiration date of July 1, 2010, and a maximum of \$26 million. The amendment also reduces the interest rate paid on borrowings by 0.10

percent or 10 basis points. Effective April 29, 2008, we increased the available line of credit from \$12 million to \$15 million, with a current outstanding balance of \$12.7 million. We had reserved \$1.0million of the line of credit to cover expenses for any major storm repairs in its electric segment.

In connection with the merger with Chesapeake, the outstanding borrowings under the revolving line of credit totaling \$4.2 million were repaid in full in November 2009 and the revolving line of credit was terminated on November 23, 2009.

I. CAPITALIZATION

Common stock

In connection with the merger with Chesapeake on October 28, 2009, all of the outstanding shares of our common stock were exchanged to Chesapeake common stock and as a result, we became a wholly owned subsidiary of Chesapeake.

Preferred Stock

Prior to the merger with Chesapeake, we had 6,000 shares of 4 $\frac{3}{4}$ percent Series A preferred stock \$100 par value authorized for issuance of which 6,000 were issued and outstanding. The preferred shares were redeemed in September 2009, prior to the merger with Chesapeake.

J. LEASE OBLIGATIONS

We have entered into several operating lease arrangements for office space, equipment and pipeline facilities, which are not material to our financial position or result of operations.

K. EMPLOYEE BENEFIT PLANS

The following employee benefit plan disclosures are presented on a consolidated basis and inclusive of amounts and balances related to our non-regulated subsidiary.

Retirement Plans

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

We measure the assets and obligations of the defined benefit pension plan and other postretirement benefits plans to determine the plans' funded status as of the end of the year as an asset or a liability on our consolidated balance sheets. We recognize as a component of accumulated other comprehensive income/loss the changes in funded status that occurred during the year but that are not recognized as part of net periodic benefit costs, except for the portion related to FPU's regulated energy operations, which is deferred as a regulatory asset to be recovered in the future pursuant to a previous order by the FPSC. The measurement dates were December 31, 2009 and 2008.

Defined Benefit Pension Plan

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

In March 2009 and October 2009, we amended the FPU Pension Plan in an effort to reduce anticipated future pension expenses. As a result of these amendments, we froze the FPU Pension Plan for all participants effective December 31, 2009. All future benefit accruals under the plan were ceased, including freezing salary rates at 2009

average compensation levels as of December 31, 2009. In addition to the freeze, the reduced early retirement eligibility was lowered from 30 years to 20 years and two additional service years were earned by active participants at the December 31, 2009 average compensation levels for the purposes of benefit accrual, vesting and retirement eligibility. Beyond December 31, 2011, active participants will continue to accrue service years for the purposes of vesting and retirement eligibility. The amendments to the plan have been accounted for as a curtailment, resulting in the recognition of approximately \$2.7 million in non-cash pretax curtailment loss of which \$2.2 million is reflected in expenses and \$500,000 is reflected on the balance sheet.

Our funding policy provides that payments to the trustee shall be equal to the minimum funding requirements of the Employee Retirement Income Security Act of 1974. In 2009 we contributed \$5.9 million to the FPU Pension Plan as required by the Pension Protection Act funding rules.

The following schedule summarizes the assets of the FPU Pension Plan, by investment type, at December 31, 2009 and 2008:

At December 31,	2009	2008
Asset Category		
Equity securities	63.00%	69.00%
Debt securities	29.00%	30.00%
Other	8.00%	1.00%
Total	100.00%	100.00%

The asset listed as "Other" in the above table represents monies temporarily held in money market funds, which invest at least 80 percent of their total assets in:

- United States government obligations; and
- Repurchase agreements that are fully collateralized by such obligations.

All of the assets held by the FPU Pension Plan are classified under Level 1 of the fair value hierarchy and are recorded at fair value based on unadjusted quoted prices in active markets for identical securities.

The investment policy for the FPU Pension Plan is designed to achieve a long-term rate of return, including investment income and appreciation, sufficient to meet the actuarial requirements of the plan. The plan's investment strategy is to achieve its return objectives by investing in a diversified portfolio of equity, fixed income and cash securities seeking a balance of growth and stability as well as an adequate level of liquidity for pension distributions as they fall due. Plan assets are constrained such that no more than 10 percent of the portfolio will be invested in any one issue. Investment allocation decisions for the FPU Pension Plan are made by the Pension Committee.

The following schedule sets forth the funded status at December 31, 2009 and 2008:

At December 31,	2009	2008
<i>(in thousands)</i>		
Change in benefit obligation:		
Benefit obligation — beginning of year	\$43,067	\$39,520
Service cost	660	1,015
Interest cost	2,600	2,582
Actuarial loss	2,783	1,554
Change in plan provisions	2,154	-
Curtailment	(4,151)	-
Benefits paid	(1,693)	(1,604)
Benefit obligation — end of year	45,420	43,067
Change in plan assets:		
Fair value of plan assets — beginning of year	25,310	36,240
Actual return on plan assets	6,952	(9,727)
Benefits paid	(1,693)	(1,603)
Employer contributions	5,858	400
Fair value of plan assets — end of year	36,427	25,310
Reconciliation:		
Funded status	(8,993)	(17,757)
Accrued pension cost	(\$8,993)	(\$17,757)
Assumptions:		
Discount rate	5.75%	6.35%
Expected return on plan assets	7.00%	8.50%

Net periodic pension cost (benefit) for the FPU Pension Plan for 2009 and 2008 include the components shown below:

For the Years Ended December 31,	2009	2008
<i>(in thousands)</i>		
Components of net periodic pension cost (benefit):		
Service cost	\$660	\$1,015
Interest cost	2,601	2,582
Expected return on assets	(2,607)	(2,581)
Amortization of prior service cost	179	720
Amortization of actuarial loss	54	-
Curtailment Loss	2,722	-
Net periodic pension cost (benefit)	\$3,609	\$1,736
Assumptions:		
Discount rate	5.50%	6.65%
Expected return on plan assets	7.00%	8.50%

Other Postretirement Benefits Plans

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

At December 31,	2009	2008
(in thousands)		
Change in benefit obligation:		
Benefit obligation — beginning of year	\$1,693	\$1,622
Service cost	89	52
Interest cost	128	104
Plan participants contributions	37	35
Actuarial (gain) loss	581	(14)
Benefits paid	(111)	(106)
Benefit obligation — end of year	2,417	1,693
Change in plan assets:		
Fair value of plan assets — beginning of year	-	-
Employer contributions	74	(106)
Plan participants contributions	37	71
Benefits paid	(111)	35
Fair value of plan assets — end of year	-	-
Reconciliation:		
Funded status	(2,417)	(1,693)
Accrued pension cost	(\$2,417)	(\$1,693)
Assumptions:		
Discount rate	5.75%	6.60%

Net periodic postretirement costs for 2009 and 2008 include the following components:

For the Years Ended December 31,	2009	2008
(in thousands)		
Components of net periodic postretirement cost:		
Service cost	\$89	\$53
Interest cost	127	104
Amortization of transition obligation	36	43
Amortization of actuarial gain	(16)	(50)
Net periodic postretirement cost	\$236	\$150

Assumptions

The assumptions used for the discount rate to calculate the benefit obligation of all the plans were based on the interest rates of high-quality bonds in 2009, reflecting the expected life of the plans. In determining the average expected return on plan assets for each applicable plan, various factors, such as historical long-term return experience, investment policy and current and expected allocation, were considered. Since the pension plan is frozen with respect to additional years of service and compensation, the rate of assumed compensation rate increases is not applicable.

The health care inflation rate for 2009 used to calculate the benefit obligation is 10.50 percent for the Medical Plan. A one percentage point increase in the health care inflation rate from the assumed rate would increase the accumulated postretirement benefit obligation by approximately \$259,000 as of January 1, 2010, and would increase the aggregate of the service cost and interest cost components of the net periodic postretirement benefit cost for

2009 by approximately \$5,000. A one percentage point decrease in the health care inflation rate from the assumed rate would decrease the accumulated postretirement benefit obligation by approximately \$228,000 as of January 1, 2010, and would decrease the aggregate of the service cost and interest cost components of the net periodic postretirement benefit cost for 2009 by approximately \$5,000.

Estimated Future Benefit Payments

In 2010, we expect to contribute \$1.6 million and \$144,000 to the FPU Pension Plan and FPU Medical Plan respectively. The schedule below shows the estimated future benefit payments for each of our plans previously described:

	FPU Pension Plan⁽¹⁾	FPU Medical Plan⁽²⁾⁽³⁾
<i>(in thousands)</i>		
2010	\$2,176	\$144
2011	2,308	158
2012	2,452	181
2013	2,617	176
2014	2,747	196
Years 2015 through 2019	14,914	1,215

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

⁽²⁾ Benefit payments are expected to be paid out of the general funds of the Company.

⁽³⁾ These amounts are shown net of estimated Medicare Part-D reimbursements of \$10,000, \$11,000, \$11,000, \$12,000 and \$13,000 for the years 2010 to 2014 and \$78,000 for years 2015 through 2019.

Retirement Savings Plan

We continue to maintain a separate 401(k) retirement savings plan for our employees after the merger. FPU's 401(k) plan provides a matching contribution of 50 percent of an employee's pre-tax contributions, up to six percent of the employee's salary, for a maximum company contribution of up to three percent. Beginning in 2007, for non-union employees the plan provides a company match of 100 percent for the first two percent of an employee's contribution, and a match of 50 percent for the next four percent of an employee's contribution, for a total company match of up to four percent. Employees are automatically enrolled at three percent contribution, with the option of opting out, and are eligible for the company match after six months of continuous service, with vesting of 100 percent after three years of continuous service.

Our contributions to the 401(k) plan totaled \$127,000 and \$130,000 for the years ended December 31, 2009, and 2008, respectively.

L. ENVIRONMENTAL COMMITMENTS AND CONTINGENCIES

We are subject to federal, state and local laws and regulations governing environmental quality and pollution control. These laws and regulations require us to remove or remedy the effect on the environment of the disposal or release of specified substances at current and former operating sites.

We have participated in the investigation, assessment or remediation and have certain exposures at four former manufactured gas plant ("MGP") sites. Those sites are located in Key West, Pensacola, Sanford and West Palm Beach, Florida.

As of December 31, 2009, we had recorded approximately \$12.3 million in environmental liabilities related to FPU's MGP sites in Florida, primarily from the West Palm Beach site, which represents our estimate of the future costs associated with those sites. FPU is approved to recover its environmental costs up to \$14.0 million from insurance and customers through rates. Approximately \$7.4 million of FPU's expected environmental costs has been recovered from insurance and customers through rates as of December 31, 2009. We also had recorded approximately \$6.6 million in regulatory assets for future recovery of environmental costs from FPU's customers.

The following discussion provides details on each site.

Key West, Florida

FPU formerly owned and operated an MGP in Key West, Florida. Field investigations performed in the 1990s identified limited environmental impacts at the site, which is currently owned by an unrelated third party. FDEP has not required any further work at the site as of this time. Our portion of the consulting/remediation costs which may be incurred at this site is projected to be \$93,000.

Pensacola, Florida

FPU formerly owned and operated an MGP in Pensacola, Florida. The MGP was also owned by Gulf Power Corporation ("Gulf Power"). Portions of the site are now owned by the City of Pensacola and the Florida Department of Transportation ("FDOT"). In October 2009, FDEP informed Gulf Power that FDEP would approve a conditional No Further Action ("NFA") determination for the site, which must include a requirement for institutional/engineering controls. The group, consisting of Gulf Power, City of Pensacola, FDOT and FPU, is proceeding with preparation of the necessary documentation to submit the NFA justification. Consulting/remediation costs are projected to be \$14,000.

Sanford, Florida

FPU is the current owner of property in Sanford, Florida, an MGP which was operated by several other entities before FPU acquired the property. FPU was never an owner/operator of the MGP. In late September 2006, the U.S. Environmental Protection Agency ("EPA") sent a Special Notice Letter, notifying FPU, and the other responsible parties at the site (Florida Power Corporation, Florida Power & Light Company, Atlanta Gas Light Company, and the City of Sanford, Florida, collectively with FPU, "the Sanford Group"), of EPA's selection of a final remedy for OU1 (soils), OU2 (groundwater), and OU3 (sediments) for the site. The total estimated remediation costs for this site were projected at the time by EPA to be approximately \$12.9 million.

In January 2007, FPU and other members of the Sanford Group signed a Third Participation Agreement, which provides for funding the final remedy approved by EPA for the site. FPU's share of remediation costs under the Third Participation Agreement is set at five percent of a maximum of \$13 million, or \$650,000. As of December 31, 2009, FPU paid \$300,000 to the Sanford Group escrow account for its share of funding requirements, and in January 2010, the Company paid the remaining \$350,000 of this funding requirement.

The Sanford Group, EPA and the U.S. Department of Justice entered into a Consent Decree in March 2008, which was entered by the federal court in Orlando on January 15, 2009. The Consent Decree obligates the Sanford Group to implement the remedy approved by EPA for the site. The total cost of the final remedy is now estimated at approximately \$18 million. We have advised the other members of the Sanford Group that we are unwilling at this time to agree to pay any sum in excess of the \$650,000 committed by FPU in the Third Participation Agreement.

Several members of the Sanford Group have concluded negotiations with two adjacent property owners to resolve damages that the property owners allege they have/will incur as a result of the implementation of the EPA-approved remediation. In settlement of these claims, members of the Sanford Group, which in this instance does not include FPU, have agreed to pay specified sums of money to the parties. FPU has refused to participate in the funding of the third party settlement agreements based on its contention that it did not contribute to the release of hazardous substances at the site giving rise to the third party claims.

As of December 31, 2009, FPU's remaining share of remediation expenses, including attorney's fees and costs, is estimated to be \$401,000, of which \$350,000 was paid to the Sanford Group escrow account in January 2010. However, the Company is unable to determine, to a reasonable degree of certainty, whether the other members of the Sanford Group will accept FPU's asserted defense to liability for costs exceeding \$13 million to implement the final remedy for this site or will pursue a claim against FPU for a sum in excess of the \$650,000 that FPU has committed to fund under the Third Participation Agreement.

West Palm Beach, Florida

We are currently evaluating remedial options to respond to environmental impacts to soil and groundwater at and in the immediate vicinity of a parcel of property owned by FPU in West Palm Beach, Florida upon which we previously operated an MGP. Pursuant to a Consent Order between FPU and the FDEP, effective April 8, 1991, FPU completed the delineation of soil and groundwater impacts at the site. On June 30, 2008, we transmitted a revised feasibility study, evaluating appropriate remedies for the site, to the FDEP. On April 30, 2009, FDEP issued a remedial action order, which it subsequently withdrew. In response to the order and as a condition to its withdrawal, FPU committed to perform additional field work in 2009 and complete an additional engineering evaluation of certain remedial alternatives. The scope of this work has increased in response to FDEP's demands for additional information.

The feasibility study evaluated a wide range of remedial alternatives based on criteria provided by applicable laws and regulations. Based on the likely acceptability of proven remedial technologies described in the feasibility study and implemented at similar sites, management believes that consulting/remediation costs to address the impacts now characterized at the West Palm Beach site will range from \$7.4 million to \$18.9 million. This range of costs covers such remedies as in situ solidification for deeper soil impacts, excavation of superficial soil impacts, installation of a barrier wall with a permeable biotreatment zone, monitored natural attenuation of dissolved impacts in groundwater, or some combination of these remedies.

Negotiations between FPU and the FDEP on a final remedy for the site continue. Prior to the conclusion of those negotiations, we are unable to determine, to a reasonable degree of certainty, the full extent or cost of remedial action that may be required. As of December 31, 2009, and subject to the limitations described above, we estimate the remediation expenses, including attorneys' fees and costs, will range from approximately \$7.8 million to \$19.4 million for this site.

We continue to expect that all costs related to these activities will be recoverable from customers through rates.

M. OTHER COMMITMENTS AND CONTINGENCIES

Rates and Other Regulatory Activities

Our natural gas and electric distribution operations are subject to regulation by the FPSC. The natural gas and electric operations continue to be subject to regulation by the FPSC as separate entities.

On December 15, 2009, the FPSC approved the settlement agreement for a final natural gas rate increase of \$7,969,000 for FPU's natural gas distribution operation, which represents approximately 80 percent of the requested base rate increase of \$9,917,690 filed by FPU in the fourth quarter of 2008. The FPSC had approved an annual interim rate increase of \$984,054 on February 10, 2009 and approved the permanent rate increase of \$8,496,230 in an order issued on May 5, 2009, with the new rates to be effective beginning on June 4, 2009. On June 17, 2009, however, the Office of Public Counsel entered a protest to the FPSC's order and its final natural gas rate increase ruling, which protest required a full hearing to be held within eight months. Subsequent negotiations led to the settlement agreement between the Office of Public Counsel and FPU, which the FPSC approved on December 15, 2009. The rates authorized pursuant to the order approving the settlement agreement became effective on January 14, 2010 and in February 2010, FPU refunded to its natural gas customers approximately \$290,000 representing revenues in excess of the amount provided by the settlement agreement that had been billed to customers from June 2009 through January 14, 2010.

On December 15, 2009, the FPSC approved the application for a permanent rate increase by Chesapeake's Florida division. This permanent rate increase was applicable to all meters read on all after January 14, 2010. The FPSC also ordered Chesapeake's Florida division and FPU's natural gas distribution operations to submit data no later than April 29, 2011 (which is 18 months after the merger) that details all known benefits, synergies and cost savings that have resulted from the merger).

On September 1, 2009, the electric distribution operation filed its annual Fuel and Purchased Power Recovery Clause, which seeks final approval of its 2008 fuel-related revenues and expenses and new fuel rates for 2010. On January 4, 2010, the FPSC approved the proposed 2010 fuel rates, effective on or after January 1, 2010.

On September 11, 2009, the FPU's natural gas distribution operation separately filed the annual Energy Conservation Cost Recovery Clause, seeking final approval of its 2008 conservation-related revenues and expenses and new conservation surcharge rates for 2010. On November 2, 2009, the FPSC approved the proposed 2010 conservation surcharge rates for FPU, effective for meters read on or after January 1, 2010.

Also on September 11, 2009, FPU's natural gas distribution operation filed its annual Purchased Gas Adjustment Clause, seeking final approval of its 2008 purchased gas-related revenues and expenses and new purchased gas adjustment cap rate for 2010. On November 4, 2009, the FPSC approved the proposed 2010 purchased gas adjustment cap, effective on or after January 1, 2010.

The City of Marianna Commissioners voted on July 7, 2009 to enter into a new ten year franchise agreement with FPU effective February 1, 2010. The agreement provides that new interruptible and time of use rates shall become available for certain customers prior to February 2011 or, at the option of the City, the franchise agreement could be voided nine months after that date. The new franchise agreement contains a provision for the City to purchase the Marianna portion of FPU's electric system. Should FPU fail to make available the new rates, and if the franchise agreement is then voided by the City and the City elects to purchase the Marianna portion of the distribution system, it would require the city to pay FPU severance/reintegration costs, the fair market value for the system, and an initial investment in the infrastructure to operate this limited facility. If the City purchased the electric system, FPU would have a gain in the year of the disposition; but, ongoing financial results would be negatively impacted from the loss of the Marianna area from its electric operations.

Natural Gas and Electric

Our natural gas and electric distribution operations have entered into contractual commitments to purchase gas and electricity from various suppliers. The contracts have various expiration dates.

Our electric fuel supply contracts require us to maintain an acceptable standard of creditworthiness based on specific financial ratios. We have an agreement with JEA that requires us to comply with the following ratios based on the result of the prior 12 months: (a) total liabilities to tangible net worth less than 3.75 and (b) fixed charge coverage greater than 1.5. If either of the ratios is not met, we have 30 days to cure the default or provide an irrevocable letter of credit if the default is not cured. Our agreement with Gulf requires us to meet the following ratios based on the average of the prior six quarters: (a) funds from operation interest coverage (minimum of 2 to 1) and (b) total debt to total capital (maximum of 0.65 to 1). If we fail to meet the requirements, we have to provide the supplier a written explanation of action taken or proposed to be taken to be compliant. Failure to comply with the ratios specified in the Gulf agreement could result in us providing an irrevocable letter of credit. We were in compliance with these requirements as of December 31, 2009.

Other

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

N. FAIR VALUE OF FINANCIAL INSTRUMENTS

None of our natural gas or electric contracts are accounted for using the fair value method of accounting. All material contracts that meet the definition of derivative instruments are considered "normal purchase" under ASC Topic 815, "Derivatives and Hedging."

Other Financial Assets and Liabilities

Financial assets with carrying values approximating fair value include cash and cash equivalents and accounts receivable. Financial liabilities with carrying values approximating fair value include accounts payable and other accrued liabilities. The carrying value of these financial assets and liabilities approximates fair value due to their short maturities and because interest rates approximate current market rates for short-term debt.

At December 31, 2009, long-term debt, which includes the current maturities of long-term debt, had a carrying value of \$47.8 million, compared to a fair value of \$53.1 million, using a discounted cash flow methodology that incorporates a market interest rate based on published corporate borrowing rates for debt instruments with similar terms and average maturities, with adjustments for duration, optionality, and risk profile. At December 31, 2008, the estimated fair value was approximately \$56.6 million, compared to a carrying value of \$49.3 million.

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)	199,882,402	82,080,659
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)	199,882,402	82,080,659
9	Leased to Others	1,031,435	-
10	Held for Future Use	-	-
11	Construction Work in Progress	1,799,781	913,981
12	Acquisition Adjustment	34,574,353	(703,309)
13	TOTAL Utility Plant (Enter Total of lines 8 thru 12)	237,287,971	82,291,331
14	Accum. Prov. for Depr., Amort., & Depl.	69,578,199	32,949,784
15	Net Utility Plant (Enter total of line 13 less 14)	167,709,772	49,341,547
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION		
17	In Service:		
18	Depreciation	68,547,691	32,946,093
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)	68,547,691	32,946,093
23	Leased to Others		
24	Depreciation	-	-
25	Amortization and Depletion	558,491	-
26	TOTAL Leased to Others (Enter Total of lines 24 and 25)	558,491	-
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	472,017	3,691
33	TOTAL Accumulated Provisions (Should agree with line 14 above)(Enter Total of lines 22, 26, 30, 31, and 32)	69,578,199	32,949,784

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
			0		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
			0		14
			0	(320)	15
			0	(321)	16
			0	(322)	17
			0	(323)	18
			0	(324)	19
0	0	0	0	(325)	20
			0		21
			0	(330)	22
		0	0	(331)	23
			0	(332)	24
			0	(333)	25
			0	(334)	26
			0	(335)	27
0	0	0	0	(336)	28
			0		29
			0	(340)	30
			0	(341)	31
			0	(342)	32
			0	(343)	33
			0	(344)	34
			0	(345)	35
					36
					37
					38
					39

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

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
40	(346) Misc. Power Plant Equipment		
41	TOTAL Other Production Plant (Enter Total of lines 34 through 40)	0	0
42	TOTAL Production Plant (Enter Total of lines 15, 23, 32, and 41)	0	0
43	3. TRANSMISSION PLANT		
44	(350) Land and Land Rights	74,148	0
45	(352) Structures and Improvements	22,006	0
46	(353) Station Equipment	2,424,520	0
47	(354) Towers and Fixtures	224,802	0
48	(355) Poles and Fixtures	2,363,913	142
49	(356) Overhead Conductors and Devices	1,893,234	1,814
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)	7,009,411	1,956
54	4. DISTRIBUTION PLANT		
55	(360) Land and Land Rights	37,891	0
56	(361) Structures and Improvements	96,042	0
57	(362) Station Equipment	7,048,549	100,158
58	(363) Storage Battery Equipment	0	0
59	(364) Poles, Towers, and Fixtures	9,810,915	607,882
60	(365) Overhead Conductors and Devices	10,314,864	261,696
61	(366) Underground Conduit	3,234,180	188,014
62	(367) Underground Conductors and Devices	5,494,268	189,092
63	(368) Line Transformers	14,234,634	425,159
64	(369) Services	9,033,546	357,661
65	(370) Meters	3,529,388	92,197
66	(371) Installations on Customer Premises	2,398,420	162,812
67	(372) Leased Property on Customer Premises	0	0
68	(373) Street Lighting and Signal Systems	1,277,138	44,175
69	TOTAL Distribution Plant (Enter Total of lines 55 through 68)	66,509,835	2,428,846
70	5. GENERAL PLANT		
71	(389) Land and Land Rights	72,462	0
72	(390) Structures and Improvements	1,433,919	0
73	(391) Office Furniture and Equipment	1,286,494	18,987
74	(392) Transportation Equipment	3,028,889	4,014
75	(393) Stores Equipment	123,065	0
76	(394) Tools, Shop and Garage Equipment	142,980	18,426
77	(395) Laboratory Equipment	94,768	1,320
78	(396) Power Operated Equipment	183,761	6,405
79	(397) Communication Equipment	127,953	40,434
80	(398) Miscellaneous Equipment	16,340	0
81	SUBTOTAL (Enter Total of lines 71 through 80)	6,510,631	89,586
82	(399) Other Tangible Property	10,000	0
83	TOTAL General Plant (Enter Total of lines 81 and 82)	6,520,631	89,586
84	TOTAL (Accounts 101 and 106)	80,039,877	2,520,388
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	80,039,877	2,520,388

Florida Public Utilities Company		An Original		For the Year Ended	
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)				December 31, 2009	
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	(32,677)	(10,671)	(352)	45
750	0	0	2,425,270	(353)	46
0	0	0	224,802	(354)	47
(47,279)	0	0	2,316,776	(355)	48
(40,897)	0	0	1,854,151	(356)	49
0	0	0	0	(357)	50
0	0	0	0	(358)	51
0	0	0	6,788	(359)	52
(87,426)	0	(32,677)	6,891,264		53
					54
0	0	32,677	70,568	(360)	55
0	0	0	96,042	(361)	56
0	0	0	7,148,707	(362)	57
0	0	0	0	(363)	58
(39,989)	0	0	10,378,808	(364)	59
(51,155)	0	0	10,525,405	(365)	60
(261)	0	0	3,421,933	(366)	61
(1,944)	0	0	5,681,416	(367)	62
(98,111)	0	0	14,561,682	(368)	63
(2,341)	0	0	9,388,866	(369)	64
(58,205)	0	0	3,563,380	(370)	65
(46,394)	0	0	2,514,838	(371)	66
0	0	0	0	(372)	67
(10,163)	0	0	1,311,150	(373)	68
(308,563)	0	32,677	68,662,795		69
					70
0	0	0	72,462	(389)	71
0	0	0	1,433,919	(390)	72
(34,451)	0	(17,833)	1,253,197	(391)	73
(40,003)	0	13,000	3,005,900	(392)	74
0	0	0	123,065	(393)	75
(1,391)	0	0	160,015	(394)	76
0	0	0	96,088	(395)	77
0	0	0	190,166	(396)	78
(2,939)	0	0	165,448	(397)	79
0	0	0	16,340	(398)	80
(78,784)	0	(4,833)	6,516,600		81
0	0	0	10,000	(399)	82
(78,784)	0	(4,833)	6,526,600		83
(474,773)	0	(4,833)	82,080,659		84
0	0	0	0	(102)	85
0	0	0			86
0	0	0	0	(103)	87
(474,773)	0	(4,833)	82,080,659		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	NORTHWEST DIVISION	
2		
3	* Other	6,355
4		
5		
6		
7		
9		
10		
11		
12		
13		
14		
15	NORTHEAST DIVISION	
16		
17		
18	Poles	317,682
19	O/H Conductors	231,674
20	U/G Conductors	228,671
21	Station Equipment	119,776
22	* Other	9,823
23		
24		
34		
35		
36	* Grouped Items	
37		
38		
39	TOTAL	913,981

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	36,735,578	36,735,578		
2.	Depreciation Provisions for Year, Charged to				
3.	(403) Depreciation Expense	3,302,396	3,302,396		
4.	(413) Exp. of Elec. Plt. Leas. to Others				
5.	Transportation Expenses-Clearing	127,735	127,735		
6.	Other Clearing Accounts				
7.	Other Accounts (Specify):				
8.	Accrued Depreciation on Transfers	(15,159)	(15,159)		
9.	TOTAL Deprec. Prov. for Year (Enter Total of lines 3 thru 8)	3,414,972	3,414,972		
10.	Net Charges for Plant Retired:				
11.	Book Cost of Plant Retired	(474,773)	(474,773)		
12.	Cost of Removal	(195,396)	(195,396)		
13.	Salvage (Credit)	27,316	27,316		
14.	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 11 thru 13)	(642,853)	(642,853)		
15.	Other Debit or Credit Items (Describe)-Rounding				
16.	Reclassification for SFAS no. 143. COR	(6,561,604)	(6,561,604)		
17.	Balance End of Year (Enter Total of lines 1, 9, 14, 15, and 16)	32,946,093	32,946,093		

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

18.	Reclassification for SFAS no. 143. COR	(6,561,604)	(6,561,604)		
19.	Nuclear Production				
20.	Hydraulic Production - Conventional	0	0		
21.	Hydraulic Production - Pumped Storage		0		
22.	Other Production				
23.	Transmission	2,738,387	2,738,387		
24.	Distribution	32,869,711	32,869,711		
25.	General	3,889,599	3,889,599		
26.	TOTAL (Enter Total of lines 18 thru 25)	32,936,093	32,936,093		

Florida Public Utilities Company		An Original	For the Year Ended December 31, 2009	
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			1,480,594
3	less treasury stock			0
4	Fair value Purchase Price Adjustment			(360,425)
5				
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36				
37	TOTAL Cost of Account 123.1: 10,000		TOTAL	1,120,169

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)	
241,558	26,388	1,695,764		1
0	1,000,000	(1,000,000)		2
		(360,425)		3
				4
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241,558	1,026,388	335,339		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)	1,143,020	1,072,350	Electric & Gas
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)			
8	Transmission Plant (Estimated)			
9	Distribution Plant (Estimated)	381,007	357,450	Electric & Gas
10	Assigned to - Other			
11	TOTAL Account 154 (Enter Total of lines 5 thru 10)	1,524,027	1,429,800	
12	Merchandise (Account 155)	401,495	226,266	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)	1,925,522	1,656,066	

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

	Amount	Account Debited	Account Credited
114 Northwest Electric Division - Materials & Supplies	62	1540.1	1630.3
115 Northeast Electric Materials & Supplies	141	1540.1	1630.3
121 South Florida - Materials & Supplies	8,675	1540.1	1630.1
South Florida Gas Division - Merchandise	4,636	1630.4	1550.1
123 Central Florida - Materials & Supplies	1,359	1540.1	1630.1
Central Florida Gas Division - Merchandise	-	1630.4	1550.1
993 Central Florida Propane Division - Merchandise	-	1630.4	1550.1
995 Northeast Florida Propane Division - Materials & Supplies	306	1630.3	1540.1
Northeast Florida Propane Division - Merchandise	-	1630.4	1550.1

OTHER REGULATORY ASSETS

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

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

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

Description and Purpose of Other Regulatory Assets (a)		Debits (b)	Account Charged (c)	Credits Amounts (d)	Balance End of Year (e)
1	See Page 234				
2					
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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	Undistributed Cap. - Accrued Payroll	22,745	16,240		-	38,985
2	Amortized Piping Costs	897,219	82,177		(335,990)	643,406
3	Amortized Conversion Cost	353,344	278,911		(253,393)	378,862
4	Underrecovery Conservation	26,890	-		(2,438)	24,452
5	Underrecovery Natural Gas AEP	4,160,981	288,804		(2,751,550)	1,698,235
6	Underrecovery Fuel	2,240,442	5,778,444		(1,522,563)	6,496,323
7	Penny Elimination	105	-		(2,757)	(2,652)
8	-	-	-		-	-
9	-	-	-		-	-
10	-	-	-		-	-
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34						
35	Reclass of Underrecovery of Fuel	(1,511,258)				(6,933,150)
36						
37	Misc. Work in Progress	1,467,408				897,877
38	Deferred Regulatory Comm. Expenses					
39	(See Pages 350 - 351)	(507,680)	0	928	1,051,256	190,279
40						
41	TOTAL	7,150,196				3,432,617

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	Balance at Beginning of Year	Amounts Debited to 4100	Adjustments	Balance at End of Year
	(a)	(b)	(c)	(d)	(e)
1	Electric				
2	AMT	-	-	-	-
3	Self Insurance Res. & Audit Fee	322,144	5,457	8,216	335,817
4	Uncollectible	(5,065)	135,085	2,875	132,895
5	Vacation Pay	146,268	44,401	3,716	194,385
6	Misc. Accrual	-	-	-	-
7	Interest Not Cap. & Amort of Dept.	-	-	-	-
8	Rate Refund	-	-	-	-
9	General liability	42,868	(21,155)	552	22,265
10	Regulatory	-	-	-	-
11	Gain on Hydroplant	-	-	-	-
12	Storm Reserve	612,960	50,486	16,351	679,797
13	TOTAL Electric (Lines 2 thru 13)	1,119,175	214,274	31,710	1,365,159
14	Gas				
15	Deferred Gain	-	-	-	-
16	Self Insurance Res. & Audit Fee	629,663	(49,565)	14,503	594,601
17	Uncollectible	141,660	(111,590)	1,014	31,084
18	Vacation Pay	287,121	76,973	7,033	371,127
19	Environmental	2,384,273	(253,004)	53,992	2,185,261
20	General liability	56,823	(14,674)	1,071	43,220
21	Storm Reserve	1,029,489	(11,928)	25,204	1,042,765
22	Rate Refund	-	-	-	-
23					
24					
25					
26	TOTAL Gas (Lines 15 thru 25)	4,529,029	(363,788)	102,817	4,268,058
27					
28	Other (Specify) Common	-	5,506	-	5,506
29	TOTAL (Account 190)(Lines 12, 23 & 24)	5,648,204	(144,008)	134,527	5,638,723
	Classification of Total:				
	Federal Income Tax	4,822,661			4,836,332
	State Income Tax	825,543			802,391

CAPITAL STOCK (Accounts 201 and 204)		An Original For the Year Ended December 31, 2009		
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	0	1.50	
	Additional Reacquired Stock Held By Flo-Gas Corporation (a wholly owned subsidiary)			
	TOTAL Common Stock	0	1.50	
2	Preferred Stock	0	100.00	
3				
4				
5 *	As a result of the acquisition, Chesapeake Utilities Corporation acquired FPUC's share's.			
6	Additional information can be obtained in Chesapeake's Form 10-K.			
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Florida Public Utilities Company		An Original		For the Year Ended		Line No.
CAPITAL STOCK (Accounts 201 and 204) (Continued)				December 31, 2009		
series of stock authorized to be issued by a regulatory commission which have not yet been issued.				has been nominally issued is nominally outstanding at end of year.		
4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.				6. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledge and purpose of pledge.		
5. State in a footnote if any capital stock which						
Outstanding Per Balance Sheet		Held by Respondent As Reacquired Stock (Account 217)		In Sinking and Other Funds		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
0 *	0	0	0			1
0	0	0	0			
0	0	0	0			2
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Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the account entries effecting such change.

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

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

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

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

Line No.	Item (a)	Amount (b)
1	ACCOUNT 211:	
2	Miscellaneous Paid in Capital - Beginning Balance	602,822
3	Chesapeake Utilities investment in FPU	75,095,802
4	Miscellaneous Paid in Capital - Ending Balance	<u>75,698,624</u>
5		
6		
7		
8		
9		
10		
11	ACCOUNT 219:	
12		
13	Comprehensive Income - Beginning Balance	(1,550,599)
14	Activity	1,890,749
15	Comprehensive Income - Ending Balance	<u>340,150</u>
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32	TOTAL	<u>76,038,774</u>
33		

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	6,336
5	10.03% Series Due 2018	5,500,000	3,411
6	9.08% Series Due 2022	8,000,000	4,067
7	4.90% Series Due 2031	14,000,000	26,866
8	6.85% Series Due 2031	15,000,000	39,955
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25			
26	Reclass. unamortize debt exp. to LT debt.		
27			
28			
29	TOTAL	52,500,000	80,635

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	8,182,000	783,017	4
5/1/88	5/1/18	5/1/88	5/1/18	4,500,000	451,350	5
6/1/92	6/1/22	6/1/92	6/1/22	8,000,000	726,400	6
11/1/01	11/1/31	11/1/01	11/1/31	13,810,000	728,412	7
9/27/01	10/1/31	9/27/01	10/1/31	14,890,000	1,019,965	8
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				(30,198,833)		25
						26
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				19,183,167	3,709,144	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	2,179,998
2	Reconciling Items for the Year	
3	Interest on Water Installment Payment	(41,253)
4	Taxable Income Not Reported on Books	
5	Depreciation	(48,116)
6	Penalties	-
7	Self Insurance Reserve	30,367
8	Outside Audit Fees	(22,316)
9	Storm Reserve	33,012
10	Electric Consultant Fee	1,008
11	Customers Intangibles	35,114
12		
13		
14		
15	Deductions Recorded on Books Not Deducted for Return	
16	Meals Expense	1,846
17	Natural Gas Odorizer	501
18	Vacation Pay	361,270
19	Loss on Reacquired Debt	3,046
20	Income Taxes (excluding current state income of \$ (12,400))	145,607
21	Environmental Costs	(48,607)
22	Uncollectible Reserve	13,721
23	Lobby cost	-
24	General Liability	(2,017)
25	Merger Related Expense	1,811
26		
27		
28		
29		
30		
31	Income Recorded on Books Not Included in Return	
32	Rate Case Expense	37,927
33	Rate Refund Pending	-
34		-
35		-
36		
37		
38		
39	Deductions on Return Not Charged Against Book Income	
40	Underrecoveries of Purchased Energy Costs	(1,366,556)
41	Conservation Program Costs	52,410
42	Pension Reserve	22,829
43	Misc. Deferral - Bonus Payroll	(1,610,054)
44		
45	Federal Tax Net Income	(218,452)
46	Annualized @ 1.20	(262,142)
47		
48	Tax at 34%	(89,128)
49	Rounding	(72)
50	TOTAL Federal Income Tax Payable	(89,200)
51	* Excludes Flo-Gas Net Income of	241,558
52		
53		
54		

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.

2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by inclu-

sion of these taxes.

3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.

4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

5. If any tax (exclude Federal and State income taxes)

Line No.	Kind of Tax (See Instruction 5) (a)	BALANCE AT BEGINNING OF YEAR				
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)	Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
1	Federal Taxes:					
2	Income Tax	58,532		(1,031,927)	1,655,663	(1,664,402)
3	Unemployment Tax - Current	(36)		(20,184)	19,757	
4	Environmental Tax - Prior	0				
5	Environmental Tax - Current	0				
6	FICA - Current	(48,822)		(1,284,599)	1,333,421	
7	Total Federal Taxes	9,674	-	(2,336,710)	3,008,841	(1,664,402)
8						
9	State of Florida:					
10	Income	8,717		0	276,513	(466,519)
11	Emergency Excise Tax - Prior	0		0		
12	Emergency Excise Tax - Current	0				
13	Gross Receipts - Prior	0				
14	Gross Receipts - Current	(387,316)		(4,323,655)	4,365,222	
15	FPSC Assessment - Prior	0				
16	FPSC Assessment - Current	(182,567)		(366,665)	391,530	
17	Intangible Personal Prop.-Current	0				
18	Unemployment - Prior	0				
19	Unemployment - Current	(20)		(17,055)	16,681	
20	Licenses - Current	0				
21	Total State of Florida Taxes	(561,186)		(4,707,375)	5,049,946	(466,519)
22						
23	Local:					
24	Advalorem - Prior	-		0	0	
25	Advalorem - Current	-		(1,913,265)	1,913,488	(1,027)
26	Licenses - Current	-		0	0	
27	City Franchise Tax	-		0	0	
28	Total Local Taxes	-	0	(1,913,265)	1,913,488	(1,027)
29						
30	Reclassified to Prepaid Taxes					
31	Federal Taxes:					
32	Income Tax					
33	State of Florida:					
34	Income					
35						
36						
37						
38	TOTAL	(551,512)	0	(8,957,350)	9,972,275	(2,131,948)

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 Gas & Common (l)	
(982,134)	0	(1,143,860)			103,467	1
(463)	0	3,551			6,795	2
0	0	0			0	3
0	0	0			0	4
0	0	308,061			591,559	5
(982,597)	0	(832,248)			701,821	6
						7
						8
(181,289)	0	(77,324)			254,555	9
0	0	0			0	10
0	0	0			0	11
0	0	0			0	12
(345,749)	0	2,256,673			2,066,982	13
0	0	0			0	14
(157,702)	0	65,921			300,744	15
0	0	0			0	16
0	0	0			0	17
(394)	0	2,980			5,724	18
0	0	0			0	19
(685,134)		2,248,250			2,628,005	20
						21
						22
0	0	0			0	23
(804)	0	573,599			1,339,666	24
0	0	755			3,404	25
0	0	3,312,476			1,266,151	26
(804)	0	3,886,830			2,609,221	27
						28
						29
						30
						31
						32
						33
						34
						35
						36
(1,668,535)	0	5,302,832			5,939,047	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%	1,405			411.4	23	0
3	4%	0			411.4	-	0
4	8	19,378				5,259	0
5	10%	46,194			411.4	18,782	0
6	Prior Period Adjustment	1,849				1,104	0
7							
8	TOTAL	68,826		0		25,168	0
9	Other List separately						
10	and show 3%, 4%, 7%,						
11	10% and TOTAL						
12							
13	Gas Utility						
14	3%	0			4110.4	0	0
15	4%	0			4110.4	0	0
16	8	19,241			4110.4	3,268	0
17	10%	114,730			4110.4	32,906	0
18	Prior Period Adjustment	0					0
19							
20	TOTAL	133,971		0		36,174	0
21							
22							
23							
24							
25							
26							
27							
28							
29	TOTAL	0		0		0	0
30							
31	TOTAL UTILITIES	202,797		0		61,342	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.
1,382	28 YEARS		1
0	28 YEARS		2
14,119			3
27,412	28 YEARS		4
745			5
			6
			7
43,658			8
			9
			10
			11
			12
0	35 YEARS		13
0	35 YEARS		14
15,973	36 YEARS		15
81,824	35 YEARS		16
0			17
			18
97,797			19
			20
			21
			22
			23
			24
			25
			26
			27
			28
0			29
			30
141,455			31
			32
			33
			34
			35
			36
			37
			38
			39
			40
			41
			42
			43
			44

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

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

Line No.	Description of Other Deferred Credit (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Over Recovery of Fuel Adjustment-Electric	3,092,639	456.1	766,489	4,948,452	7,274,602
2	(Amortized over succeeding six month		456.11			
3	period)					
4						
5	Over Recovery of Fuel Adjustment-Gas	0	495.1	0	1,300,956	1,300,956
6	(Amortized over succeeding twelve month		495			
7	period)					
8						
9	Environmental Insurance Proceeds	13,428,602	1860.1	1,607,999	468,721	12,289,324
10						
11	Over Recovery Conservation (Electric)	0	456.6	0	0	0
12						
13	Over Recovery Conservation (Gas)	384,244	495.7	3,379	54,544	435,409
14						
15	Over Recovery Unbundling (Gas)	0	495.8	0	0	0
16						
17	Gain on Sale of Property	0	4030.1	0	0	0
18						
19	Other Deferred Credit - Cashier	0	4030.1	0	0	0
20	Overage/Shortage					
21						
22	Other Reg. Liability - Retirement Plan	0		803	803	0
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39	Reclass of over recov. fuel & envir proc.	(2,285,258)				(8,235,124)
40						
41						
42	TOTAL	14,620,227		2,378,670	6,773,476	13,065,167
43						
44						

December 31, 2009

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	5,944,173	240,856	0
3	Gas	10,453,449	1,804,359	0
4	Other - Water	0		
5	Other - Common	3,086,927	0	0
6	TOTAL (Lines 2 thru 4)	19,484,549	2,045,215	0
7	Other (Specify)			
8	Reclassification of Deferred taxes			
9				
10				
11	TOTAL Account 282 (Lines 5 thru 8)	19,484,549	2,045,215	0
12				
13	Classification of TOTAL			
14	Federal Income Tax	16,347,729	1,903,957	0
15	State Income Tax	3,136,820	141,258	0
16	Local Income Tax			
17	Total	19,484,549	2,045,215	0
18				
19				
20				
21				
22				
23	Total	19,484,549	2,045,215	-
24				
25				
26				
27				
28				

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

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

CHANGES DURING YEAR			ADJUSTMENTS			Balance at End of Year	Line No.
Amounts Debited (Account 410.2)	Amounts Credited (Account 411.2)	Credits		Debits			
		Acct. Debited	Amount	Acct. Credited	Amount		
(e)	(f)	(g)	(h)	(i)	(j)		
		1460.009	256,981		(260,067)	6,181,943	1
		1460.009	523,727		(500,171)	12,281,364	2
			0		0	0	3
		1460.009	77,524		0	3,164,451	4
0	0		858,232		(760,238)	21,627,758	5
						0	6
			0		0	0	7
						0	8
						0	9
0	0		858,232		(760,238)	21,627,758	10
							11
			850,218		(665,537)	18,436,367	12
			8,014		(94,701)	3,191,391	13
							14
			858,232		(760,238)	21,627,758	15
							16
						0	17
						0	18
-	-		858,232	-	(760,238)	21,627,758	19
							20
							21
							22
							23
							24
							25
							26
							27
							28

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	CHANGES DURING THE YEAR	
			Amounts Debited (Account 410.1)	Amounts Credited (Account 411.1)
	(a)	(b)	(c)	(d)
1	Account 283			
2	Electric			
3	Underrecoveries	558,567	1,897,916	
4	Pension Costs	21,438	(290,113)	
5	Conservation Costs	10,119	(1,133)	
6	Loss on Reacquired Debt	27,859	(2,970)	
8	Rate Case	133,928	574	
9	Depreciation Study	0	0	
10	Consulting Fees	9,108	(4,564)	
11	Merger	0		
12	Adjustment from 4100.1 to 4090.1	0		
13	TOTAL Electric (Total Lines 3-9)	761,019	1,599,710	0
14				
15	Gas			
15	Underrecoveries	284,511	(284,511)	
16	Pension Costs	43,528	(521,174)	
17	Conservation Cost	(144,590)	(19,535)	
18	Loss on Reacquired Debt	36,930	(3,092)	
19	Deltona Repairs	0	0	
20	Rate Case	190,058	14,968	
21	Depreciation Study	0	0	
22	Odorizer	6,417	(2,161)	
23	AEP	0	0	
24	Unbundled	0	0	
25	Merger	0	0	
26	Adjustment from 4100.1 to 4090.1	0	0	
27	TOTAL Gas (Total Lines 15 - 23)	416,854	(815,505)	0
28				
29	Total Gas and Electric (line 11 and 26)	1,177,873	784,205	0
30				
31				
32	Other - Common	0	0	0
33				
34	TOTAL Account 283 (Total lines 11, 25 and 31)	1,177,873	784,205	0
35				
36				
37	Classification of TOTAL			
38	Federal Income Tax	1,005,715	671,311	
39	State Income Tax	172,158	(507,700)	
40	Local Income Tax	0		

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)		
					48,451	2,504,934	1
			(237,988)	1460.009		(506,663)	2
				1460.009	447	9,433	3
					638	25,527	4
					3,498	138,000	5
						0	6
					124	4,668	7
			(6,521)			(6,521)	8
						0	9
0	0		(244,509)		53,158	2,169,378	10
							11
						0	12
			(423,087)	1460.009	-	(900,733)	13
			(3,835)			(167,960)	14
					845	34,683	15
						0	16
					5,419	210,445	17
						0	18
					109	4,365	19
						0	20
						0	21
			(8,694)			(8,694)	22
						0	23
0	0		(435,616)		6,373	(827,894)	24
0	0		(680,125)		59,531	1,341,484	25
							26
						0	27
0	0		(680,125)		59,531	1,341,484	28
							29
0	0		0			1,677,026	30
0	0		0			(335,542)	31
						0	32
							33
							34
							35
							36
							37
							38
							39
							40
							41
							42
							43

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).

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

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

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	DEBITS		Credits (d)	Balance End of Year (e)
		Account Credited (b)	Amount (c)		
1	Reclassification for SFAS no. 143. COR	1080	1,388,873		11,692,864
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
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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	43,804,795	37,831,711
3	(442) Commercial and Industrial Sales		
4	Small (or Commercial)	8,352,892	7,345,127
5	Large (or Industrial)	36,211,878	31,073,667
6	(443) Outdoor Lighting	1,531,602	1,394,508
7	(444) Public Street and Highway Lighting	536,466	467,141
8	(445) Other Sales to Public Authorities	0	-
10	(448) Interdepartmental Sales	61,121	53,693
9	(456.3) Unbilled Revenues	109,875	145,390
11			
12	TOTAL Sales to Ultimate Consumers	90,608,629	78,311,237
13	(447) Sales for Resale		
14			
15	TOTAL Sales of Electricity	90,608,629	78,311,237
16	(Less) (449.1) Provision for Rate Refunds	-	-
17			
18	TOTAL Revenue Net of Provision for Refunds	90,608,629	78,311,237
19	Other Operating Revenues		
20	(450) Forfeited Discounts	480,910	478,492
21	(451) Miscellaneous Service Revenues	254,147	256,427
22	(453) Sales of Water and Water Power	-	-
23	(454) Rent from Electric Property	126,375	200,023
24	(455) Interdepartmental Rents	-	-
25	(456.2) Other Electric Revenues	4,136	20,988
26	(456.1) Overrecoveries Purchase Electric	(3,198,528)	(630,136)
27	(456.6) Overrecoveries Conservation	-	17,795
28			
29			
30	TOTAL Other Operating Revenues	(2,332,960)	343,589
31			
32	TOTAL Electric Operating Revenues	88,275,669	78,654,826
		=====	=====

ELECTRIC OPERATING REVENUES (Account 400) (Continued)

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

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

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

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

MEGAWATT HOURS SOLD		AVERAGE NUMBER OF CUSTOMERS PER MONTH		
Amount for Year	Amount for	Number for Year	Number for	Line
(d)	Previous Year	(f)	Previous Year	No.
	(e)		(g)	
316,306	329,646	23,679	23,848	1
54,874	58,155	3,572	3,576	2
318,184	341,310	747	742	3
5,410	5,565			4
2,270	2,260	23	22	5
0	-	0	0	6
625	687	14	14	7
6,250	1,909	0	0	8
703,919	739,532	28,035	28,202	9
703,919	739,532	28,035	28,202	10
703,919	739,532	28,035	28,202	11
				12
				13
				14
				15
				16
				17
				18
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				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	MWh Sold	Revenue	Average Number of Customers	KWH of Sales per Customer	Revenue (cents) per KWH Sold
	(a)	(b)	(c)	(d)	(e)	(f)
1	*					
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
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38						
39						
40	Total Billed	697,669,000	90,498,754	28,035	24,885.6	0.130
41	Total Unbilled Rev.	6,250,000	109,875			
42	Rate Refund		0			
43	TOTAL	703,919,000	90,608,629	28,035	25,108.6	0.130

ELECTRIC OPERATION AND MAINTENANCE EXPENSES

Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1 (1) POWER PRODUCTION EXPENSES		
2 A. Steam Power Generation		
3 Operation		
4 (500) Operation Supervision and Engineering	-	-
5 (501) Fuel	-	-
6 (502) Steam Expenses	-	-
7 (503) Steam from Other Sources	-	-
8 (Less) (504) Steam Transferred-Cr.	-	-
9 (505) Electric Expenses	-	-
10 (506) Miscellaneous Steam Power Expenses	-	-
11 (507) Rents	-	-
12 TOTAL Operation	-	-
13 Maintenance		
14 (510) Maintenance Supervision and Engineering	-	-
15 (511) Maintenance of Structures	-	-
16 (512) Maintenance of Boiler Plant	-	-
17 (513) Maintenance of Electric Plant	-	-
18 (514) Maintenance of Miscellaneous Steam Plant	-	-
19 TOTAL Maintenance	-	-
20 TOTAL Power Production Expenses-Steam Plant	-	-
21 B. Nuclear Power Generation		
22 Operation		
23 (517) Operation Supervision and Engineering	-	-
24 (518) Fuel	-	-
25 (519) Coolants and Water	-	-
26 (520) Steam Expenses	-	-
27 (521) Steam from Other Sources	-	-
28 (Less) (522) Steam Transferred-Cr.	-	-
29 (523) Electric Expenses	-	-
30 (524) Miscellaneous Nuclear Power Expenses	-	-
31 (525) Rents	-	-
32 TOTAL Operation	-	-
33 Maintenance		
34 (528) Maintenance Supervision and Engineering	-	-
35 (529) Maintenance of Structures	-	-
36 (530) Maintenance of Reactor Plant Equipment	-	-
37 (531) Maintenance of Electric Plant	-	-
38 (532) Maintenance of Miscellaneous Nuclear Plant	-	-
39 TOTAL Maintenance	-	-
40 TOTAL Power Production Expenses-Nuclear Power	-	-
41 C. Hydraulic Power Generation		
42 Operation		
43 (535) Operation Supervision and Engineering	-	-
44 (536) Water for Power	-	-
45 (537) Hydraulic Expenses	-	-
46 (538) Electric Expenses	-	353
47 (539) Miscellaneous Hydraulic Power Generation Expenses	-	-
48 (540) Rents	-	-
49 TOTAL Operation	-	353

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	-	353
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	64,245,048	56,105,378
76 (556) System Control and Load Dispatching	-	-
77 (557) Other Expenses	132,348	91,411
78 TOTAL Other Power Supply Expenses	64,377,396	56,196,789
79 TOTAL Power Production Expenses	64,377,396	56,197,142
80 2. TRANSMISSION EXPENSES		
81 Operation		
82 (560) Operation Supervision and Engineering	20,040	9,342
83 (561) Load Dispatching	-	-
84 (562) Station Expenses	23,155	25,856
85 (563) Overhead Line Expenses	-	-
86 (564) Underground Line Expenses	-	-
87 (565) Transmission of Electricity by Others	-	-
88 (566) Miscellaneous Transmission Expenses	6,575	4,497
89 (567) Rents	-	-
90 TOTAL Operation	49,770	39,695
91 Maintenance		
92 (568) Maintenance Supervision and Engineering	-	-
93 (569) Maintenance of Structures	-	-
94 (570) Maintenance of Station Equipment	19,933	31,293
95 (571) Maintenance of Overhead Lines	9,751	15,915
96 (572) Maintenance of Underground Lines	-	-
97 (573) Maintenance of Miscellaneous Transmission Plant	-	-
98 TOTAL Maintenance	29,684	47,208
99 TOTAL Transmission Expenses	79,454	86,903
100 3. DISTRIBUTION EXPENSES		
101 Operation		
102 (580) Operation Supervision and Engineering	374,630	384,702
103 (581) Load Dispatching	-	36

FLORIDA PUBLIC UTILITIES COMPANY		An Original	For the Year Ended December 31, 2009
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	42,795	101,195	
107 (583) Overhead Line Expenses	158,508	141,019	
108 (584) Underground Line Expenses	69,394	47,050	
109 (585) Street Lighting and Signal System Expenses	37,406	36,788	
110 (586) Meter Expenses	335,931	305,610	
111 (587) Customer Installations Expenses	112,850	129,039	
112 (588) Miscellaneous Distribution Expenses	288,792	224,648	
113 (589) Rents	1,036	852	
114 TOTAL Operation	1,421,342	1,370,939	
115 Maintenance			
116 (590) Maintenance Supervision and Engineering	184,371	187,795	
117 (591) Maintenance of Structures	58	6,313	
118 (592) Maintenance of Station Equipment	63,674	85,536	
119 (593) Maintenance of Overhead Lines	1,504,772	1,231,009	
120 (594) Maintenance of Underground Lines	177,302	166,005	
121 (595) Maintenance of Line Transformers	139,697	124,092	
122 (596) Maintenance of Street Lighting and Signal Systems	62,913	80,932	
123 (597) Maintenance of Meters	39,561	36,832	
124 (598) Maintenance of Miscellaneous Distribution Plant	91,188	89,713	
125 TOTAL Maintenance	2,263,536	2,008,227	
126 TOTAL Distribution Expenses	3,684,878	3,379,166	
127 4. CUSTOMER ACCOUNTS EXPENSES			
128 Operation			
129 (901) Supervision	143,830	141,016	
130 (902) Meter Reading Expenses	212,822	227,463	
131 (903) Customer Records and Collection Expenses	880,304	883,921	
132 (904) Uncollectible Accounts	587,924	135,438	
133 (905) Miscellaneous Customer Accounts Expenses	123,804	94,302	
134 TOTAL Customer Accounts Expenses	1,948,684	1,482,140	
135 5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES			
136 Operation			
137 (906) Underrecovery Conservation	2,438	(26,890)	
138 (907) Supervision	110,224	88,059	
139 (908) Customer Assistance Expenses	269,443	234,687	
140 (909) Informational and Instructional Expenses	120,037	192,565	
141 (910) Miscellaneous Customer Service and Informational Expenses	40,728	21,337	
142 TOTAL Cust. Service and Informational Expenses	542,870	509,758	
143 6. SALES EXPENSES			
144 Operation			
145 (911) Supervision	-	-	
146 (912) Demonstrating and Selling Expenses	-	-	
147 (913) Advertising Expenses	72,605	38,451	
148 (916) Miscellaneous Sales Expenses	639	660	
149 TOTAL Sales Expenses	73,244	39,111	
150 7. ADMINISTRATIVE AND GENERAL EXPENSES			
151 Operation			
152 (920) Administrative and General Salaries	1,735,525	945,872	
153 (921) Office Supplies and Expenses	223,258	331,636	
154 (Less) (922) Administrative expenses Transferred-Cr.	-	-	
155 (923) Outside Services Employed	412,896	248,535	
156 (924) Property Insurance	169,015	178,553	
157 (925) Injuries and Damages	523,310	481,536	
158 (926) Employee Pensions and Benefits	1,594,801	917,798	

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

Account		Amount for Current Year	Amount for Previous Year
159	7. ADMINISTRATIVE AND GENERAL EXPENSES		
160	(927) Franchise Requirements	-	-
161	(928) Regulatory Commission Expenses	201,157	234,139
162	(Less) (929) Duplicate Charges-Cr.	-	-
163	(930.1) General Advertising Expenses	-	16
164	(930.2) Miscellaneous General Expenses	918,955	242,982
165	(931) Rents	9,236	11,090
166	TOTAL Operation	5,788,153	3,592,157
167	Maintenance		
168	(935) Maintenance of General Plant	107,421	91,535
169	TOTAL Administrative and General Expenses	5,895,574	3,683,692
170	TOTAL Electric Operation and Maintenance Expenses	76,602,100	65,377,559

NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES

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

See page 462

FLORIDA PUBLIC UTILITIES COMPANY

An Original
PURCHASED POWER (Account 555)
(Including power exchanges)

For the Year Ended
December 31, 2009

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.

2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the services as follows:

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

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

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

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

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

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

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

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

Line No.	Name of Company or Public Authority [Footnote Affiliations] (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Jacksonville Electric Authority	RQ	MS	79.54	NA	NA
2	Jefferson Smurfit Corporation	OS		NA	NA	NA
3	Gulf Power Company	RQ	RE	97.94	NA	NA
4	Southern Company Services	RQ		65.15	NA	NA
Footnote: Column (f) other Charges						
Jacksonville Electric Authority						
Transmission Charge		1,799,559				
Special Cost		93,305				
Distribution Facility Charge		468,181				
		<u>2,361,045</u>				
Southern Company Services						
Distribution Facility Charge		482,018				
Meter reading & Processing Charge		9,300				
		<u>491,318</u>				

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

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

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

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

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

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

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

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

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

Megawatthours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	Megawatthours Received (h)	Megawatthours Delivered (i)	(capacity) Demand Charges (\$) (j)	(fuel cost) Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) or Settlement (\$) (m)	
395,660			8,201,866	25,324,808	2,361,045	35,887,719	1
8,624				445,473	0	445,473	2
334,222			9,813,984	22,479,376	39,043	32,332,403	3
NA			1,714,156		491,318	2,205,474	4
							5
							6
							7
							8
							9
							10
							11
							12
							13
739,506			19,730,006	48,249,657	2,891,406	70,871,069	14

MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (Electric)

December 31, 2009

Line No.	Description (a)	Amount (b)
1	Industry Association Dues	4,386
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	18,181
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	Directors Fees and Expenses	16,830
20	Miscellaneous Expenses	20,408
21	Write-off Stock offering	76,329
22	Stock Insurance	767,872
23	Economic Development Expense	14,954
24		
25		
26		
27		
28		
29		
30		
31		
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33		
34		
35		
36		
37		
38		
39		
40		
41		
42		
43		
44		
45		
46		
47	TOTAL	918,960

Items

29
100
8
26

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	0			0
6	Other Production Plant	0			0
7	Transmission Plant	219,807			219,807
8	Distribution Plant	2,858,825			2,858,825
9	General Plant	223,766			223,766
10	Common Plant-Electric *	126,021			126,021
11	Adjustment*	0			0
12	TOTAL	3,428,419	0	0	3,428,419

B. Basis for Amortization Charges

* Not included on page 219, Line 3.

FLORIDA PUBLIC UTILITIES COMPANY				An Original		For the Year Ended	
Revised				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)	(b)	Life	(d)	(e)	(f)	Life
12	CONSOLIDATED ELECTRIC DIVISION ORDER # PSC-08-0094-PAA-EI						
13							
14	TRANSMISSION PLANT						
15	350.1	56,519	N/A	0	1.8		23.0
16	352	22,006	N/A	0	2.0		28.0
17	353	2,426,032	N/A	10	2.5		25.0
18	354	224,665	N/A	(15)	2.3		16.5
19	355	2,362,224	N/A	(30)	4.2		21.0
20	355.1	0	N/A	(30)	3.3		40.0
21	356	1,876,726	N/A	(10)	2.8		28.0
22	359	6,788	N/A	0	3.8		10.0
23	DISTRIBUTION PLANT						
24	360.1	21,388	N/A	0	1.8		42.0
25	361	96,042	N/A	0	2.0		35.0
26	362	6,829,966	N/A	(10)	2.9		31.0
27	364	9,406,626	N/A	(45)	4.7		21.0
28	365	9,969,920	N/A	(35)	5.2		15.7
29	366	2,844,509	N/A	0	2.0		41.0
30	367	5,305,283	N/A	0	2.9		24.0
31	368	13,697,939	N/A	(20)	4.6		13.6
32	369	8,546,991	N/A	(35)	4.2		21.0
33	370	3,474,376	N/A	(5)	3.7		14.3
34	371	2,183,360	N/A	15	6.1		8.3
35	373	1,224,031	N/A	(10)	5.7		9.5
36	GENERAL PLANT						
37	390	2,120,955	N/A	0	2.0		38.0
38	391.1			7 Years Amortization			
39	391.2			5 Years Amortization			
40	391.3			5 Years Amortization			
41	392.1	50,580	N/A	15	12.1		0.9
42	392.2	569,013	N/A	12	4.9		3.1
43	392.3	2,047,780	N/A	10	4.2		7.5
44	392.4	111,010	N/A	5	3.8		17.7
45	393.1			7 Years Amortization			
46	393.2			7 Years Amortization			
47	394.1			7 Years Amortization			
48	394.2			7 Years Amortization			
49	395.1			7 Years Amortization			
50	395.2			7 Years Amortization			
51	396	194,199	N/A	5	4.8		0.6
52	397			5 Years Amortization			
53	398			7 Years Amortization			
54	399			5 Years Amortization			
55							
56							
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66							

REGULATORY COMMISSION EXPENSES

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

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

Line No.	Description (Furnish name of regulatory commission or body, the docket or case number, and a description of the case.) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses for Current Year (b) + (c)	Deferred in Account 186 at Beginning of Year (e)
1	All expenses incurred by the company				
2	filings for Rate Relief for electric. Docket				
3	Number 030438-EI		(45,844)	(45,844)	(65,267)
4					
5	All expenses incurred by the company in its				
6	filings for Rate Relief for Gas. Docket				
7	Number 040216-GU		548,022	548,022	(353,297)
8					
9	All expenses incurred by the company in its				
10	Number 070304 - EI		(311,899)	(311,899)	(442,413)
11					
12					
13					
14					
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18					
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37					
38					
39					
40					
41	TOTAL		190,279	190,279	(860,977)

REGULATORY COMMISSION EXPENSES (Continued)

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

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

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

EXPENSES INCURRED DURING YEAR							
CHARGED CURRENTLY TO			Deferred to Account 186 (l)	AMORTIZED DURING YEAF		Deferred in Account 186 End of Year (l)	Line No.
Department (f)	Account No. (g)	Amount (h)		Contra Account (j)	Amount (k)		
	Electric-33556			928	19,423	(45,844)	1 2 3 4 5
	Gas - 33800			928	901,319	548,022	6 7 8
	Electric-36164			928	130,514	(311,899)	9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 39 42 46
					1,051,256	190,279	

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	1,697		
4	Transmission	35,854		
5	Distribution	913,208		
6	Customer Accounts	720,807		
7	Customer Service and Informational	209,257		
8	Sales			
9	Administrative and General	(111,950)		
10	TOTAL Operation (Enter Total of lines 3 thru 9)	1,768,873		
11	Maintenance			
12	Production			
13	Transmission	13,913		
14	Distribution	968,514		
15	Administrative and General	3,993		
16	TOTAL Maintenance (Enter Total of lines 12 thru 15)	986,420		
17	Total Operation and Maintenance			
18	Production (Enter Total of lines 3 and 12)	1,697		
19	Transmission (Enter Total of lines 4 and 13)	49,767		
20	Distribution (Enter Total of lines 5 and 14)	1,881,722		
21	Customer Accounts (Transcribe from line 6)	720,807		
22	Customer Service and Information (Transcribe from line 7)	209,257		
23	Sales (Transcribe from line 8)	-		
24	Administrative and General (Enter Total of lines 9 and 15)	(107,957)		
25	TOTAL Operation and Maintenance (Total of lines 18 - 24)	2,755,293	1,751,120	4,506,413
26	Gas			
27	Operation			
28	Production - Manufactured Gas			
29	Production - Natural Gas (Including Expl. and Dev.)			
30	Other Gas Supply	130,458		
31	Storage, LNG Terminating and Processing			
32	Transmission			
33	Distribution	2,808,415		
34	Customer Accounts	1,208,453		
35	Customer Service and Informational	457,486		
36	Sales	754,558		
37	Administrative and General	(309,668)		
38	TOTAL Operation (Enter Total of lines 28 thru 37)	5,049,702		
39	Maintenance			
40	Production - Manufactured Gas			
41	Production - Natural Gas			
42	Other Gas Supply			
43	Storage, LNG Terminating and Processing			
44	Transmission			
45	Distribution	711,278		
46	Administrative and General	2,146		
47	TOTAL Maintenance (Enter Total of lines 40 thru 46)	713,424		

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)	130,458		
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)	3,519,693		
55	Customer Accounts (Transcribe from line 34)	1,208,453		
56	Customer Service and Informational (From line 35)	457,486		
57	Sales (Transcribe from line 36)	754,558		
58	Administrative and General (Total of lines 37 and 46)	(307,522)		
59	TOTAL Operation and Maint. (Total of lines 49 thru 58)	5,763,126	2,336,251	8,099,377
60	Other Utility Departments			
61	Operation and Maintenance	-	-	-
62	TOTAL All Utility Dept. (Total of lines 25,59, and 61)	8,518,419	4,087,372	12,605,791
63	Utility Plant			
64	Construction (By Utility Departments)			
65	Electric Plant	894,005		894,005
66	Gas Plant	1,200,825		1,200,825
67	Other - Common	29,630		29,630
68	TOTAL Construction (Enter Total of lines 65 thru 67)	2,124,460	-	2,124,460
69	Plant Removal (By Utility Department)			
70	Electric Plant	126,148		126,148
71	Gas Plant	113,117		113,117
72	Other - Water	-		-
73	TOTAL Plant Removal (Enter Total of lines 70 thru 72)	239,265		239,265
74	Other Accounts (Specify):			
75				
76				
77	Other Accounts Receivable/Employee	126,544		126,544
78	Temporary Facilities	12,807		12,807
79	Stores Expense	605,790		605,790
80	Clearing Accounts	307,752		307,752
81	Miscellaneous Deferred Debits	192,559		192,559
82	Merchandise and Jobbing	460,693		460,693
83	Taxes Other Than Income Taxes-Electric	(97,573)		(97,573)
84	Taxes Other Than Income Taxes-Gas	(307,039)		(307,039)
85				
86	Vacation Pay	(91,663)		(91,663)
87	Non-Operating and Rental Income			-
88	Other Accounts Receivable	2,908,574	446,495	3,355,069
89	Environmental Cost			-
90	Merchandise plant leased to other - Gas	1,812		1,812
91	Accrued Liability Insurance	724		724
92				
93				
94				
95	TOTAL Other Accounts	4,120,980	446,495	4,567,475
96	TOTAL SALARIES AND WAGES	15,003,124	4,533,867	19,536,991

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

343,759

Structures & Improvements

2,548,124

Office Furniture & Equipment

3,053,695

Communications Equipment

118,975

Miscellaneous Taggible

58,927

6,123,480

Account 119: Accumulated Provision for Depreciation
of Common Utility Plant

2,571,551

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
ALLOCATION OF COMMON UTILITY PLANT
AS OF JUNE 30, 2008

Description	FPU Amount (1180, 1070)	PROPANE Amount (1010, 1070)	Common Plant Allocation of Land & Structures & Improvements	
			Allocation Per Study Sq. Footage	Common Land & Structures
Land				
Structures & Improvements	\$341,926		22,279	2,137,762
	2,405,840		4,693	450,634 (A)
Sub-Total	2,747,766		1,648	159,370 (B)
			28,620	2,747,766
Misc. Intangible Plant	1,833			
Office Furniture & Equipment	41,632			
Office Machines	134,831			
EDP Equipment	2,611,080	125,219		
Transportation Equipment	209,728			
Communication Equipment	116,955			
Misc. Equipment	22,165			
Misc. Tangible Assets	24,064			
Accrual Capital Items* 6/08 balance all CF	0			
Total Common Plant	\$5,910,054	\$125,219		
Check	1180	5,864,781		
	1070	45,273		
Utility Plant		5,910,054		
Common Propane		202,507,755		
Acquisition Adj		125,219		
Adjusted Plant		1,820,270		
		210,363,298		
		0		
Allocation of Local - South FL*				
FPU	6/30/2008	Allocation	Common	
Propane (Non-Regulated)	Billed	Per Study	Land &	
	Customers	%	Structures	
	32,731	84.0%	378,533	
	6,218	16.0%	72,101	
Total	38,949	100.0%	450,634 (A)	
Allocation of Propane				
Common Plant		Customer	Propane	
South FL Propane		Basis	Common Plant	
Central FL Propane		49%	61,358	
Northeast FL Propane		39%	48,835	
		12%	15,028	
		100%	125,219	
PROPANE				
Common Plant (1180)		FPU	Total	
Less Direct to WPB		5,910,054		
		610,004 (A+B)		
Remaining Common		5,300,050		
Less EDP to allocated		125,219	2,736,299	
Remaining Common Excl. EDP to allocate		2,688,970		

Allocation of Utility Plant All Division	(A) Utility Plant (101,106,107)	(B) Acquisition Adjust (114)	(C) Direct Common Loc & Mer	(D) Sub-Total (A+B+C+D)	(E) Note 1 Allocation %	(F) Remaining Common	(G) Common EDP Equip	(H) Adj. Plant (D+F+G)	Consolidated Allocation %	FPU Allocation %
Florida Public Utilities										
Northwest Electric	\$32,999,611	\$3,691		\$33,003,302	15%	\$403,344	\$391,661	\$33,798,307	15%	17%
Northwest Electric	46,304,658	(29,523)		46,304,658	23%	618,463	417,773	47,340,894	23%	25%
South FL NG	76,734,504	1,848,102	378,533	77,083,514	38%	1,021,809	913,878	79,019,201	38%	41%
Central Florida NG**	28,970,897			30,816,799	15%	403,346	522,216	31,742,361	15%	17%
Merchandising	586,932		159,370	746,302	0%	-	0	746,302	0%	
Propane Operations										
South FL Propane*	9,197,188		133,459	9,330,647	5%	134,449	182,776	9,647,872	5%	
Central FL Propane*	5,280,997		48,835	5,309,832	3%	80,869	130,554	5,521,055	3%	
Northwest FL Propane*	2,453,168		15,026	2,468,194	1%	26,890	52,222	2,547,308	1%	
Total	\$202,507,755	\$1,820,270	\$735,223	\$205,063,248	100%	2,688,970	2,611,080	210,363,298	100%	100%

* Excludes acct. 3031 intangible non-compete & goodwill account 1140.2
 ** Includes account 100,1070.376 accrual of capital items

Customers Billed 6/30/2008	EDP Equipment			Remaining Common		Total Common Allocation %
	Allocation %	FPU Common EDP	FPUC Allocation %	Remaining Common	Direct Common	
12,897	15%	391,661	17%	403,344	-	12%
15,212	16%	417,773	19%	618,463	-	18%
32,731	35%	913,878	41%	1,021,809	378,533	40%
18,557	20%	522,216	23%	403,346	-	12%
335	0%	0		0	159,370	5%
6,218	7%	182,776		134,449	133,459	8%
4,988	5%	130,554		80,869	48,835	4%
1,570	2%	52,222		26,890	15,026	1%
Total	100%	2,611,080	100%	2,688,970	735,223	100%
					3,424,193	100%
						5,910,054

Allocation %	Total M & J		Total M & J	
	Common EDP	Remain Comm	Total M & J	Comm Plant
59.0%	0	94,028	94,028	
38.0%	0	60,561	60,561	
3.0%	0	4,781	4,781	
Total	0	159,370	159,370	

	Materials & Supplies SJ 46-69			Note 2 Allocation %	Note 5 Allocation 80%	Note 6 Allocation %
	Adj. Plant	Total				
Florida Public Utilities						
Northwest Electric	33,798,307	315,323	34,113,630	18%	14%	22%
Northeast Electric	47,340,894	714,420	48,055,314	25%	20%	50%
South FL NG	79,019,201	254,651	79,273,852	41%	33%	18%
Central Florida NG**	31,742,361	145,470	31,887,831	16%	13%	10%
Total	191,900,763	1,429,864	193,330,627	100%	80%	100%
Florida Public Utilities						
Northwest Electric	15%	10%	2%			
Northeast Electric	23%	16%	5%			
South FL NG	38%	27%	8%			
Central Florida NG**	15%	11%	3%			
Merchandising	0%	0%	0%			
Propane Operations						
South FL Propane*	5%	4%	1%			
Central FL Propane*	3%	2%	1%			
Northeast FL Propane*	1%	1%	0%			
Total	100%	70%	20%			

FLORIDA PUBLIC UTILITIES COMPANY

An Original

ELECTRIC ENERGY ACCOUNT

For the Year Ended
December 31, 2009Report below the information called for concerning the disposition of electric energy generated,
purchased, exchanged, and wheeled during the year.

Line No.	Item (a)	Megawatt Hours (b)	Line No.	Item (a)	Megawatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	697,669
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)	625
7	Other		27	Total Energy Losses	41,212
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	739,506
9	Net Generation (Enter Total of lines 3 thru 8)	0			
10	Purchases	739,506			
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)	739,506			

MONTHLY PEAKS AND OUTPUT

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

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

SEE ATTACHED SCHEDULES

FLORIDA PUBLIC UTILITIES COMPANY

For the Year Ended
December 31, 2009MONTHLY PEAKS AND OUTPUT
NORTHWEST FLORIDA SYSTEM

Month (a)	Megawatts (b)	Day of Month (d)	Hour (e)	Type of Reading (f)	Monthly Output (MWh) (g)
January	77.5	N/A	N/A	15 Min. Int.	28,475
February	79.9	N/A	N/A	15 Min. Int.	25,000
March	68.7	N/A	N/A	15 Min. Int.	23,545
April	50.6	N/A	N/A	15 Min. Int.	22,679
May	56.1	N/A	N/A	15 Min. Int.	27,127
June	73.2	N/A	N/A	15 Min. Int.	33,880
July	67.7	N/A	N/A	15 Min. Int.	32,396
August	67.5	N/A	N/A	15 Min. Int.	31,786
September	61.1	N/A	N/A	15 Min. Int.	29,495
October	62.9	N/A	N/A	15 Min. Int.	26,767
November	45.5	N/A	N/A	15 Min. Int.	23,598
December	64.5	N/A	N/A	15 Min. Int.	29,474
TOTAL					334,222

MONTHLY PEAKS AND OUTPUT
NORTHEAST FLORIDA SYSTEM

Month (a)	Megawatts (b)	Day of Month (d)	Hour (e)	Type of Reading (f)	Monthly Output (MWh) (g)
January	97.2	22	8:00 a.m.	15 Min. Int.	36,026
February	99.2	6	7:15 a.m.	15 Min. Int.	31,826
March	77.2	3	8:00 a.m.	15 Min. Int.	28,576
April	67.6	29	4:00 p.m.	15 Min. Int.	29,862
May	69.7	10	4:15 p.m.	15 Min. Int.	34,375
June	82.4	29	4:30 p.m.	15 Min. Int.	39,119
July	89.3	30	11:30 a.m.	15 Min. Int.	41,327
August	98.3	12	5:15 p.m.	15 Min. Int.	40,152
September	75.1	29	6:00 p.m.	15 Min. Int.	35,961
October	68.2	10	3:30 p.m.	15 Min. Int.	30,007
November	54.6	30	2:15 p.m.	15 Min. Int.	26,564
December	75.7	29	9:00 a.m.	15 Min. Int.	31,489
TOTAL					405,284

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	138,000	138,000	Steel Tower	0.55	NONE	2
2		Fernandina			Steel Pole	0.8		
3		Beach, FL			Concrete Pole	7.7		
4								
5	Block 97 Fernandina Beach, FL	Block 83	69,000	69,000	Wood Pole	3.5	NONE	1
6		Fernandina						
7		Beach, FL						
8								
9	Block 97 Fernandina Beach, FL	State Road 105	69,000	69,000	Concrete Pole	1.7	NONE	1
10		and Julia St.			Wood Pole	4.3		
11								
12								
13	Block 83 Fernandina Beach, FL	Container	69,000	69,000	Wood Pole	1.66	NONE	1
14		Corporation						
15		of America						
16								
17	Block 83 Fernandina Beach, FL	ITT Rayonier	69,000	69,000	Wood Pole	0.65	NONE	1
18		Inc.						
19								
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30					TOTAL	20.26		

TRANSMISSION LINE STATISTICS (Continued)

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

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

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

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

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

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

SUBSTATIONS

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

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

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

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

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

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

SUBSTATIONS (Continued)

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

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

6. Designate substations or major items of equipment

leased from others, jointly owned with others, or operated other than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name

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.
50	2	0	Fans Added			1
						2
80	2	0	Fans Added			3
						4
						5
8	1	0	Fans Added			6
						7
150	3	0	Fans Added			8
40	2	0	Fans Added			9
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FLORIDA PUBLIC SERVICE COMMISSION

DIVERSIFICATION REPORT

PSC/AFA 16 (12/94)

Affiliation of Officers and Directors

Company: Florida Public Utilities Company

For the Year Ended December 31, 2009

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

Name	Principal Occupation or Bus Affiliation	Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership	
		Affiliation or Connection	Name and Address
Directors			
Ralph J. Adkins			
John R. Schimkaitis			
Michael P. McMasters			
Eugene H. Bayard	Law Partner		Wilson, Halbrook & Bayard, Georgetown, Delaware
Richard Bernstein	President & CEO		LWRC International, LLC Cambridge, Maryland
Thomas J. Bresnan	President & CEO		Schneider Sales Management, LLC, Greenwood Village, Colorado
Thomas P. Hill, Jr.	Retired VP & CFO		Exelon Energy Delivery Company, Philadelphia, Pennsylvania
Dennis S. Hudson, III	Chairman & CEO		Seacoast National Bank, Stuart, Florida
Paul L. Maddock, Jr.	Trustee & President		The Maddock Companies, Palm Beach, Florida
J. Peter Martin	Retired Founder& CEO		Atlantic Utilities Corporation, Miami, Florida
Joseph E. Moore, Esq.	Law Partner		Williams, Moore, Shockley & Harrison, LLP, Ocean City, Maryland
Calvert A. Morgan	Director		WSFS Financial Corp., Wilmington Delaware
Dianna F. Morgan	Past Chair of the Board		University of FL, Gainesville, Florida
Officers			
John R. Schimkaitis	Vice Chairman & CEO		
Michael P. McMasters	President & COO		
Stephen C. Thompson	Sr. Vice President & President, ESNGC		
Thomas A. Geoffroy	Vice President		
Beth Cooper	Sr. Vice President & Chief Financial Officer		
George M. Bachman	CFO/Treasurer & Corporate Secretary		
Charles L. Stein	Sr. Vice President		

Business Contracts with Officers, Directors, and Affiliates

Company: *Florida Public Utilities Company*

For the Year Ended December 31, 2009

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

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

Name of Officer or Director	Name and Address of Affiliated Entity	Amount	Identification of Product or Service

Referred to Chesapeake Utilities Corporation Form 10-K

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

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

FLORIDA PUBLIC UTILITIES COMPANY

For the Year Ended December 31, 2009

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

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		Total gross operating revenues in column (f).						
Line No.	Description	Gross Operating Revenues per Page 300	Interstate and Sales for Resale Adjustments	Adjusted Intrastate Gross Operating Revenues	Gross Operating Revenues per RAF Return	Intrastate and Sales for Resale Adjustments	Adjusted Intrastate Gross Operating Revenues	Difference (d) - (g)
1	Total Sales to Ultimate Customers (440-446, 447)	90,608,629		90,608,629	90,498,751		90,498,751	109,878
2	Sales for Resale (447)	-		-	-		-	-
3	Total Sales of Electricity	90,608,629		90,608,629	90,498,751		90,498,751	109,878
4	Provision for Rate Refunds (449.1)	-		-	-		-	-
5	Total Net Sales of Electricity	90,608,629		90,608,629	90,498,751		90,498,751	109,878
6	Total Other Operating Revenues (450-456)	(2,332,960)		(2,332,960)	(2,223,087)		(2,223,087)	(109,873)
7	Total Electric Operating Revenues	88,275,669		88,275,669	88,275,664		88,275,664	5
8	Other (specify): Deferred fuel revenue				3,197,528		3,197,528	(3,197,528)
9								
10	Total Gross Operating Revenues	88,275,669		88,275,669	91,473,192		91,473,192	(3,197,523)

Notes:

Notes:

- On page 300, total sales to ultimate customers include unbilled revenues of 109,875
- Unbilled revenue is included in total other operating revenues on RAF return. 109,875
- The RAF return does not include a late JE that was booked after the return was filed
- Deferred fuel revenue of \$3,197,528 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, 2009

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

Effective Date (a)	Description of Change (b)
	<p>We have enclosed copies of our updated Organizational Chart for Florida Public Utilities Company</p> <p>Flo-Gas does not have any employees.</p>



Last Modified 4/16/2010

CORPORATE STRUCTURE

SENIOR MANAGEMENT TEAM

Schwartz, John	CEO	34	0
Erskine, Bonnie	Assistant Corporate Secretary	05/20/01	E4

Erskine, Bonnie	Assistant Corporate Secretary	05/20/01	E4
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Bachman, George	Executive Financial Analyst	06/22/86	A2
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Mathew, Cherie	HR Assistant	04/23/07	HR2
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Con, Doreen	Financial Analyst	12/31/99	A3
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Boyer, Chandra	Executive Assistant	10/25/98	E3
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Steele, G.L.	Executive Assistant	05/01/00	E3
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Steele, G.L.	Executive Assistant	05/01/00	E3
--------------	---------------------	----------	----

Steele, G.L.	Executive Assistant	05/01/00	E3
--------------	---------------------	----------	----

Steele, G.L.	Executive Assistant	05/01/00	E3
--------------	---------------------	----------	----

Steele, G.L.	Executive Assistant	05/01/00	E3
--------------	---------------------	----------	----

Positions	Total	Full-Time	Part-Time
WPB Ops	121	119	2
Marketing	20	20	0
IT	7	7	0
Accounting	23	22	1
HR	2	2	0
Central FL	5	5	0
Northwest FL	20	20	0
Southwest FL	35	35	0
Corporate Svc	44	44	0
Offices/Adm	13	11	2
	5	5	0
	345	340	5

Vacancies	Total	Full-Time	Part-Time
WPB Ops	5	5	0
Marketing	4	4	0
IT	0	0	0
Accounting	1	1	0
HR	0	0	0
Central FL	0	0	0
Northwest FL	2	2	0
Southwest FL	1	1	0
Corp Svc	2	2	1
	20	19	1

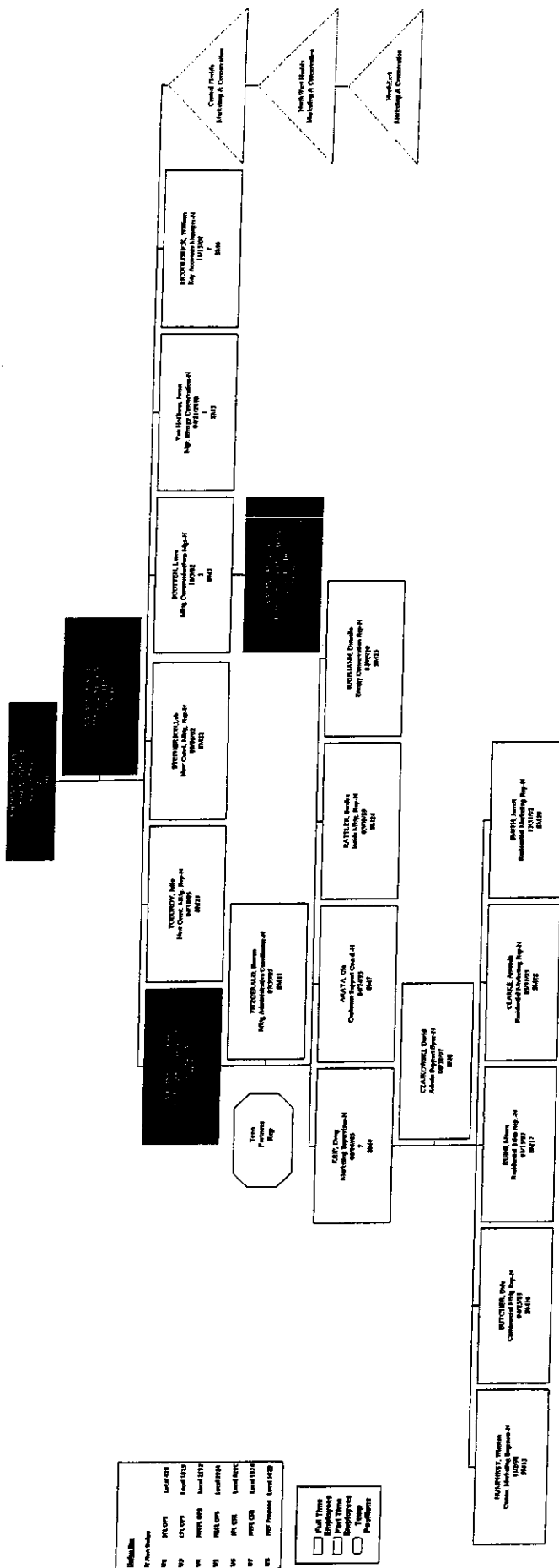
Identities	# Non Union	Full Time Employees	Part Time Employees	Temp Positions
U1	511	0	0	0
U2	511	0	0	0
U3	511	0	0	0
U4	511	0	0	0
U5	511	0	0	0
U6	511	0	0	0
U7	511	0	0	0
U8	511	0	0	0

Full Time Employees	347
Part Time Employees	18
Temp Positions	329

ORGANIZATIONAL CHART TOTAL

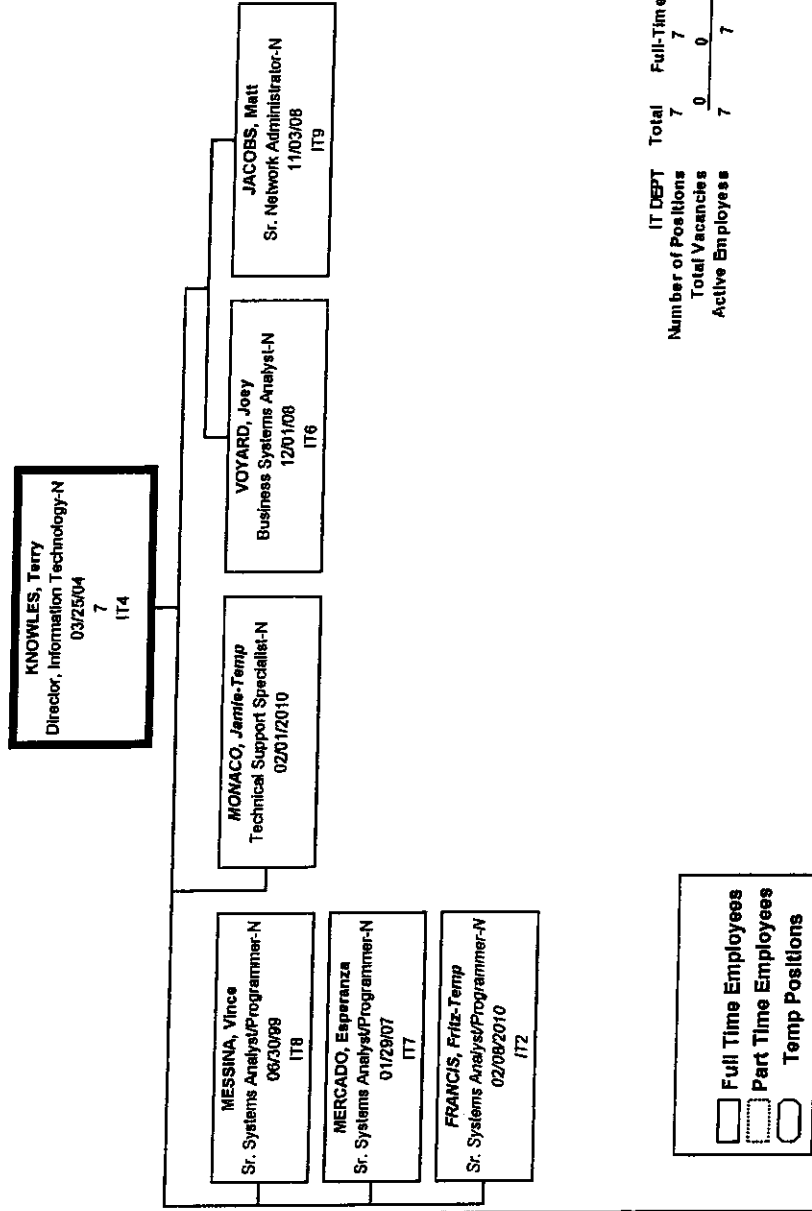
Total	347
Number of Positions	338
Total Vacancies	17
Active Employees	321

Corporate Structure.org



INFORMATION TECHNOLOGY DEPARTMENT (IT)

Last Modified 4/1/2010



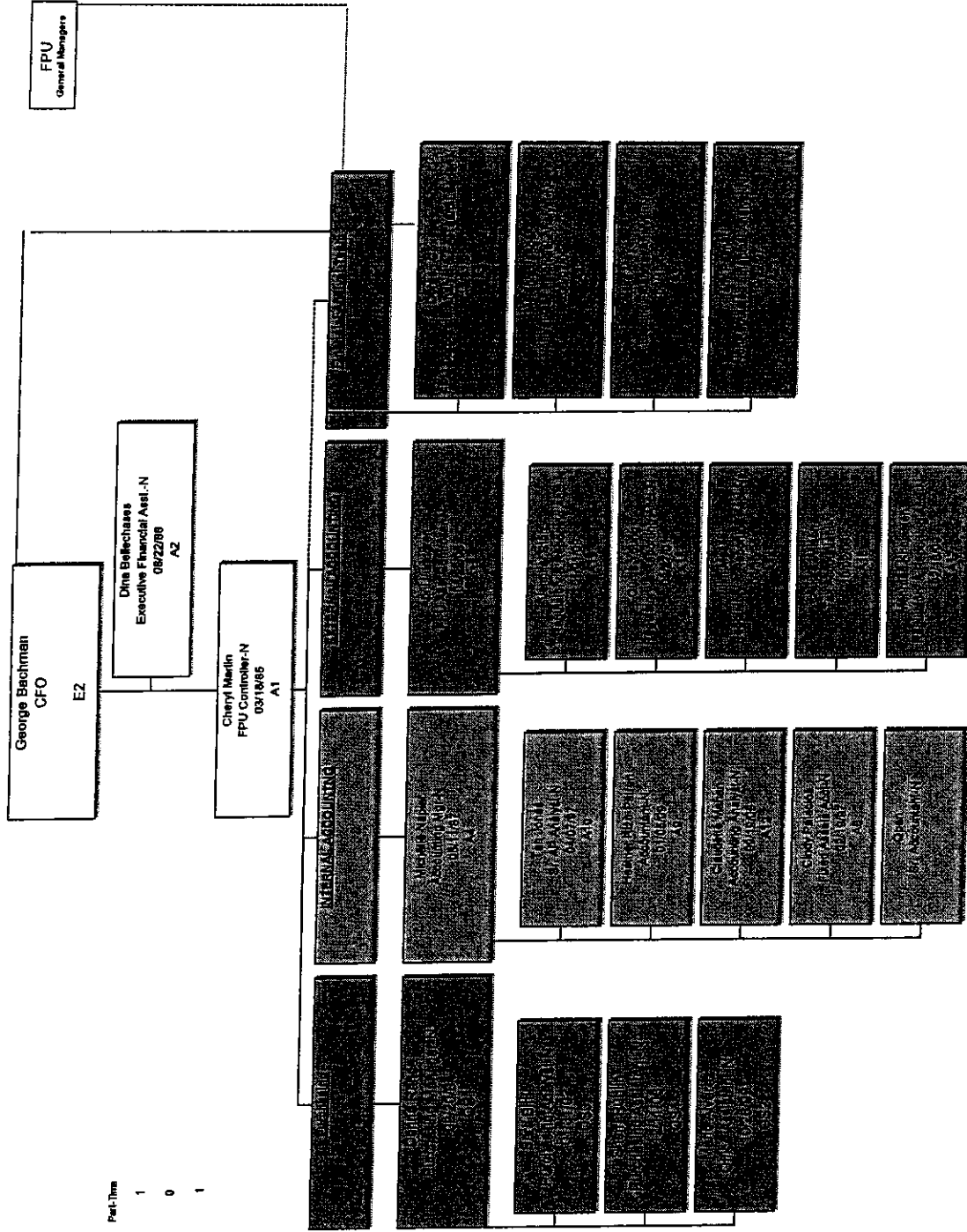
IT DEPT			
Number of Positions	Total	Full-Time	Part-Time
Total Vacancies	7	7	0
Active Employees	0	0	0
	7	7	0

☐ Full Time Employees
☐ Part Time Employees
☐ Temp Positions

Union Key		
N Non Union		
U1	SFL OPS	Local 428
U3	CFL OPS	Local 1625
U4	NWFL OPS	Local 2152
U5	NEFL OPS	Local 1924
U6	SFL CSR	Local 428C
U7	NEFL CSR	Local 1924
U8	NEF Propane	Local 1625

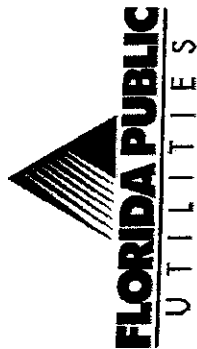
InfoTech.opx

ACCOUNTING DEPARTMENT



ACCOUNTING	Total	Full-Time	Part-Time
Number of Positions	23	22	1
Total Vacancies	1	1	0
Active Employees	22	21	1

Unit/Line Item	Position	Level
U1	SFL OPS	Level 42B
U3	OPL OPS	Level 1015
U4	NWFL OPS	Level 2152
U5	NWFL OPS	Level 1324
U6	SFL CSR	Level 42BC
U7	NWFL CSR	Level 1026
U8	NWP Programs	Level 1025



HUMAN RESOURCES DEPARTMENT

Last Modified 4/1/2010

JOHANNINGMEIER, Jennifer
Manager, Human Resources-N
02/25/2010
2
HR1

Eubank, Michelle-Temp
HR Rep
08/10/09
HR3

Union Key		
N Non Union		
U1	SFL OPS	Local 428
U3	CFL OPS	Local 1625
U4	NWFL OPS	Local 2152
U5	NEFL OPS	Local 1924
U6	SFL CSR	Local 428C
U7	NEFL CSR	Local 1924
U8	NEF Propane	Local 1625

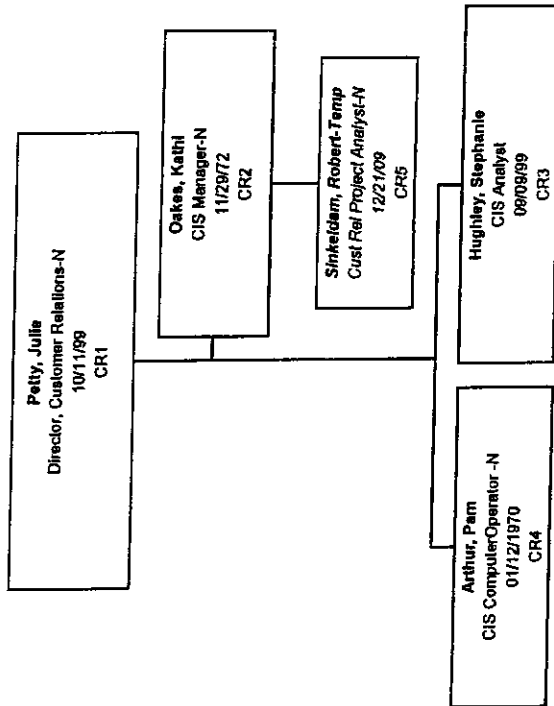
☐ Full Time Employees
☐ Part Time Employees
☐ Temp Positions

Human Resources	Total	Full-Time	Part-Time
Number of Positions	2	2	0
Total Vacancies	0	0	0
Active Employees	2	2	0



CUSTOMER RELATIONS DEPARTMENT

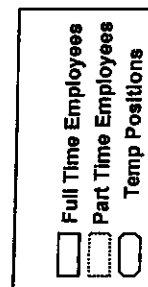
Last Modified 4/1/2010

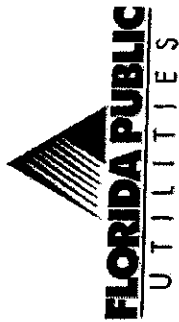


Union Key		
N	Non Union	
U1	SFL OPS	Local 428
U3	CFL OPS	Local 1625
U4	NWFL OPS	Local 2152
U5	NEFL OPS	Local 1924
U6	SFL CSR	Local 428C
U7	NEFL CSR	Local 1924
U8	NEF Propane	Local 1625

CustomerRel.opx

CUSTOMER RELATIONS		
Total	Full-Time	Part-Time
Number of Positions	6	5
Total Vacancies	0	0
Active Employees	5	5

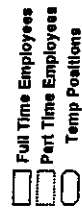
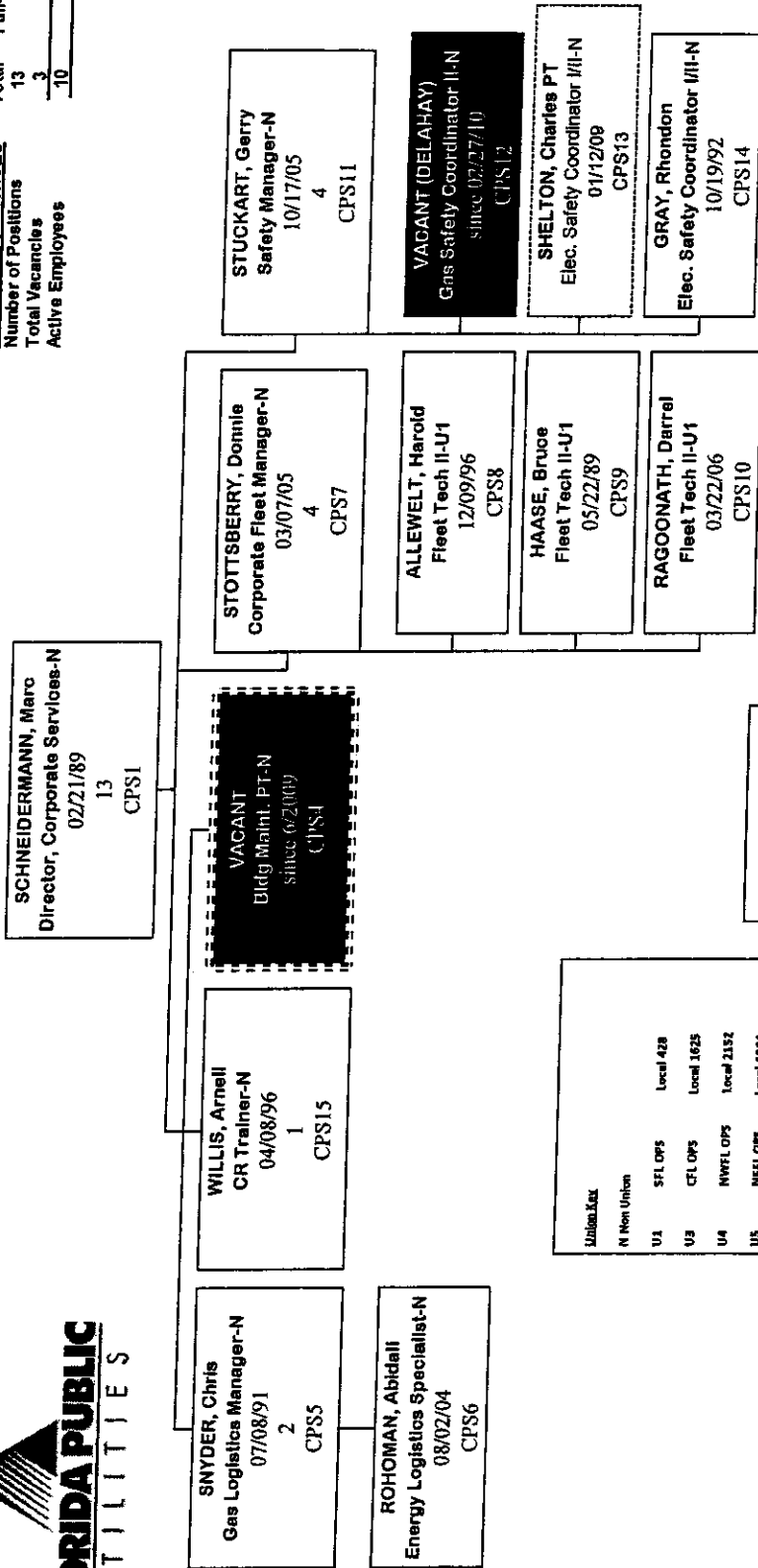




CORPORATE SERVICES

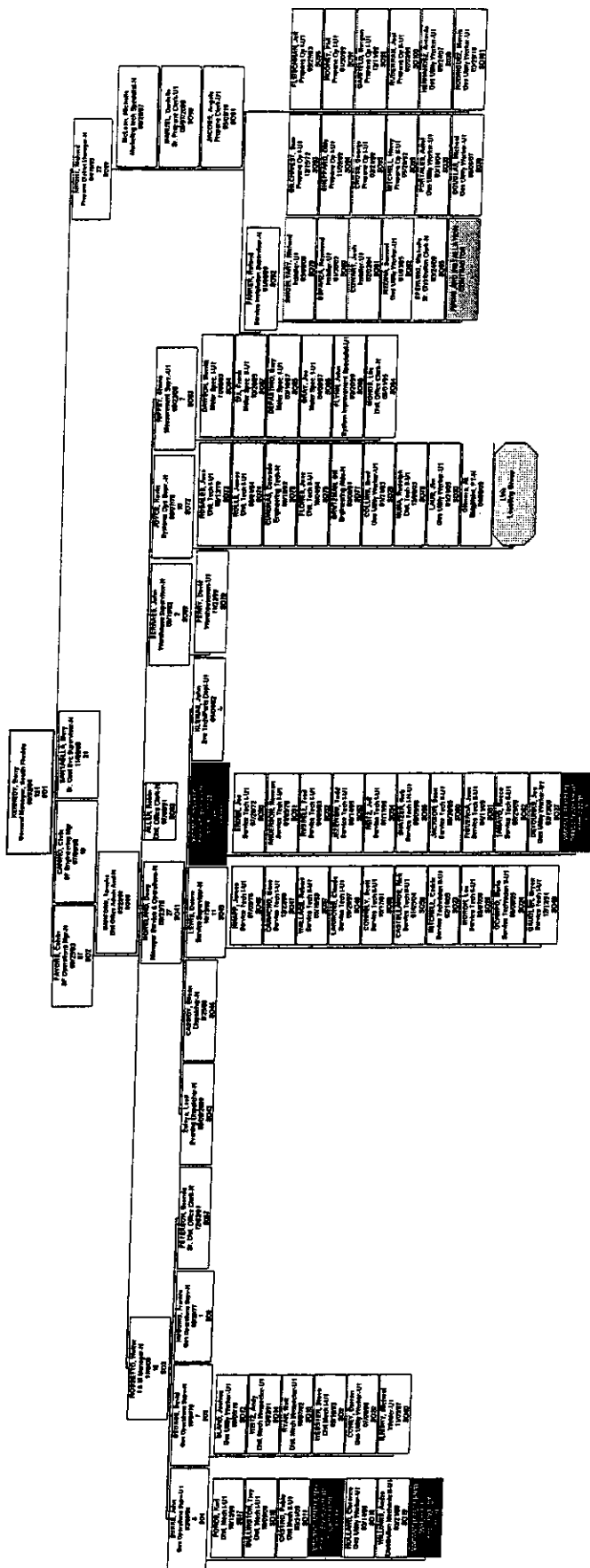
CORPORATE SERVICES

Number of Positions	13	Full-Time	11	Part-Time	2
Total Vacancies	3		2		1
Active Employees	10		9		1



Union Loc	N	Non Union
U1	SFL OPS	Local 428
U3	CFL OPS	Local 1625
U4	NWFL OPS	Local 2152
U5	NEFL OPS	Local 1924
U6	SFL CSR	Local 428C
U7	NEFL CSR	Local 1924
U8	NEF Propose	Local 1625

Last Modified 4/1/2010

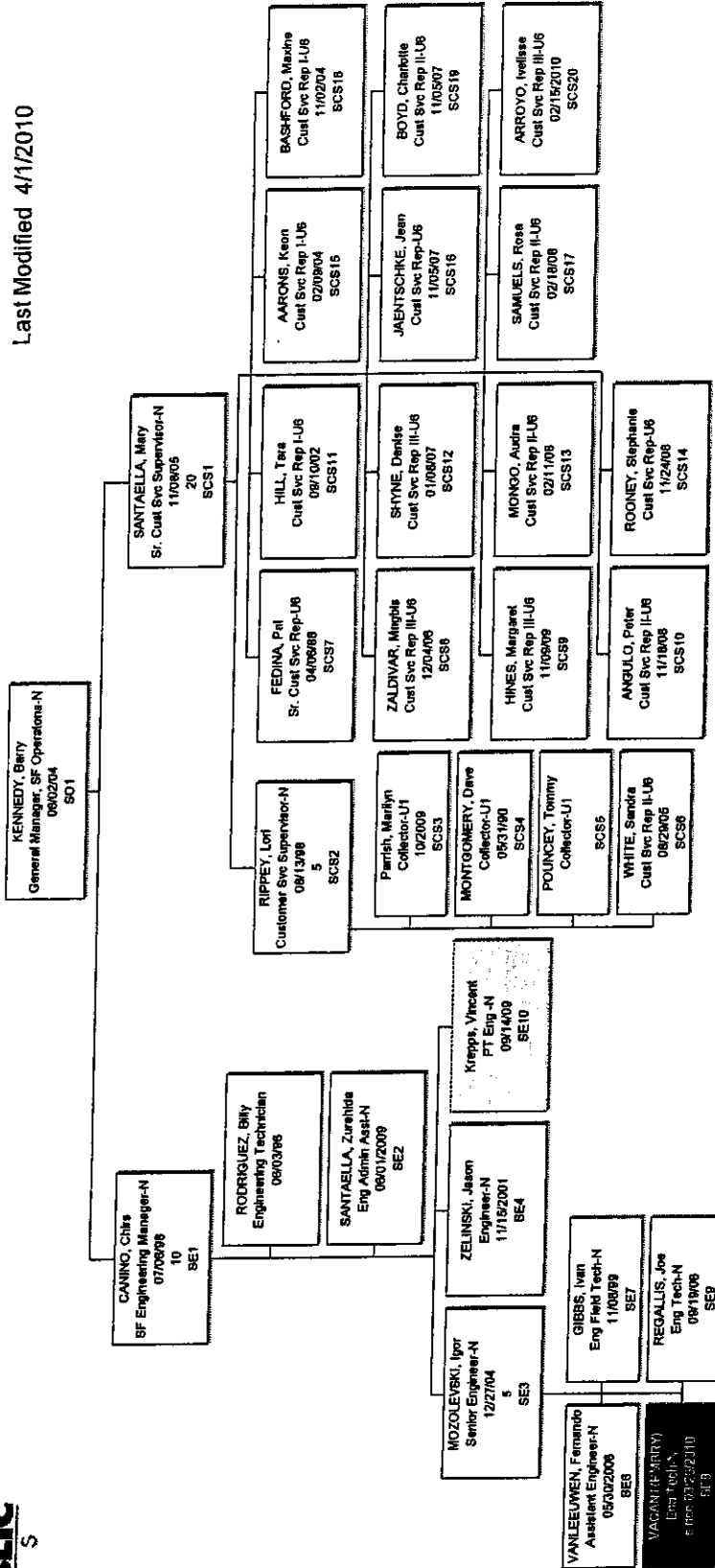


Sample	Flow Rate
1	5 L/min
2	5 L/min
3	5 L/min
4	5 L/min
5	5 L/min
6	5 L/min
7	5 L/min
8	5 L/min
9	5 L/min
10	5 L/min



SOUTH FLORIDA OPERATIONS ENGINEERING & CUSTOMER SERVICE

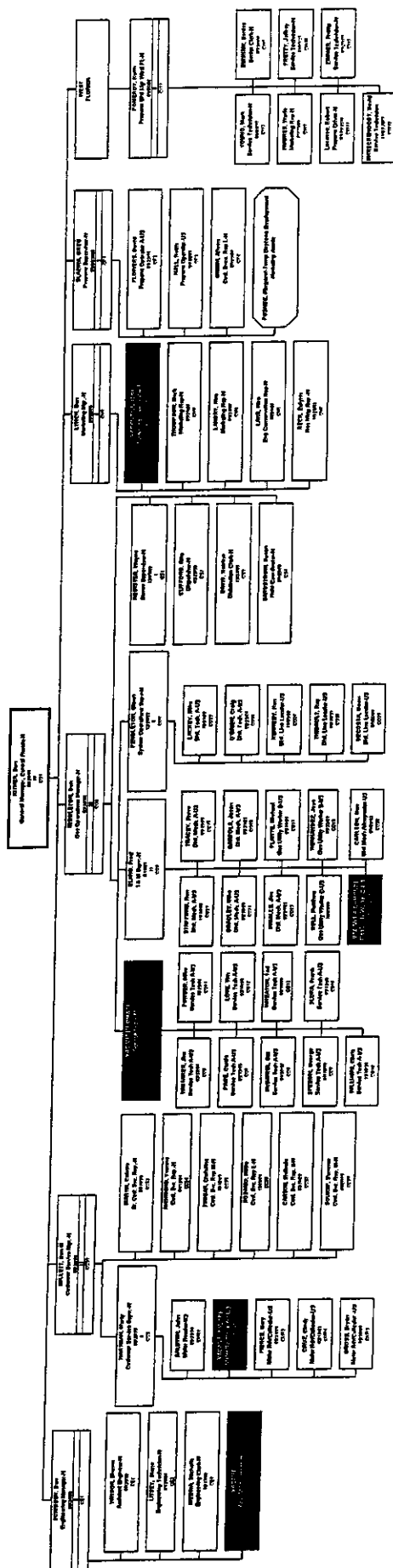
Last Modified 4/1/2010



Employee	Position	Level
U1	SFL OPS	Level 408
U2	CTI OPS	Level 403
U4	INVT1 OPS	Level 232
U5	INVT2 OPS	Level 204
U6	SFL CSR	Level 426
U7	INVT CSR	Level 204
U8	REF Prepwork	Level 2025

<input type="checkbox"/>	Full Time Employees
<input type="checkbox"/>	Part Time Employees
<input type="checkbox"/>	Temp Positions

CENTRAL FLORIDA DIVISION



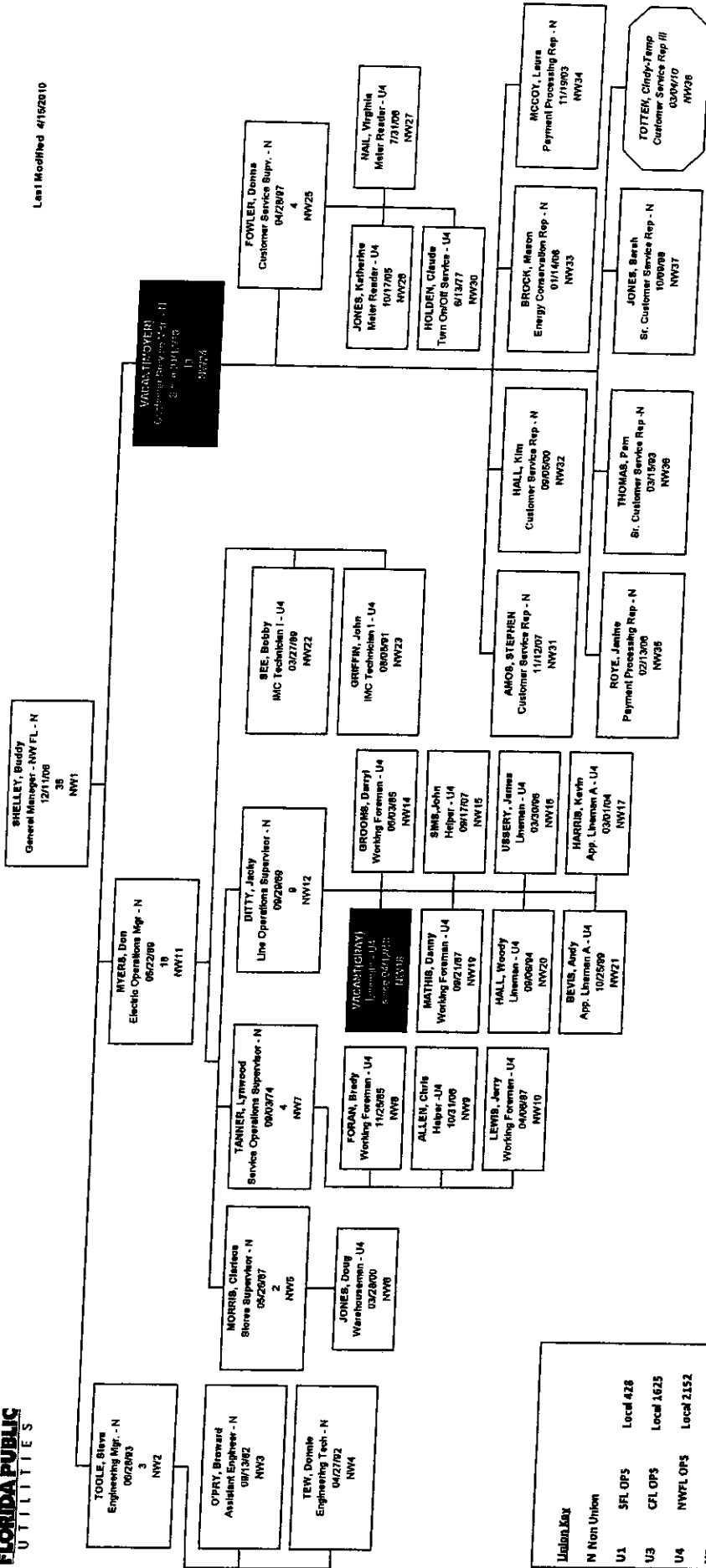
CENTRAL FLORIDA		
	Total	Part-Time
Number of Teachers	10	5
Total Salary	1	1

Model/Year	1970-1971	1972-1973	1974-1975	1976-1977	1978-1979	1980-1981	1982-1983	1984-1985	1986-1987	1988-1989	1990-1991	1992-1993	1994-1995	1996-1997	1998-1999	2000-2001	2002-2003	2004-2005	2006-2007	2008-2009	2010-2011	2012-2013	2014-2015	2016-2017	2018-2019	2020-2021	2022-2023	2024-2025	2026-2027	2028-2029	2030-2031	2032-2033	2034-2035	2036-2037	2038-2039	2040-2041	2042-2043	2044-2045	2046-2047	2048-2049	2050-2051	2052-2053	2054-2055	2056-2057	2058-2059	2060-2061	2062-2063	2064-2065	2066-2067	2068-2069	2070-2071	2072-2073	2074-2075	2076-2077	2078-2079	2080-2081	2082-2083	2084-2085	2086-2087	2088-2089	2090-2091	2092-2093	2094-2095	2096-2097	2098-2099	2100-2101	2102-2103	2104-2105	2106-2107	2108-2109	2110-2111	2112-2113	2114-2115	2116-2117	2118-2119	2120-2121	2122-2123	2124-2125	2126-2127	2128-2129	2130-2131	2132-2133	2134-2135	2136-2137	2138-2139	2140-2141	2142-2143	2144-2145	2146-2147	2148-2149	2150-2151	2152-2153	2154-2155	2156-2157	2158-2159	2160-2161	2162-2163	2164-2165	2166-2167	2168-2169	2170-2171	2172-2173	2174-2175	2176-2177	2178-2179	2180-2181	2182-2183	2184-2185	2186-2187	2188-2189	2190-2191	2192-2193	2194-2195	2196-2197	2198-2199	2200-2201	2202-2203	2204-2205	2206-2207	2208-2209	2210-2211	2212-2213	2214-2215	2216-2217	2218-2219	2220-2221	2222-2223	2224-2225	2226-2227	2228-2229	2230-2231	2232-2233	2234-2235	2236-2237	2238-2239	2240-2241	2242-2243	2244-2245	2246-2247	2248-2249	2250-2251	2252-2253	2254-2255	2256-2257	2258-2259	2260-2261	2262-2263	2264-2265	2266-2267	2268-2269	2270-2271	2272-2273	2274-2275	2276-2277	2278-2279	2280-2281	2282-2283	2284-2285	2286-2287	2288-2289	2290-2291	2292-2293	2294-2295	2296-2297	2298-2299	2300-2301	2302-2303	2304-2305	2306-2307	2308-2309	2310-2311	2312-2313	2314-2315	2316-2317	2318-2319	2320-2321	2322-2323	2324-2325	2326-2327	2328-2329	2330-2331	2332-2333	2334-2335	2336-2337	2338-2339	2340-2341	2342-2343	2344-2345	2346-2347	2348-2349	2350-2351	2352-2353	2354-2355	2356-2357	2358-2359	2360-2361	2362-2363	2364-2365	2366-2367	2368-2369	2370-2371	2372-2373	2374-2375	2376-2377	2378-2379	2380-2381	2382-2383	2384-2385	2386-2387	2388-2389	2390-2391	2392-2393	2394-2395	2396-2397	2398-2399	2400-2401	2402-2403	2404-2405	2406-2407	2408-2409	2410-2411	2412-2413	2414-2415	2416-2417	2418-2419	2420-2421	2422-2423	2424-2425	2426-2427	2428-2429	2430-2431	2432-2433	2434-2435	2436-2437	2438-2439	2440-2441	2442-2443	2444-2445	2446-2447	2448-2449	2450-2451	2452-2453	2454-2455	2456-2457	2458-2459	2460-2461	2462-2463	2464-2465	2466-2467	2468-2469	2470-2471	2472-2473	2474-2475	2476-2477	2478-2479	2480-2481	2482-2483	2484-2485	2486-2487	2488-2489	2490-2491	2492-2493	2494-2495	2496-2497	2498-2499	2500-2501	2502-2503	2504-2505	2506-2507	2508-2509	2510-2511	2512-251
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Northwest Florida Division - Organizational Chart

Last Modified 4/15/2010



NORTHWEST FLORIDA			
	Total	Full-Time	Part-Time
Number of Positions	36	35	0
Total Vacancies	2	2	0
Active Employees	33	33	0

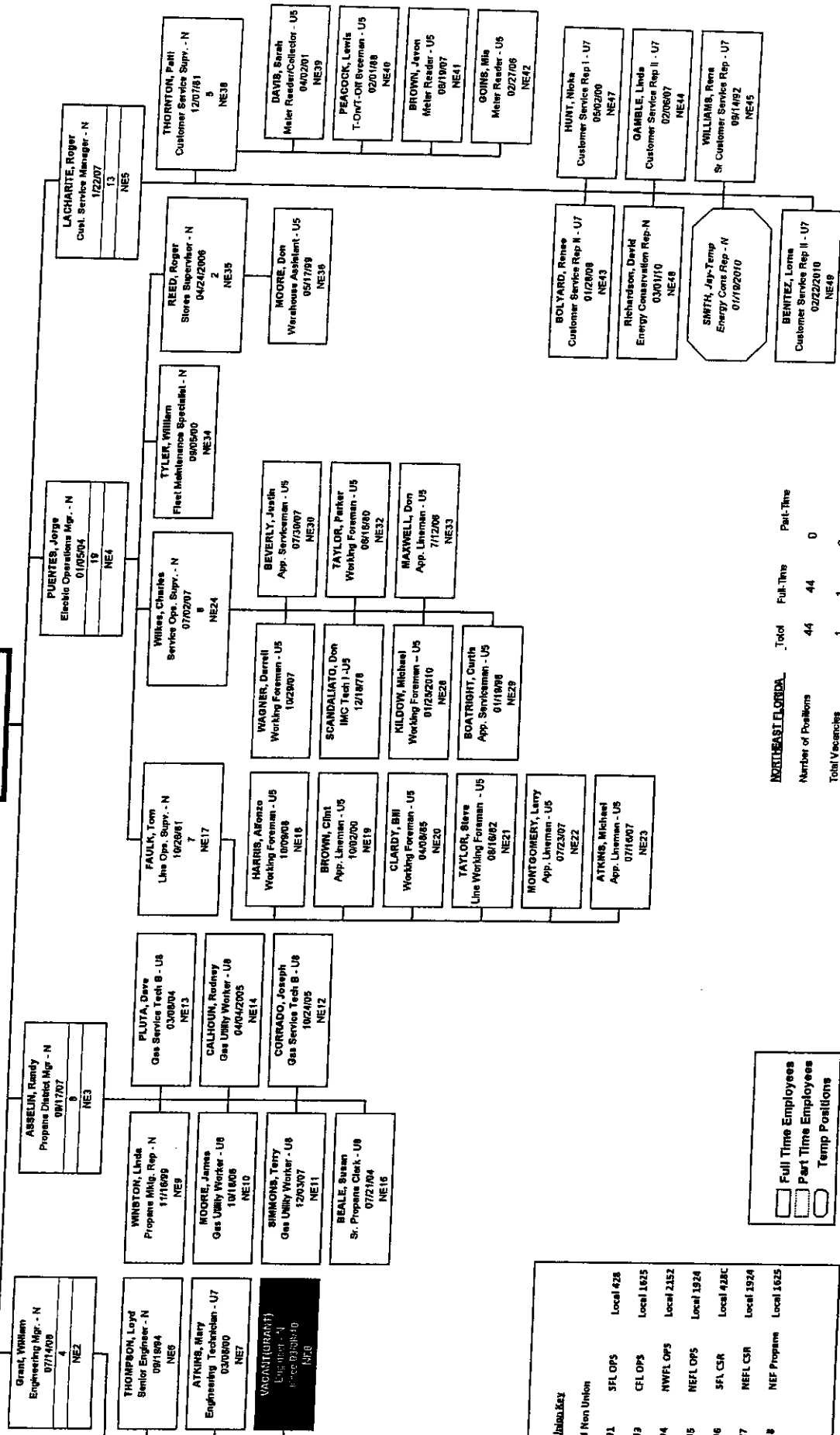
Union Key	
N Non Union	
U1 SFL OPS	Local 428
U3 CFL OPS	Local 1625
U4 NWFL OPS	Local 2152
U5 NEFL OPS	Local 1924
U6 SFL CSR	Local 428C
U7 NEFL CSR	Local 1924
U8 NEF Propane	Local 1625

NORTHEAST FLORIDA DIVISION - ORGANIZATIONAL CHART

Last Modified 4/9/2010



CUTSHAW, Mark
General Manager - NE FL - N
05/13/1991
45
NE1



NORTHEAST FLORIDA			
	Total	Full Time	Part Time
Number of Positions	44	44	0
Total Vacancies	1	1	0
Active Employees	43	43	0

<input type="checkbox"/>	Full Time Employees
<input type="checkbox"/>	Part Time Employees
<input type="checkbox"/>	Temp Positions

Union Key	
N Non Union	
U1 SFL OPS	Local 428
U3 CFL OPS	Local 1625
U4 NWF OPS	Local 2452
U5 NEFL OPS	Local 1924
U6 SFL CSR	Local 428C
U7 NEFL CSR	Local 1924
U8 NEF Propane	Local 1625

Fine Backs

Analysis of Diversification Activity
New or Amended Contracts with Affiliated Companies

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

For the Year Ended For the Year Ended

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

Name of Affiliated Company (a)	Synopsis of Contract (b)
	<p style="text-align: center;">Referred to Chesapeake Utilities Corporation Form 10-K</p>

(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 12/31/09

	Year-to-Date Actual	Last Year-to-Date Actual
Operating Revenue	13,591,525	17,269,044
Operation Expenses	11,183,372	14,503,584
Maintenance Expenses	472,076	432,979
Depreciation Expense	818,598	823,816
Amortization of Utility Plant-		
Acquisition Adjustment	217,926	-
Tax Other Than Income Tax-Utility		
Operation Expense	193,411	167,744
Income Tax - Federal - Utility		
Operating Income	(420,662)	126,469
Income Tax - State - Utility		
Operating Income	(21,061)	14,000
Deferred Income Tax - Utility		
Operating Income	717,017	167,096
Investment Tax Credit - Utility		
Operating Income	-	-
Operating Income	<u><u>430,848</u></u>	<u><u>1,033,356</u></u>
Other Income and Deductions		
Interest and Dividend Income	-	-
Misc. Non-Operating Income	92,769	509,381
Other Income Deductions	(150,688)	(367,787)
Taxes Other Than Income - Other	-	-
Income Taxes-Federal-Other Income	21,799	(53,271)
Income Taxes-State-Other Income	-	-
Other (Income) and Deductions	<u><u>(36,120)</u></u>	<u><u>88,323</u></u>
Interest Charges		
Interest on Debt to Associated Companies	151,509	525,316
Other Interest Expense	1,661	1,761
Interest Charges	<u><u>153,170</u></u>	<u><u>527,077</u></u>
Extraordinary Items		
Cumulative Effect - Change in Accounting Principles - Net	-	-
Net Income	<u><u>241,558</u></u>	<u><u>594,602</u></u>

ANALYSIS OF DIVERSIFICATION ACTIVITY SUPPLEMENT
FLO-GAS
BALANCE SHEET - 09
December 31, 2009

Assets and Other Debits	Current	Last Year End
Utility Plant		
Utility Plant in Service	17,995,660	18,177,554
Utility Plant Purchased/Sold	-	-
Completed Construction Not Classified		
Construction Work in Progress	26,180	34,477
Utility Plant	<u>18,021,840</u>	<u>18,212,031</u>
Accumulated Depreciation		
Accumulated Dep. - Utility Plant in Service	(477,577)	(4,807,980)
Accumulated Dep. - Transportation Equip.	(893,436)	(749,235)
Retirement Work in Progress		
Accumulated Dep. - Rental Equipment	-	-
Accumulated Depreciation	<u>(1,371,013)</u>	<u>(5,557,215)</u>
Other Utility Plant		
Utility Plant Acquisition Adj.	-	-
Accum. Amort. - Utility Acq. Adj.	-	-
Other Utility Plant	<u>-</u>	<u>-</u>
Other Property and Investments		
Investment in Assoc. Companies -		
Common Stock	-	-
Other Property and Investments	<u>-</u>	<u>-</u>
Current and Accrued Assets		
Customer Accounts Receivable	1,632,858	1,620,573
Allowance for Uncollectible Accounts	(65,238)	(65,879)
Accounts Rec. from Associated Companies		
Operating Supplies - Propane	1,709,807	2,035,957
Prepayments - Taxes	-	-
Interest and Dividends Receivable	-	-
Merchandise-Applian.& Supplies		
Accrued Utility Revenues	691,010	327,158
Current and Accrued Assets	<u>3,968,437</u>	<u>3,917,809</u>
Deferred Debits		
Goodwill	114,000	1,852,435
Misc. Deferred Debits - Other W.I.P.		
Misc. Deferred Debits - Miscellaneous	1,900	1,768
Accum. Deferred Income Taxes	(1,303,667)	100,968
Deferred Debits	<u>(1,187,767)</u>	<u>1,955,171</u>
ASSETS AND OTHER DEBITS	<u>19,431,497</u>	<u>18,527,796</u>

ANALYSIS OF DIVERSIFICATION ACTIVITY SUPPLEMENT
FLO-GAS
BALANCE SHEET - 09
December 31, 2009

Liabilities and Other Credits	<u>Current</u>	<u>Last Year End</u>
Proprietary Capital		
Common Stock Issued	10,000	10,000
Appropriated Retained Earnings	-	-
Unappropriated Retained Earnings	83,781	823,214
Proprietary Capital	<u>93,781</u>	<u>833,214</u>
Current and Accrued Liabilities		
Accounts Payable to Assoc. Companies	16,568,103	14,712,473
Customer Deposits	1,073,371	847,778
Taxes Accrued	(2,165,131)	(1,716,341)
Interest Accrued	1,275	1,339
Dividends Declared	-	-
Tax Collections Payable	67,889	57,266
Misc. Current and Accrued Liabilities	-	-
Customer Advances for Construction	70,325	70,325
Other Deferred Income Taxes - Other	-	-
Accumulated Deferred I.T.C.	-	-
Current and Accrued Liabilities	<u>15,615,832</u>	<u>13,972,840</u>
Operating Reserves		
Misc. Operating Reserves	-	-
Accum. Deferred Income Tax - Liberalized Depreciation	3,480,326	3,100,751
Accum. Deferred Income Taxes - Other	-	-
Operating Reserves	<u>3,480,326</u>	<u>3,100,751</u>
Year-to-Date Income/Loss	<u>241,558</u>	<u>620,991</u>
LIABILITIES AND OTHER CREDITS	<u>19,431,497</u>	<u>18,527,796</u>

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

COMPANY: FLORIDA PUBLIC UTILITIES COMPANY

For the Year Ended For the Year Ended

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

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

Analysis of Diversification Activity

Summary of Affiliated Transfers and Cost Allocations

Company: Florida Public Utilities Company

For the Year Ended December 31, 2009

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

(a) Enter name of affiliate.

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

(c) Enter contract or agreement effective dates.

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

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

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

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

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

FLORIDA PUBLIC UTILITIES COMPANY

For the Year Ended For the Year Ended

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

Name of Affiliate	Description of Asset or Right	Cost/Orig. Cost	Accumulated Depreciation	Net Book Value	Fair Market Value	Purchase Price	Title Passed Yes/No
Purchases from Affiliates:		13,236	4,131	9,105	\$ N/A	\$ N/A	N/A
Flo-Gas Corporation	Meters	236	406	(170)	N/A	Transfer	N/A
	Trans Equip	13,000	3,725	9,275	N/A	Transfer	N/A
	Regulators	-	-	-	N/A	Transfer	N/A
	Computer	-	-	-	N/A	Transfer	N/A
	Power Equip	-	-	-	N/A	Transfer	N/A
	Tools	-	-	-	N/A	Transfer	N/A
Sales to Affiliates:		21,913	5,834	16,079	\$ N/A	Sales Price	N/A
	Meters	21,913	5,834	16,079	N/A	Transfer	N/A
	Trans Equip	0	0		N/A	Transfer	N/A
	Regulators	0	0	-	N/A	Transfer	N/A
	Computer	0	0		N/A	Transfer	N/A

Analysis of Diversification Activity

Employee Transfers

Company: Florida Public Utilities Company

For the Year Ended December 31, 2009

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				

Analysis of Diversification Activity
Non-Tariffed Services and Products Provided by the Utility
Company: Florida Public Utilities Company
For the Year Ended December 31, 2009

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

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

NONUTILITY PROPERTY (Account 121)

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

Line No.	Description and Location (a)	Balance at Beginning of Year (b)	Purchases, Sales, Transfers, etc. (c)	Balance at End of Year (d)
1	123.1210.1 Non-Utility Property - Land - Central Florida	8,436		8,436
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
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22				
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24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39	Minor Items Previously Donated to Public Service			
40	Minor Items - Other Nonutility Property			
41	TOTAL	8,436	0	8,436

Number of Electric Department Employees

Company: Florida Public Utilities Company

For the Year Ended December 31, 2009

NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES

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

1	Payroll Period Ended (Date)	11/01/09
2	Total Regular Full-Time Employees (Equivalent Employees from joint functions -6)	80
3	Total Part-Time and Temporary Employees	1
4	Total Employees	81

**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	11,849
5	426.12 Charitable Contributions: Outside Service Area	0
6	426.13 Civic and Social Club Dues	4,141
7	426.2 Life Insurance	0
8	426.3 Penalties	8,466
9	426.4 Expenditures for Lobbying and Other Politically Related Activities	297
10	426.5 Other	4,805
11		
12		
13	TOTAL MISCELLANEOUS INCOME DEDUCTIONS	29,558
14		
15	Account 430: Interest on Debt to Associated Company	
16	Accounts Payable at 4.844% (12 mo. avg. of the interest rates applied)	(151,509)
17		
18		
19	Account 431: Other Interest Expense	
20	431.1 Interest on Customer Deposits	661,124
21	431.2 Interest on Notes Payable	24,820
22	431.3 Interest on Miscellaneous	(2,982)
23	TOTAL OTHER INTEREST EXPENSE	682,962
24		
25		
26		
27		
28		

INDEX

<u>Schedule</u>	<u>Page No.</u>
Accrued and prepaid taxes	262-263
Accumulated Deferred Income Taxes	234
	272-277
Accumulated provisions for depreciation of	
common utility plant	356
utility plant	219
utility plant (summary)	200-201
Advances	
from associated companies	256-257
Allowances	228-229
Amortization	
miscellaneous	340
of nuclear fuel	202-203
Appropriations of Retained Earnings	118-119
Associated Companies	
advances from	256-257
corporations controlled by respondent	103
control over respondent	102
interest on debt to	256-257
Attestation	i
Balance sheet	
comparative	110-113
notes to	122-123
Bonds	256-257
Capital Stock	251
expense	254
premiums	252
reacquired	251
subscribed	252
Cash flows, statement of	120-121
Changes	
important during year	108-109
Construction	
work in progress - common utility plant	356
work in progress - electric	216
work in progress - other utility departments	200-201
Control	
corporations controlled by respondent	103
over respondent	102
Corporation	
controlled by	103
incorporated	101
CPA, background information on	101
CPA Certification, this report form	i-ii

INDEX (continued)

Schedule	Page No.
Deferred	
credits, other	269
debits, miscellaneous	233
income taxes accumulated - accelerated	
amortization property	272-273
income taxes accumulated - other property	274-275
income taxes accumulated - other	276-277
income taxes accumulated - pollution control facilities	234
Definitions, this report form	iii
Depreciation and amortization	
of common utility plant	356
of electric plant	219
	336-337
	105
Directors	256-257
Discount - premium on long-term debt	354-355
Distribution of salaries and wages	118-119
Dividend appropriations	118-119
Earnings, Retained	401
Electric energy account	
Expenses	
electric operation and maintenance	320-323
electric operation and maintenance, summary	323
unamortized debt	256
	230
Extraordinary property losses	
Filing requirements, this report form	
General information	101
Instructions for filing the FERC Form 1	i-iv
Generating plant statistics	
hydroelectric (large)	406-407
pumped storage (large)	408-409
small plants	410-411
steam-electric (large)	402-403
Hydro-electric generating plant statistics	406-407
Identification	101
Important changes during year	108-109
Income	
statement of, by departments	114-117
statement of, for the year (see also revenues)	114-117
deductions, miscellaneous amortization	340
deductions, other income deduction	340
deductions, other interest charges	340
	101
Incorporation information	

INDEX (continued)

<u>Schedule</u>	<u>Page No.</u>
Interest	
charges, paid on long-term debt, advances, etc	256-257
Investments	
nonutility property	221
subsidiary companies	224-225
Investment tax credits, accumulated deferred	266-267
Law, excerpts applicable to this report form	iv
List of schedules, this report form	2-4
Long-term debt	256-257
Losses-Extraordinary property	230
Materials and supplies	227
Miscellaneous general expenses	335
Notes	
to balance sheet	122-123
to statement of changes in financial position	122-123
to statement of income	122-123
to statement of retained earnings	122-123
Nonutility property	221
Nuclear fuel materials	202-203
Nuclear generating plant, statistics	402-403
Officers and officers' salaries	104
Operating	
expenses-electric	320-323
expenses-electric (summary)	323
Other	
paid-in capital	253
donations received from stockholders	253
gains on resale or cancellation of reacquired	
capital stock	253
miscellaneous paid-in capital	253
reduction in par or stated value of capital stock	253
regulatory assets	232
regulatory liabilities	278
Peaks, monthly, and output	401
Plant, Common utility	
accumulated provision for depreciation	356
acquisition adjustments	356
allocated to utility departments	356
completed construction not classified	356
construction work in progress	356
expenses	356
held for future use	356
in service	356
leased to others	356
Plant data	336-337
	401-429

INDEX (continued)

Schedule	Page No.
Plant - electric	
accumulated provision for depreciation	219
construction work in progress	216
held for future use	214
in service	204-207
leased to others	213
Plant - utility and accumulated provisions for depreciation	
amortization and depletion (summary)	201
Pollution control facilities, accumulated deferred	
income taxes	234
Power Exchanges	326-327
Premium and discount on long-term debt	256
Premium on capital stock	251
Prepaid taxes	262-263
Property - losses, extraordinary	230
Pumped storage generating plant statistics	408-409
Purchased power (including power exchanges)	326-327
Reacquired capital stock	250
Reacquired long-term debt	256-257
Receivers' certificates	256-257
Reconciliation of reported net income with taxable income	
from Federal income taxes	261
Regulatory commission expenses deferred	233
Regulatory commission expenses for year	350-351
Research, development and demonstration activities	352-353
Retained Earnings	
amortization reserve Federal	119
appropriated	118-119
statement of, for the year	118-119
unappropriated	118-119
Revenues - electric operating	300-301
Salaries and wages	
directors fees	105
distribution of	354-355
officers'	104
Sales of electricity by rate schedules	304
Sales - for resale	310-311
Salvage - nuclear fuel	202-203
Schedules, this report form	2-4
Securities	
exchange registration	250-251
Statement of Cash Flows	120-121
Statement of income for the year	114-117
Statement of retained earnings for the year	118-119
Steam-electric generating plant statistics	402-403
Substations	426
Supplies - materials and	227

INDEX (continued)

Schedule

Page No.

Taxes

accrued and prepaid	262-263
charged during year	262-263
on income, deferred and accumulated	234
reconciliation of net income with taxable income for	272-277

Transformers, line - electric	429
-------------------------------------	-----

Transmission

lines added during year	424-425
lines statistics	422-423
of electricity for others	328-330
of electricity by others	332

Unamortized

debt discount	256-257
debt expense	256-257
premium on debt	256-257

Unrecovered Plant and Regulatory Study Costs	230
--	-----

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	42,650,184	37,018,992
3	Operating Expenses			
4	Operation Expenses (401)	320-323	35,219,939	29,172,309
5	Maintenance Expenses (402)	320-323	1,321,318	1,116,310
6	Depreciation Expense (403,405)	336-337	1,609,878	1,550,349
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)		3,610,163	3,195,533
14	Income Taxes - Federal (409.1)		(547,234)	133,093
15	- Other (409.1)		(40,325)	10,860
16	Provision for Deferred Inc. Taxes (410.1)	234,272-277	840,955	344,658
17	(Less) Provision for Deferred Income Taxes-Cr.(411.1)	234,272-277		
18	Investment Tax Credit Adj. - Net (411.4)	266	(7,370)	(8,437)
19	(Less) Gains from Disp. of Utility Plant (411.6)		-	-
20	Losses from Disp. of Utility Plant (411.7)		-	-
21	(Less) Gains from Disposition of Allowances (411.8)		-	-
22	Losses from Disposition of Allowances (411.9)		-	-
23	TOTAL Utility Operating Expenses (Total of lines 4-18)		42,007,324	35,514,675
24	Net Utility Operating Income (Total of line 2 less 19) (Carry forward to page 117, line 25)		642,860	1,504,317

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
			0		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	(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

Northwest Division

For the Year Ended
December 31, 2009

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	22,300	-
56	(361) Structures and Improvements	-	-
57	(362) Station Equipment	1,425,053	29,852
58	(363) Storage Battery Equipment	-	-
59	(364) Poles, Towers, and Fixtures	7,328,838	449,939
60	(365) Overhead Conductors and Devices	6,782,698	169,778
61	(366) Underground Conduit	177,335	10,427
62	(367) Underground Conductors and Devices	916,416	8,109
63	(368) Line Transformers	6,650,042	277,374
64	(369) Services	3,882,253	190,828
65	(370) Meters	1,299,584	49,131
66	(371) Installations on Customer Premises	1,268,020	95,112
67	(372) Leased Property on Customer Premises	-	-
68	(373) Street Lighting and Signal Systems	408,726	18,003
69	TOTAL Distribution Plant (Enter Total of lines 55 through 68)	30,161,265	1,298,553
70	5. GENERAL PLANT		
71	(389) Land and Land Rights	3,766	-
72	(390) Structures and Improvements	938,528	-
73	(391) Office Furniture and Equipment	579,046	11,073
74	(392) Transportation Equipment	1,522,276	(10)
75	(393) Stores Equipment	70,667	-
76	(394) Tools, Shop and Garage Equipment	22,310	-
77	(395) Laboratory Equipment	54,999	-
78	(396) Power Operated Equipment	3,931	-
79	(397) Communication Equipment	37,657	20,318
80	(398) Miscellaneous Equipment	9,512	-
81	SUBTOTAL (Enter Total of lines 71 through 80)	3,242,692	31,381
82	(399) Other Tangible Property	5,000	-
83	TOTAL General Plant (Enter Total of lines 81 and 82)	3,247,692	31,381
84	TOTAL (Accounts 101 and 106)	33,408,957	1,329,934
85	(102) Electric Plant Purchased	-	-
86	(Less) (102) Electric Plant Sold	-	-
87	(103) Experimental Plant Unclassified	-	-
88	TOTAL Electric Plant in Service	33,408,957	1,329,934

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

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
-	-	-	-	(346)	40
-	-	-	-		41
-	-	-	-		42
-	-	-	-		43
-	-	-	-	(350)	44
-	-	-	-	(352)	45
-	-	-	-	(353)	46
-	-	-	-	(354)	47
-	-	-	-	(355)	48
-	-	-	-	(356)	49
-	-	-	-	(357)	50
-	-	-	-	(358)	51
-	-	-	-	(359)	52
-	-	-	-		53
-	-	-	22,300	(360)	54
-	-	-	-	(361)	55
-	-	-	1,454,905	(362)	56
-	-	-	-	(363)	57
(37,757)	-	-	7,741,020	(364)	58
(12,977)	-	-	6,939,499	(365)	59
-	-	-	187,762	(366)	60
(150)	-	-	924,375	(367)	61
(41,795)	-	-	6,885,621	(368)	62
(1,197)	-	-	4,071,884	(369)	63
(24,809)	-	-	1,323,906	(370)	64
(42,835)	-	-	1,320,297	(371)	65
-	-	-	-	(372)	66
(7,450)	-	-	419,279	(373)	67
(168,970)	-	-	31,290,848		68
-	-	-	3,766	(389)	69
-	-	-	938,528	(390)	70
(21,936)	-	(3,149)	565,034	(391)	71
(14,657)	-	-	1,507,609	(392)	72
-	-	-	70,667	(393)	73
-	-	-	22,310	(394)	74
-	-	-	54,999	(395)	75
-	-	-	3,931	(396)	76
(2,939)	-	-	55,036	(397)	77
-	-	-	9,512	(398)	78
(39,532)	-	(3,149)	3,231,392		79
-	-	-	6,459,018	(399)	80
(39,532)	-	(3,149)	3,236,392		81
(208,502)	-	(3,149)	34,527,240		82
-	-	-	-	(102)	83
-	-	-	-	(103)	84
(208,502)	-	(3,149)	34,527,240		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	17,099,247	17,099,247		
2.	Depreciation Provisions for Year, Charged to				
3.	(403) Depreciation Expense	1,551,651	1,551,651		
4.	(413) Exp. of Elec. Plt. Leas. to Others				
5.	Transportation Expenses-Clearing	64,320	64,320		
6.	Other Clearing Accounts				
7.	Other Accounts (Specify):				
8.	Accrued Depreciation on Transfers	(8,029)	(8,029)		
9.	TOTAL Deprec. Prov. for Year (Enter Total of lines 3 thru 8)	1,607,942	1,607,942		
10.	Net Charges for Plant Retired:				
11.	Book Cost of Plant Retired	(208,502)	(208,502)		
12.	Cost of Removal	(69,264)	(69,264)		
13.	Salvage (Credit)	15,028	15,028		
14.	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 11 thru 13)	(262,738)	(262,738)		
15.	Other Debit or Credit Items (Describe)				
16.	0	0	0		
17.	Balance End of Year (Enter Total of lines 1, 9, 14, 15, and 16)	18,444,451	18,444,451		

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	16,881,539	16,881,539		
25	General	1,557,912	1,557,912		
26	Adjustment	0	0		
27	TOTAL (Enter Total of lines 18 thru 25)	18,439,451	18,439,451		

FLORIDA PUBLIC UTILITIES COMPANY
NORTHWEST DIVISION

An Original

For the Year Ended
December 31, 2009

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	19,544,028	17,497,244
3	(442) Commercial and Industrial Sales		
4	Small (or Commercial)	4,609,436	4,132,318
5	Large (or Industrial)	16,920,443	14,259,912
6	(443) Outdoor Lighting	1,021,952	932,719
7	(444) Public Street and Highway Lighting	279,230	242,115
8	(445) Other Sales to Public Authorities	0	0
9	(448) Interdepartmental Sales	22,407	20,386
10	(456.3) Unbilled Revenues	91,124	54,132
11			
12	TOTAL Sales to Ultimate Consumers	42,488,620	37,138,826
13	(447) Sales for Resale	0	0
14			
15	TOTAL Sales of Electricity	42,488,620	37,138,826
16	(Less) (449.1) Provision for Rate Refunds	0	0
17			
18	TOTAL Revenue Net of Provision for Refunds	42,488,620	37,138,826
19	Other Operating Revenues		
20	(450) Forfeited Discounts	269,678	257,486
21	(451) Miscellaneous Service Revenues	135,905	132,811
22	(453) Sales of Water and Water Power	0	0
23	(454) Rent from Electric Property	76,106	76,106
24	(455) Interdepartmental Rents	0	0
25	(456.2) Other Electric Revenues	4,524	18,859
26	(456.1) Overrecoveries Purchase Electric	(324,649)	(433,369)
27	(456.6) Conservation Overrecoveries		(171,727)
28			
29			
30	TOTAL Other Operating Revenues	161,564	(119,834)
31			
32	TOTAL Electric Operating Revenues	42,650,184	37,018,992

FLORIDA PUBLIC UTILITIES COMPANY
NORTHWEST DIVISION

An Original

For the Year Ended
December 31, 2009

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.
133,594	143,796	10,243	10,363	1
				2
				3
27,120	29,298	2,076	2,094	4
144,125	147,501	448	439	5
4,028	4,181	2,534	2,572	6
1,137	1,133	16	15	7
0	0	0	0	8
209	236	3	3	9
4,977	490	0	0	10
				11
315,190	326,635	15,320	15,486	12
				13
				14
315,190	326,635	15,320	15,486	15
				16
				17
315,190	326,635	15,320	15,486	18
				19
				20
				21
				22
				23
				24
				25
				26
				27
				28
				29
				30
				31
				32

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	-	353
47	(539) Miscellaneous Hydraulic Power Generation Expenses	-	-
48	(540) Rents	-	-
49	TOTAL Operation	-	353

FLORIDA PUBLIC UTILITIES COMPANY
NORTHWEST DIVISION

An Original

For the Year Ended
December 31, 2009

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	-	353
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	30,666,373	25,958,872
76	(556) System Control and Load Dispatching		
77	(557) Other Expenses	39,043	22,050
78	TOTAL Other Power Supply Expenses	30,705,416	25,980,922
79	TOTAL Power Production Expenses	30,705,416	25,981,275
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	159,414	164,244
103	(581) Load Dispatching		

FLORIDA PUBLIC UTILITIES COMPANY
NORTHWEST DIVISION

An Original

For the Year Ended
December 31, 2009

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	4,055	15,641
107 (583) Overhead Line Expenses	89,466	74,155
108 (584) Underground Line Expenses	367	149
109 (585) Street Lighting and Signal System Expenses	17,947	18,172
110 (586) Meter Expenses	218,051	187,730
111 (587) Customer Installations Expenses	65,741	60,437
112 (588) Miscellaneous Distribution Expenses	129,494	107,011
113 (589) Rents	870	852
114 TOTAL Operation	685,405	628,391
115 Maintenance		
116 (590) Maintenance Supervision and Engineering	81,615	79,042
117 (591) Maintenance of Structures	0	0
118 (592) Maintenance of Station Equipment	4,036	37,410
119 (593) Maintenance of Overhead Lines	1,022,129	824,376
120 (594) Maintenance of Underground Lines	20,738	21,217
121 (595) Maintenance of Line Transformers	62,163	52,492
122 (596) Maintenance of Street Lighting and Signal Systems	26,711	11,432
123 (597) Maintenance of Meters	4,716	5,961
124 (598) Maintenance of Miscellaneous Distribution Plant	56,237	44,900
125 TOTAL Maintenance	1,278,345	1,076,830
126 TOTAL Distribution Expenses	1,963,750	1,705,221
127 4. CUSTOMER ACCOUNTS EXPENSES		
128 Operation		
129 (901) Supervision	58,456	55,797
130 (902) Meter Reading Expenses	99,982	107,561
131 (903) Customer Records and Collection Expenses	406,643	416,225
132 (904) Uncollectible Accounts	166,754	146,233
133 (905) Miscellaneous Customer Accounts Expenses	80,552	59,044
134 TOTAL Customer Accounts Expenses	812,387	784,860
135 5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
136 Operation		
137 (906) Underrecovery Conservation	(27,747)	(220,984)
138 (907) Supervision	56,678	45,245
139 (908) Customer Assistance Expenses	135,082	108,622
140 (909) Informational and Instructional Expenses	55,410	95,577
141 (910) Misc. Cust. Service & Informational -Includes underrecovery (906)	21,204	12,058
142 TOTAL Cust. Service and Informational Expenses	240,627	40,518
143 6. SALES EXPENSES		
144 Operation		
145 (911) Supervision	-	0
146 (912) Demonstrating and Selling Expenses	-	-
147 (913) Advertising Expenses	59,629	24,163
148 (916) Miscellaneous Sales Expenses	-	-
149 TOTAL Sales Expenses	59,629	24,163
150 7. ADMINISTRATIVE AND GENERAL EXPENSES		
151 Operation		
152 (920) Administrative and General Salaries	711,929	388,050
153 (921) Office Supplies and Expenses	107,034	164,141
154 (Less) (922) Administrative expenses Transferred-Cr.	-	-
155 (923) Outside Services Employed	218,327	118,156
156 (924) Property Insurance	119,835	124,888
157 (925) Injuries and Damages	262,753	242,695
158 (926) Employee Pensions and Benefits	749,519	436,681

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

Account	Amount for Current Year	Amount for Previous Year
159 7. ADMINISTRATIVE AND GENERAL EXPENSES		
160 (927) Franchise Requirements		
161 (928) Regulatory Commission Expenses	96,281	115,506
162 (Less) (929) Duplicate Charges-Cr.	0	0
163 (930.1) General Advertising Expenses	0	8
164 (930.2) Miscellaneous General Expenses	446,364	117,654
165 (931) Rents	4,433	5,323
166 TOTAL Operation	2,716,475	1,713,102
167 Maintenance		
168 (935) Maintenance of General Plant	42,973	39,480
169 TOTAL Administrative and General Expenses	2,759,448	1,752,582
170 TOTAL Electric Operation and Maintenance Expenses	36,541,257	30,288,619

NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES

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

1 Payroll Period Ended (Date)	11/1/2009
2 Total Regular Full-Time Employees	36
3 Total Part-Time and Temporary Employees	-
4 Total Employees	36

FLORIDA PUBLIC UTILITIES COMPANY
NORTHWEST DIVISION

An Original

For the Year Ended
December 31, 2009

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	0			0
8	Distribution Plant	1,413,105			1,413,105
9	General Plant	138,546			138,546
10	Common Plant-Electric	58,227			58,227
11	Adjustment*				0
12	TOTAL	1,609,878	0	0	1,609,878

B. Basis for Amortization Charges

\$6002

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	-	-	-	-	-	-	-	-	-
3601	21,200	-	-	-	-	21,200	3601	5,475	-	384	-	-	-	-	-	5,859
361	-	-	-	-	-	-	361	-	-	-	-	-	-	-	-	-
362	1,425,053	29,852	-	-	-	1,454,905	362	564,493	-	42,048	-	-	-	-	-	606,541
364	7,328,838	449,939	-	-	(37,757)	7,741,020	364	3,486,541	(37,757)	353,975	-	(32,496)	166	-	-	3,750,429
365	6,782,698	169,778	-	-	(12,977)	6,939,499	365	3,850,174	(12,977)	357,495	-	(14,878)	2,760	-	-	4,182,794
366	177,335	10,427	-	-	-	187,762	366	40,273	-	3,641	75	-	-	-	-	43,989
367	916,416	8,109	-	-	(150)	924,375	367	242,472	(150)	26,839	140	-	-	-	-	269,301
368	6,650,042	277,374	-	-	(41,795)	6,885,621	368	4,274,220	(41,795)	310,928	-	(10,196)	4,155	-	-	4,537,312
369	3,882,253	190,828	-	-	(1,197)	4,071,884	369	1,933,559	(1,197)	166,806	-	(5,624)	839	-	-	2,094,383
370	1,299,584	49,131	-	-	(24,809)	1,323,906	370	692,561	(24,809)	48,511	-	(1,767)	-	-	-	714,498
371	1,268,020	95,112	-	-	(42,835)	1,320,297	371	434,617	(42,835)	78,858	4,863	(3,786)	-	-	-	471,517
373	408,726	18,003	-	-	(7,450)	419,279	373	189,465	(7,450)	23,620	-	(717)	-	-	-	204,918
389	3,766	-	-	-	-	3,766	389	-	-	-	-	-	-	-	-	-
390	938,528	-	-	-	-	938,528	390	276,857	-	18,768	-	-	-	-	-	297,625
3911	2,656	-	-	-	-	2,656	3911	2,656	-	-	-	-	-	-	-	2,656
3912	10,726	5,624	-	-	(8,995)	7,355	3912	10,726	(8,995)	-	-	-	-	-	-	1,731
3913	120,719	-	-	(3,149)	(12,941)	104,629	3913	67,836	(12,941)	17,421	-	-	(363)	(8,029)	-	63,924
391305	444,945	5,449	-	-	-	450,394	391305	217,995	-	88,989	-	-	363	-	-	307,347
3921	21,030	-	-	-	-	21,030	3921	17,876	-	-	-	-	-	-	-	17,876
3922	266,574	-	-	-	(14,857)	251,917	3922	150,192	(14,857)	12,768	2,210	-	-	-	-	150,513
3923	1,158,188	(10)	-	-	-	1,158,178	3923	448,341	-	48,648	-	-	-	-	-	496,989
3924	78,484	-	-	-	-	78,484	3924	24,908	-	2,904	-	-	-	-	-	27,512
3931	69,906	-	-	-	-	69,906	3931	69,907	-	-	-	-	-	-	-	69,907
3932	761	-	-	-	-	761	3932	761	-	-	-	-	-	-	-	761
3941	4,364	-	-	-	-	4,364	3941	4,363	-	-	-	-	-	-	-	4,363
3942	17,946	-	-	-	-	17,946	3942	16,429	-	508	-	-	-	-	-	16,935
3951	32,991	-	-	-	-	32,991	3951	29,559	-	3,432	-	-	-	-	-	32,991
3952	22,008	-	-	-	-	22,008	3952	19,640	-	1,261	-	-	-	-	-	20,901
396	3,931	-	-	-	-	3,931	396	1,877	-	192	-	-	-	-	-	2,069
397	37,657	20,318	-	-	(2,939)	55,036	397	30,215	(2,939)	7,501	-	-	-	-	-	34,777
398	9,512	-	-	-	-	9,512	398	8,559	-	476	-	-	-	-	-	9,035
399	5,000	-	-	-	-	5,000	399	5,000	-	-	-	-	-	-	-	5,000
33,408,967	1,329,934	-	-	(3,149)	(208,502)	34,527,240		17,089,247	(208,502)	1,615,971	7,088	(69,264)	7,940	(8,029)	-	18,444,451

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	45,625,485	41,635,834
3	Operating Expenses			
4	Operation Expenses (401)	320-323	38,981,520	34,058,633
5	Maintenance Expenses (402)	320-323	1,079,323	1,030,660
6	Depreciation Expense (403,405)	336-337	1,818,541	1,764,606
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)		2,913,853	2,561,595
14	Income Taxes - Federal (409.1)		(596,626)	(228,943)
15	- Other (409.1)		(37,000)	(39,321)
16	Provision for Deferred Inc. Taxes (410.1)	234,272-277	785,337	735,532
17	(Less) Provision for Deferred Income Taxes-Cr.(411.1)	234,272-277		
18	Investment Tax Credit Adj. - Net (411.4)	266	(17,798)	(18,161)
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)		44,927,150	39,864,601
24	Net Utility Operating Income (Total of line 2 less 19) (Carry forward to page 117, line 25)		698,335	1,771,233

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
			0		5
			0	(310)	6
			0	(311)	7
			0	(312)	8
			0	(313)	9
			0	(314)	10
			0	(315)	11
			0	(316)	12
0	0	0	0		13
			0	(320)	14
			0	(321)	15
			0	(322)	16
			0	(323)	17
			0	(324)	18
			0	(325)	19
0	0	0	0		20
			0	(330)	21
			0	(331)	22
			0	(332)	23
			0	(333)	24
			0	(334)	25
			0	(335)	26
			0	(336)	27
0	0	0	0		28
			0	(340)	29
			0	(341)	30
			0	(342)	31
			0	(343)	32
			0	(344)	33
			0	(345)	34
			0		35
			0		36
			0		37
			0		38
			0		39

Northeast Division

For the Year Ended
December 31, 2009

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	22,006	0
46	(353) Station Equipment	2,424,520	0
47	(354) Towers and Fixtures	224,802	0
48	(355) Poles and Fixtures	2,363,913	142
49	(356) Overhead Conductors and Devices	1,893,234	1,814
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)	7,009,411	1,956
54	4. DISTRIBUTION PLANT		
55	(360) Land and Land Rights	15,591	0
56	(361) Structures and Improvements	96,042	0
57	(362) Station Equipment	5,623,496	70,306
58	(363) Storage Battery Equipment	0	0
59	(364) Poles, Towers, and Fixtures	2,482,077	157,943
60	(365) Overhead Conductors and Devices	3,532,166	91,918
61	(366) Underground Conduit	3,056,845	177,587
62	(367) Underground Conductors and Devices	4,577,852	180,983
63	(368) Line Transformers	7,584,592	147,785
64	(369) Services	5,151,293	166,833
65	(370) Meters	2,229,804	43,066
66	(371) Installations on Customer Premises	1,130,400	67,700
67	(372) Leased Property on Customer Premises	0	0
68	(373) Street Lighting and Signal Systems	868,412	26,172
69	TOTAL Distribution Plant (Enter Total of lines 55 through 68)	36,348,570	1,130,293
70	5. GENERAL PLANT		
71	(389) Land and Land Rights	68,696	0
72	(390) Structures and Improvements	495,391	0
73	(391) Office Furniture and Equipment	707,448	7,914
74	(392) Transportation Equipment	1,506,813	4,024
75	(393) Stores Equipment	52,398	0
76	(394) Tools, Shop and Garage Equipment	120,670	18,426
77	(395) Laboratory Equipment	39,769	1,320
78	(396) Power Operated Equipment	179,830	6,405
79	(397) Communication Equipment	90,296	20,116
80	(398) Miscellaneous Equipment	6,828	0
81	SUBTOTAL (Enter Total of lines 71 through 80)	3,267,939	58,205
82	(399) Other Tangible Property	5,000	0
83	TOTAL General Plant (Enter Total of lines 81 and 82)	3,272,939	58,205
84	TOTAL (Accounts 101 and 106)	46,630,920	1,190,454
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	46,630,920	1,190,454

Northeast Division		An Original		For the Year Ended	
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)				December 31, 2009	
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	(32,677)	(10,671)	(352)	45
750	0	0	2,425,270	(353)	46
0	0	0	224,802	(354)	47
(47,279)	0	0	2,316,776	(355)	48
(40,897)	0	0	1,854,151	(356)	49
0	0	0	0	(357)	50
0	0	0	0	(358)	51
0	0	0	6,788	(359)	52
(87,426)	0	(32,677)	6,891,264		53
					54
0	0	32,677	48,268	(360)	55
0	0	0	96,042	(361)	56
0	0	0	5,693,802	(362)	57
0	0	0	0	(363)	58
(2,232)	0	0	2,637,788	(364)	59
(38,178)	0	0	3,585,906	(365)	60
(261)	0	0	3,234,171	(366)	61
(1,794)	0	0	4,757,041	(367)	62
(56,316)	0	0	7,676,061	(368)	63
(1,144)	0	0	5,316,982	(369)	64
(33,396)	0	0	2,239,474	(370)	65
(3,559)	0	0	1,194,541	(371)	66
0	0	0	0	(372)	67
(2,713)	0	0	891,871	(373)	68
(139,593)	0	32,677	37,371,947		69
					70
0	0	0	68,696	(389)	71
0	0	0	495,391	(390)	72
(12,515)	0	(14,684)	688,163	(391)	73
(25,346)	0	13,000	1,498,291	(392)	74
0	0	0	52,398	(393)	75
(1,391)	0	0	137,705	(394)	76
0	0	0	41,089	(395)	77
0	0	0	186,235	(396)	78
0	0	0	110,412	(397)	79
0	0	0	6,828	(398)	80
(39,252)	0	(1,684)	3,285,208		81
0	0	0	5,000	(399)	82
(39,252)	0	(1,684)	3,290,208		83
(266,271)	0	(1,684)	47,553,419		84
0			0	(102)	85
0			0	(103)	86
(266,271)	0	(1,684)	47,553,419		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	19,636,331	19,636,331		
2.	Depreciation Provisions for Year, Charged to				
3.	(403) Depreciation Expense	1,750,745	1,750,745		
4.	(413) Exp. of Elec. Plt. Leas. to Others				
5.	Transportation Expenses-Clearing	63,415	63,415		
6.	Other Clearing Accounts				
7.	Other Accounts (Specify):				
8.	Accrued Depreciation on Transfers	(7,130)	(7,130)		
9.	TOTAL Deprac. Prov. for Year (Enter Total of lines 3 thru 8)	1,807,030	1,807,030		
10.	Net Charges for Plant Retired:				
11.	Book Cost of Plant Retired	(266,271)	(266,271)		
12.	Cost of Removal	(126,132)	(126,132)		
13.	Salvage (Credit)	12,288	12,288		
14.	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 11 thru 13)	(380,115)	(380,115)		
15.	Other Debit or Credit Items (Describe)				
16.		0	0		
17.	Balance End of Year (Enter Total of lines 1, 9, 14, 15, and 16)	21,063,246	21,063,246		

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	2,738,387	2,738,387		
24	Distribution	15,988,172	15,988,172		
25	General	2,331,687	2,331,687		
26	Adjustments	0	0		
27	TOTAL (Enter Total of lines 18 thru 25)	21,058,246	21,058,246		

FLORIDA PUBLIC UTILITIES COMPANY
NORTHEAST DIVISION

An Original

For the Year Ended
December 31, 2009

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	24,260,767	20,334,467
3	(442) Commercial and Industrial Sales		
4	Small (or Commercial)	3,743,456	3,212,809
5	Large (or Industrial)	19,291,435	16,813,755
6	(443) Outdoor Lighting	509,650	461,789
7	(444) Public Street and Highway Lighting	257,236	225,026
8	(445) Other Sales to Public Authorities	0	0
9	(448) Interdepartmental Sales	38,714	33,307
10	(456.3) Unbilled Revenues	18,751	91,258
11			
12	TOTAL Sales to Ultimate Consumers	48,120,009	41,172,411
13	(447) Sales for Resale		
14			
15	TOTAL Sales of Electricity	48,120,009	41,172,411
16	(Less) (449.1) Provision for Rate Refunds	0	0
17			
18	TOTAL Revenue Net of Provision for Refunds	48,120,009	41,172,411
19	Other Operating Revenues		
20	(450) Forfeited Discounts	211,232	221,006
21	(451) Miscellaneous Service Revenues	118,242	123,616
22	(453) Sales of Water and Water Power	0	0
23	(454) Rent from Electric Property	50,269	123,917
24	(455) Interdepartmental Rents	0	0
25	(456.2) Other Electric Revenues	(388)	2,129
26	(456.1) Overrecoveries Purchase Electric	(2,873,879)	(196,767)
27	(456.6) Overrecoveries Conservation	0	189,522
28			
29			
30	TOTAL Other Operating Revenues	(2,494,524)	463,423
31			
32	TOTAL Electric Operating Revenues	45,625,485	41,635,834

FLORIDA PUBLIC UTILITIES COMPANY
NORTHEAST DIVISION

An Original

For the Year Ended
December 31, 2009

ELECTRIC OPERATING REVENUES (Account 400) (Continued)

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

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

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

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

MEGAWATT HOURS SOLD		AVERAGE NUMBER OF CUSTOMERS PER MONTH		Line No.
Amount for Year (d)	Amount for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	
182,712	185,850	13,436	13,485	1
				2
				3
27,754	28,857	1,496	1,482	4
174,059	193,809	299	303	5
1,382	1,384	515	519	
1,133	1,127	7	7	6
0	0	0	0	7
416	451	11	11	9
1,273	1,419	0	0	8
				10
388,729	412,897	15,764	15,807	11
				12
				13
388,729	412,897	15,764	15,807	14
				15
				16
388,729	412,897	15,764	15,807	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	-	-

FLORIDA PUBLIC UTILITIES COMPANY
NORTHEAST DIVISION

An Original

For the Year Ended
December 31, 2009

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	33,578,675	30,146,506
76 (556) System Control and Load Dispatching		
77 (557) Other Expenses	93,305	69,361
78 TOTAL Other Power Supply Expenses	33,671,980	30,215,867
79 TOTAL Power Production Expenses	33,671,980	30,215,867
80 2. TRANSMISSION EXPENSES		
81 Operation		
82 (560) Operation Supervision and Engineering	20,040	9,342
83 (561) Load Dispatching		
84 (562) Station Expenses	23,155	25,856
85 (563) Overhead Line Expenses		
86 (564) Underground Line Expenses		
87 (565) Transmission of Electricity by Others		
88 (566) Miscellaneous Transmission Expenses	6,575	4,497
89 (567) Rents		
90 TOTAL Operation	49,770	39,695
91 Maintenance		
92 (568) Maintenance Supervision and Engineering		
93 (569) Maintenance of Structures		
94 (570) Maintenance of Station Equipment	19,933	31,293
95 (571) Maintenance of Overhead Lines	9,751	15,915
96 (572) Maintenance of Underground Lines		
97 (573) Maintenance of Miscellaneous Transmission Plant	-	-
98 TOTAL Maintenance	29,684	47,208
99 TOTAL Transmission Expenses	79,454	86,903
100 3. DISTRIBUTION EXPENSES		
101 Operation		
102 (580) Operation Supervision and Engineering	215,216	220,458
103 (581) Load Dispatching	-	36

FLORIDA PUBLIC UTILITIES COMPANY
NORTHEAST DIVISION

An Original

For the Year Ended
December 31, 2009

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	38,740	85,554
107 (583) Overhead Line Expenses	69,042	66,864
108 (584) Underground Line Expenses	69,027	46,901
109 (585) Street Lighting and Signal System Expenses	19,459	18,616
110 (586) Meter Expenses	117,880	117,880
111 (587) Customer Installations Expenses	47,109	68,602
112 (588) Miscellaneous Distribution Expenses	159,298	117,637
113 (589) Rents	166	-
114 TOTAL Operation	735,937	742,548
115 Maintenance		
116 (590) Maintenance Supervision and Engineering	102,756	108,753
117 (591) Maintenance of Structures	58	6,313
118 (592) Maintenance of Station Equipment	59,638	48,126
119 (593) Maintenance of Overhead Lines	482,643	406,633
120 (594) Maintenance of Underground Lines	156,564	144,788
121 (595) Maintenance of Line Transformers	77,534	71,600
122 (596) Maintenance of Street Lighting and Signal Systems	36,202	69,500
123 (597) Maintenance of Meters	34,845	30,871
124 (598) Maintenance of Miscellaneous Distribution Plant	34,951	44,813
125 TOTAL Maintenance	985,191	931,397
126 TOTAL Distribution Expenses	1,721,128	1,673,945
127 4. CUSTOMER ACCOUNTS EXPENSES		
128 Operation		
129 (901) Supervision	85,374	85,219
130 (902) Meter Reading Expenses	112,840	119,902
131 (903) Customer Records and Collection Expenses	473,661	467,696
132 (904) Uncollectible Accounts	421,170	(10,795)
133 (905) Miscellaneous Customer Accounts Expenses	43,252	35,258
134 TOTAL Customer Accounts Expenses	1,136,297	697,280
135 5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
136 Operation		
137 (906) Underrecovery Conservation	30,185	194,094
138 (907) Supervision	53,546	42,814
139 (908) Customer Assistance Expenses	134,361	126,065
140 (909) Informational and Instructional Expenses	64,627	96,988
141 (910) Misc. Cust. Service and Informational -Includes underrecovery	19,524	9,279
142 TOTAL Cust. Service and Informational Expenses	302,243	469,240
143 6. SALES EXPENSES		
144 Operation		
145 (911) Supervision	-	-
146 (912) Demonstrating and Selling Expenses	-	-
147 (913) Advertising Expenses	12,976	14,288
148 (916) Miscellaneous Sales Expenses	639	660
149 TOTAL Sales Expenses	13,615	14,948
150 7. ADMINISTRATIVE AND GENERAL EXPENSES		
151 Operation		
152 (920) Administrative and General Salaries	1,023,595	557,822
153 (921) Office Supplies and Expenses	116,223	167,495
154 (Less) (922) Administrative expenses Transferred-Cr.	-	-
155 (923) Outside Services Employed	194,569	130,379
156 (924) Property Insurance	49,179	53,665
157 (925) Injuries and Damages	260,556	238,841
158 (926) Employee Pensions and Benefits	845,281	481,117

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

Account	Amount for Current Year	Amount for Previous Year
159 7. ADMINISTRATIVE AND GENERAL EXPENSES		
160 (927) Franchise Requirements		
161 (928) Regulatory Commission Expenses	104,876	118,633
162 (Less) (929) Duplicate Charges-Cr.	0	-
163 (930.1) General Advertising Expenses	0	8
164 (930.2) Miscellaneous General Expenses	472,596	125,328
165 (931) Rents	4,803	5,767
166 TOTAL Operation	3,071,678	1,879,055
167 Maintenance		
168 (935) Maintenance of General Plant	64,448	52,055
169 TOTAL Administrative and General Expenses	3,136,126	1,931,110
170 TOTAL Electric Operation and Maintenance Expenses	40,060,843	35,089,293

NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES

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

1 Payroll Period Ended (Date)	11/1/2009
2 Total Regular Full-Time Employees (Equivalent Employees from joint functions -6)	44
3 Total Part-Time and Temporary Employees	1
4 Total Employees	45

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	219,807			219,807
8	Distribution Plant	1,445,720			1,445,720
9	General Plant	85,220			85,220
10	Common Plant-Electric *	67,794			67,794
11	TOTAL	1,818,541	0	0	1,818,541

B. Basis for Amortization Charges

* Not included on page 219, Line 3.

2009

[illegible]

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

Status of Reserve

Beginning Balance 01/01/2009		1,663,980
Accruals under Docket #93-0400 EI (001/09 - 12/09)	121,620	
Total Accruals During 2009		121,620
Additional Accrual from prior year		(35,069)
Total Charges During 2009		11,742
Ending Balance, 12/31/09		<u><u>\$1,762,273</u></u>

Reasonableness of Reserve

Distribution Plant - Book Cost

Storm Damage Reserve Balance @ 12/31/2009	\$1,762,273
Total Distribution Plant (per books) @ 12/31/2009	<u>\$75,554,059</u>
Ratio of Reserve to Distribution Plant	<u><u>2.33%</u></u>

Distribution Plant - Replacement Cost

Storm Damage Reserve Balance @ 12/31/2009	\$1,762,273
Estimated Replacement Cost of Distribution Plant (Distribution Plant @ 12/31/09 times 2)	<u>\$151,108,118</u>
Ratio of Reserve to Replacement Distribution Plant	<u><u>1.17%</u></u>

Availability of Distribution Systems Insurance

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

CUSTOMER GROWTH

	2009		2008		2007		Current Year increase	Prior year Increase	Average Increase
	Customers								
	Current Year	Prior Year	Prior Year	Two Years Prior					
<u>Operations</u>									
Marianna - Electric	15,320	15,486		15,431		-1%	0%	0%	
Fernandina Beach - Electric	15,764	15,807		15,646		0%	1%	0%	
Gas Operations	51,785	51,957		51,590		0%	1%	0%	