

**BUREAU OF REVENUE REQUIREMENTS
ELECTRIC & GAS ACCOUNTING**

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AUDITING &
FINANCIAL ANALYSIS DIV

**ANNUAL REPORT OF
NATURAL GAS UTILITIES**

CITY GAS COMPANY OF FLORIDA
A DIVISION OF NUI CORPORATION
(EXACT NAME OF RESPONDENT)

955 E. 25TH ST., HIALEAH, FL 33013-3498
(ADDRESS OF RESPONDENT)

TO THE

FLORIDA PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 199 7

Officer or other person to whom correspondence should be addressed concerning this report:

Name Rand W. Smith Title Vice President - Finance

Address 955 E. 25th Street City Hialeah State FL

Telephone No. (305) 691-8719, EXT, 5203 PSC/AFA 20 (4/96)

ARTHUR ANDERSEN LLP

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Board of Directors of
City Gas Company of Florida:

We have audited the balance sheet of City Gas Company of Florida as of December 31, 1997 and 1996, and the related statements of income for the years then ended, and the statements of retained earnings and cash flows for the year ended December 31, 1997, included on pages 10 through 19 of the accompanying Federal Energy Regulatory Commission Form 2. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

As discussed in Note 1, these financial statements were prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and proprietary capital of City Gas Company of Florida as of December 31, 1997 and 1996, and the results of its operations for the years then ended, and its cash flows for the year ended December 31, 1997, in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

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


ARTHUR ANDERSEN

New York, New York
April 27, 1998

ANNUAL REPORT OF NATURAL GAS UTILITIES

IDENTIFICATION		
01 Exact Legal Name of Respondent City Gas Company of Florida A Division of NUI Corporation	02 Year of Report Dec. 31, 1997	
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) 955 E. 25th Street, Hialeah, FL 33013-3498		
05 Name of Contact Person Rand W. Smith	06 Title of Contact Person Vice President - Finance	
07 Address of Contact Person (Street, City, State, Zip Code) 955 E. 25th Street, Hialeah, FL 33013-3498		
08 Telephone of Contact Person, Including Area Code (305) 691-8719 Ext. 5203	09 This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr) April 30, 1998

ATTESTATION

I certify that I am the responsible accounting officer of

NUI Corporation;

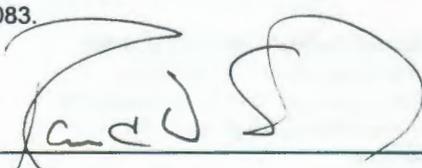
that I have examined the following report; that to the best of my knowledge, information and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set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

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

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

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

Date: 4-29-98

Signature: 

Name: Rand W. Smith

Title: Vice President - Finance

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Name of Respondent
CITY GAS COMPANY OF FLORIDA
A DIVISION OF NUI CORPORATION

For the Year Ended
Dec. 31, 1997

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.

Rand W. Smith
Vice President - Finance
One Elizabethtown Plaza
Union, NJ 07083

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.

NUI Corporation was incorporated in New Jersey on January 29, 1969

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

Utility- Distribution of Natural Gas

Non-Utility- Leased Appliances, Merchandising and Jobbing

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

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

(2) NO X

Name of Respondent
CITY GAS COMPANY OF FLORIDA
A DIVISION OF NUI CORPORATION

For the Year Ended

Dec. 31, 1997

CONTROL OVER RESPONDENT

1. If any corporation, business trust, or similar organization or combination of such organizations jointly held control over the respondent at end of year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee (s), state name of trustee (s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.
2. If the above required information is available from the SEC 10K Report Form filing, a specific reference to the report form (i.e. year and company title) may be listed provided the fiscal years for both the 10-K report and this report are compatible.

City Gas Company of Florida is a division of NUI Corporation.

Name of Respondent
 CITY GAS COMPANY OF FLORIDA
 A DIVISION OF NUI CORPORATION

For the Year Ended
 Dec. 31, 1997

CORPORATIONS CONTROLLED BY RESPONDENT

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.
4. If the above required information is available from the SEC 10-K Report Form filing, a specific reference to the report form (i.e. year and company title) may be listed in column (a) provided the fiscal years for both the 10-K report and this report are compatible.

DEFINITIONS

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

Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
<p>NONE - City Gas Company of Florida is a division of NUI Corporation and does not control, directly or indirectly, any corporation, business trust or similar organization. See footnotes, page 19, for detail of all entities controlled by NUI Corporation.</p>			

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 incumbency of

any position, show name and total remuneration of the previous incumbent, and date the change in incumbency was made.
 3. Utilities which are required to file the same data with the Securities and Exchange Commission, may substitute a copy of item 4 of Regulation S-K (identified as this page). The substituted page(s) should be the same size as this page.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	President	Lyle C. Motley, Jr.	\$124,783
2			
3	Vice President- Finance	Rand W. Smith	90,555
4			
5	Vice President- Florida Operations	Richard F. Wall	87,150
6			
7	Vice President- Marketing	Carl Smith	50,660
8			
9	Vice President- Regulatory Affairs	Michael A. Palecki	59,739
10			
11			
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23			
24	The Persons named above, are the executive officers of the respondent, which is a division of NUI Corporation.		
25	Certain of the executive officers are also executive officers of other divisions of NUI Corporation. The salaries		
26	reported for each executive officer of the respondent represents the portion of the total salary that was charged or		
27	allocated to the respondent during the reporting period.		
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Name of Respondent
CITY GAS COMPANY OF FLORIDA
A DIVISION OF NUI CORPORATION

For the Year Ended

Dec. 31, 1997

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)	No. of Directors Meetings During Yr. (c)	Fees During Year (d)
CITY GAS COMPANY OF FLORIDA DOES NOT HAVE A BOARD OF DIRECTORS			

SECURITY HOLDERS AND VOTING POWERS

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

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

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

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

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

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

N/A

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

Total: N/A
 By Proxy: N/A

3. Give the date and place of such meeting:

N/A

VOTING SECURITIES

Number of votes as of (date):

Line No.	Name (Title) and Address of Security Holder (a)	Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
4	TOTAL votes of all voting securities	0	0		
5	TOTAL number of security holders	0	0		
6	TOTAL votes of security holders listed below				
7					
8					
9					
10					
11					
12					
13					
14	Note: City Gas Company of Florida is a Division of NUI Corporation.				
15	City Gas Company of Florida does not have any security holders.				
16					
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IMPORTANT CHANGES DURING THE YEAR

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

1. Changes in and important information to franchise rights:

Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state 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 or assumed by respondent as guarantor for the performance by another of any agreement or obligation, including ordinary commercial paper maturing on demand or not later than one year after date of issue: State on behalf of whom the obligation was assumed and amount of the obligation. Give reference to Commission authorization if any was required.

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. State briefly the status of any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on page 8, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.

11. Estimate increase or decrease in annual revenues due to important rate changes: State effective rate and approximate amount of increase or decrease from each revenue classification. State the number of customers affected.

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

- 1. None
- 2. None
- 3. None
- 4. None
- 5. None
- 6. None
- 7. None
- 8. None
- 9. None
- 10. None
- 11. None
- 12. N/A

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	20-21	\$156,435,887	\$164,983,532
3	Construction Work in Progress (107)	20-21	4,303,176	959,847
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		160,739,063	165,943,379
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 111, 115)	20-21	57,128,075	61,979,250
6	Net Utility Plant (Enter Total of line 4 less 5)		103,610,988	103,964,129
7	Utility Plant Adjustments (116)	19		
8	Gas Stored (117.1, 117.2, 117.3, 117.4)	-		
9	OTHER PROPERTY AND INVESTMENTS			
10	Nonutility Property (121)	-	24,627,750	24,516,751
11	(Less) Accum. Prov. for Depr. and Amort. (122)	-	10,232,300	11,096,173
12	Investments in Associated Companies (123)	-		
13	Investment in Subsidiary Companies (123.1)	-		
14	Other Investments (124)	-	11,283	0
15	Special Funds (125-128)	-		33,077
16	TOTAL Other Property and Investments (Total of lines 10 through 15)		14,406,733	13,453,655
17	CURRENT AND ACCRUED ASSETS			
18	Cash (131)	-	89,256	280,824
19	Special Deposits (132-134)	-		
20	Working Funds (135)	-	3,705	4,205
21	Temporary Cash Investments (136)	-		
22	Notes Receivable (141)	-		17,493
23	Customer Accounts Receivable (142)	-	8,382,993	11,586,450
24	Other Accounts Receivable (143)	-	204,822	309,439
25	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)	-	329,599	278,488
26	Notes Receivable from Associated Companies (145)	-		
27	Accounts Receivable from Assoc. Companies (146)	-	8,508	0
28	Fuel Stock (151)	-		
29	Fuel Stock Expense Undistributed (152)	-		
30	Residuals (Elec) and Extracted Products (Gas) (153)	-		
31	Plant Material and Operating Supplies (154)	-	631,783	784,073
32	Merchandise (155)	-	84,282	129,303
33	Other Material and Supplies (156)	-		
34	Stores Expenses Undistributed (163)	-	24,150	8,880
35	Gas Stored Undgrd. & Liq. Nat. Gas Stored (164.1-164.3)	-		
36	Prepayments (165)	32	36,494	745,558
37	Advances for Gas (166-167)	-		
38	Interest and Dividends Receivable (171)	-		
39	Rents Receivable (172)	-		
40	Accrued Utility Revenues (173)	-		
41	Miscellaneous Current and Accrued Assets (174)	-		
42	TOTAL Current and Accrued Assets (Enter Total of lines 18 through 41)		9,136,394	13,587,737
43	DEFERRED DEBITS			
44	Unamortized Debt Expense (181)	-	608,248	553,182
45	Extraordinary Property Losses (182.1)	32		
46	Unrecovered Plant and Regulatory Study Costs (182.2)	32		
47	Other Regulatory Assets (182.3)	33	3,962,677	2,822,065
48	Prelim. Survey and Investigation Charges (Gas) (183.1, 183.2)	-		
49	Clearing Accounts (184)	-		187,604
50	Temporary Facilities (185)	-		
51	Miscellaneous Deferred Debits (186)	34	3,103,772	767,078
52	Def. Losses from Disposition of Utility Plant. (187)	-		
53	Research, Devel. and Demonstration Expend. (188)	-		
54	Unamortized Loss on Reacquired Debt (189)	-	241,391	184,856
55	Accumulated Deferred Income Taxes (190)	35	1,272,589	1,135,369
56	Unrecovered Purchased Gas Costs (191)	-	1,458,133	(2,785,222)
57	TOTAL Deferred Debits (Enter Total of lines 44 through 56)		10,646,810	2,864,932
58	TOTAL Assets and other Debits (Enter Total of lines 6, 7, 8, 16, 4?, 57)		\$137,800,925	\$133,870,453

Name of Respondent				For the Year Ended	
CITY GAS COMPANY OF FLORIDA				Dec. 31, 1997	
A DIVISION OF NUI CORPORATION					
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)					
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)	
1	PROPRIETARY CAPITAL				
2	Common Stock (201, 202, 203, 205, 206, 207)	-			
3	Preferred Stock Issued (204)	-			
4	Other Paid-In Capital (208-211) & Accounts 212, 213, 214	-	\$ 30,237,373	\$	30,429,679
5	Retained Earnings (215, 215.1, 216)	15-16	14,368,174		13,608,440
6	Unappropriated Undistributed Subsidiary Earnings (216.1)	15-16			
7	(Less) Reacquired Capital Stock (217)	-			
8	TOTAL Proprietary Capital (Enter Total of lines 2 through 7)		44,605,547		44,038,119
9	LONG-TERM DEBT				
10	Bonds (221)	37	7,534,117		7,759,199
11	(Less) Reacquired Bonds (222)	37			
12	Advances from Associated Companies (223)	37			
13	Other Long-Term Debt (224)	37	39,950,460		39,000,000
14	Unamortized Premium on Long-Term Debt (225)	38			
15	(Less) Unamortized Discount on Long-Term Debt-Dr. (226)	38	349,317		336,729
16	TOTAL Long-Term Debt (Enter Total of lines 10 through 15)		47,135,260		46,422,470
17	OTHER NONCURRENT LIABILITIES				
18	Obligations Under Capital Leases - Noncurrent (227)	-	76,783		46,783
19	Accumulated Provision for Property Insurance (228.1)	-			
20	Accumulated Provision for Injuries and Damages (228.2)	-	338,892		266,164
21	Accumulated Provision for Pensions and Benefits (228.3)	-			20,558
22	Accumulated Miscellaneous Operating Provisions (228.4)	-			
23	Accumulated Provision for Rate Refunds (229)	-			
24	TOTAL Other Noncurrent Liabilities (Enter Total of lines 18 through 23)		415,675		333,505
25	CURRENT AND ACCRUED LIABILITIES				
26	Notes Payable (231)	-	8,565,162		6,270,355
27	Accounts Payable (232)	-	4,606,575		7,416,016
28	Notes Payable to Associated Companies (233)	-			
29	Accounts Payable to Associated Companies (234)	-			
30	Customer Deposits (235)	-	5,061,544		5,286,741
31	Taxes Accrued (236)	41	(574,895)		219,989
32	Interest Accrued (237)	-	1,832,369		1,834,948
33	Dividends Declared (238)	-			
34	Matured Long-Term Debt (239)	-			
35	Matured Interest (240)	-			
36	Tax Collections Payable (241)	-	854,705		872,396
37	Miscellaneous Current and Accrued Liabilities (242)	43	756,420		90,809
38	Obligations Under Capital Leases-Current (243)	-	(7,635)		4,376
39					
40	TOTAL Current and Accrued Liabilities (Enter Total of lines 26 through 39)		\$21,094,245		\$21,995,630
41	DEFERRED CREDITS				
42	Customer Advances for Construction (252)	-			
43	Other Deferred Credits (253)	43	1,000,000		0
44	Other Regulatory Liabilities (254)	45	1,994,363		1,756,559
45	Accumulated Deferred Investment Tax Credits (255)	42	1,387,324		1,259,392
46	Deferred Gains from Disposition of Utility Plant (256)	-			
47	Unamortized Gain on Reacquired Debt (257)	39			
48	Accumulated Deferred Income Taxes (281-283)	44	20,168,511		18,064,778
49	TOTAL Deferred Credits (Enter Total of lines 42 through 48)		24,550,198		21,080,729
50					
51	TOTAL Liabilities and Other Credits (Enter Total of lines 8, 16, 24, 40 and 49)		\$137,800,925		\$133,870,453
52					

STATEMENT OF INCOME

1. Report amounts for Accounts 412 and 413, Revenue and unsettled rate proceedings where a contingency exists such as 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.
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 19 for important notes regarding the statement of income or any account thereof.
5. Give concise explanations on page 19 concerning
6. Give concise explanations on page 19 concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting

Line No.	Account (a)	Ref. Page No. (b)	Total Current Year (c)	Total Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	46-47	\$82,377,613	\$71,161,337
3	Operating Expenses			
4	Operation Expenses (401)	49-51	65,484,263	56,091,831
5	Maintenance Expenses (402)	49-51	1,527,702	956,312
6	Depreciation Expense (403)	59	4,498,302	4,370,111
7	Amort. & Depl. of Utility Plant (404-405)	59		
8	Amort. of Utility Plant Acq. Adj. (406)	59	5,492	25,534
9	Amort. of Property Losses, Unrecovered Plant and Regulatory Study Costs (407.1)	-	0	134,279
10	Amort. of Conversion Expenses (407.2)	-	32,880	32,880
11	Regulatory Debits (407.3)	-		
12	(Less) Regulatory Credits (407.4)	-		
13	Taxes Other Than Income Taxes (408.1)	41	5,153,637	5,141,904
14	Income Taxes - Federal (409.1)	41	2,306,119	530,195
15	- Other (409.1)	41	213,548	(283,702)
16	Provision for Deferred Inc. Taxes (410.1)	35, 44	(2,146,455)	(500,471)
17	(Less) Provision for Deferred Income Taxes - Cr.(411.1)	35, 44		
18	Investment Tax Credit Adj. - Net (411.4)	42	(12,168)	(12,168)
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)		77,063,320	66,486,705
24	Net Utility Operating Income (Total of line 2 less 23) (Carry forward to page 14, line 25)		\$5,314,293	\$4,674,632

STATEMENT OF INCOME (Continued)

revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.

7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be attached at page 19.

8. Enter on page 19 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

allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.

9. Explain in a footnote if the previous year's figures are different from that reported in prior reports.

10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 2 to 22, and report the information in the blank space on page 19 or in a supplemental statement.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY - WATER		Line No.
Current Year (e)	Previous Year (f)	Current Year (g)	Previous Year (h)	Current Year (i)	Previous Year (j)	
						1
		\$82,377,613	\$71,161,337			2
						3
		65,484,263	56,091,831			4
		1,527,702	956,312			5
		4,498,302	4,370,111			6
						7
		5,492	25,534			8
						9
		0	134,279			10
		32,880	32,880			11
						12
		5,153,637	5,141,904			13
		2,306,119	530,195			14
		213,548	(283,702)			15
		(2,146,455)	(500,471)			16
						17
		(12,168)	(12,168)			18
						19
						20
						21
						22
		77,063,320	66,486,705			23
						24
		\$5,314,293	\$4,674,632			

Name of Respondent			For the Year Ended	
CITY GAS COMPANY OF FLORIDA			Dec. 31, 1997	
A DIVISION OF NUI CORPORATION				
STATEMENT OF INCOME (Continued)				
Line No.	Account (a)	Ref. Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
25	Net Utility Operating Income (Carried forward from page 12)		\$5,314,293	\$4,674,632
26	Other Income and Deductions			
27	Other Income			
28	Nonutility Operating Income			
29	Revenues From Merchandising, Jobbing and Contract Work (415)	-	1,241,008	1,062,900
	(Less) Costs and Exp. of Merchandising, Job & Contract Work (416)	-	698,253	620,056
31	Revenues From Nonutility Operations (417)	-	5,123,231	3,972,853
32	(Less) Expenses of Nonutility Operations (417.1)	-	3,226,796	2,754,841
33	Nonoperating Rental Income (418)	-	111,682	123,400
34	Equity in Earnings of Subsidiary Companies (418.1)	15-16		
35	Interest and Dividend Income (419)	-		
36	Allowance for Other Funds Used During Construction (419.1)	-		
37	Miscellaneous Nonoperating Income (421)	-	353,248	(506,570)
38	Gain on Disposition of Property (421.1)	-	713,168	
39	TOTAL Other Income (Enter Total of lines 29 through 38)		3,617,288	1,277,686
40	Other Income Deductions			
41	Loss on Disposition of Property (421.2)	-		
42	Miscellaneous Amortization (425)	60	982,128	965,567
43	Miscellaneous Income Deductions (426.1-426.5)	60	2,100	13,482
44	TOTAL Other Income Deductions (Total of lines 41 through 43)		984,228	979,049
45	Taxes Applic. to Other Income and Deductions			
46	Taxes Other Than Income Taxes (408.2)	41	335,973	262,621
47	Income Taxes - Federal (409.2)	41	555,970	50,201
48	Income Taxes - Other (409.2)	41	126,340	8,348
49	Provision for Deferred Income Taxes (410.2)	35, 44	203,791	
50	(Less) Provision for Deferred Income Taxes - Cr. (411.2)	35, 44		
51	Investment Tax Credit Adj.- Net (411.5)	-		
52	(Less) Investment Tax Credits (420)	-	115,764	115,764
53	TOTAL Taxes on Other Inc. and Ded. (Enter Total of 46 through 52)		1,106,310	205,406
54	Net Other Income and Deductions (Enter Total of lines 39,44,53)		1,526,750	93,231
55	Interest Charges			
56	Interest on Long-Term Debt (427)	-	3,567,607	3,505,021
57	Amortization of Debt Disc. and Expense (428)	38	67,654	67,653
58	Amortization of Loss on Reacquired Debt (428.1)	-	56,535	84,217
59	(Less) Amort. of Premium on Debt - Credit (429)	38		
60	(Less) Amortization of Gain on Reacquired Debt - Credit (429.1)	-		
61	Interest on Debt to Assoc. Companies (430)	60		
62	Other Interest Expense (431)	60	755,634	687,289
63	(Less) Allow. for Borrowed Funds Used During Const. - Cr. (432)	-		
64	Net Interest Charges (Total of lines 56 through 63)		4,447,430	4,344,180
65	Income Before Extraordinary Items (Enter Total of lines 25, 54 and 64)		2,393,613	423,683
66	Extraordinary Items			
67	Extraordinary Income (434)	-		
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)	41		
71	Extraordinary Items After Taxes (Enter Total of line 69 less line 70)		0	0
72	Net Income (Enter Total of lines 65 and 71)		\$2,393,613	\$423,683

STATEMENT OF RETAINED EARNINGS

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 19.

Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance - Beginning of Year		\$14,368,174
2	Changes (Identify by prescribed retained earnings accounts)		
3	Adjustments to Retained Earnings (Account 439):		
4	Credit:		
5	Credit:		
6	Credit:		
7	Credit:		
8	Credit:		
9	TOTAL Credits to Retained Earnings (Account 439) (Enter Total of lines 4 through 8)		
10	Debit:		
11	Debit:		
12	Debit:		
13	Debit:		
14	Debit:		
15	TOTAL Debits to Retained Earnings (Account 439) (Enter Total of lines 10 through 14)		
16	Balance Transferred from Income (Account 433 less Account 418.1)		2,393,613
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 20)		
23	Dividends Declared - Preferred Stock (Account 437)		
24			
25			
26			
27			
28	TOTAL Dividends Declared - Preferred Stock (Account 437)		
29	(Enter Total of lines 24 through 27)		
30	Dividends Declared - Common Stock (Account 438)		
31	ALLOCATION OF NUI CORPORATION'S DIVIDEND		3,153,347
32			
33			
34			
35	TOTAL Dividends Declared - Common Stock (Account 438)		
36	(Enter Total of lines 31 through 34)		
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)		\$13,608,440

Name of Respondent
 CITY GAS COMPANY OF FLORIDA, A DIVISION OF NUI CORPORATION

For the Year Ended

Dec. 31, 1997

STATEMENT OF RETAINED EARNINGS (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)	\$0
	APPROPRIATED RETAINED EARNINGS - Amortization , Reserve, Federal (Account 215.1)	
	State below the total amount set aside through appropriations of retained earnings, as of the end of the year, in compliance with the provisions of Federally granted hydroelectric project licenses held by the respondent. If any reductions or changes other than the normal annual credits hereto have been made during the year, explain such items in a footnote.	
46	TOTAL Appropriated Retained Earnings - Amortization Reserve, Federal (Account 215.1)	
47	TOTAL Appropriated Retained Earnings (Accounts 215, 215.1)(Enter Total of lines 45 & 46)	
48	TOTAL Retained Earnings (Account 215, 215.1, 216)(Enter Total of lines 38 and 47)	\$13,608,440
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)	
49	Balance - Beginning of Year (Debit or Credit)	
50	Equity in Earnings for Year (Credit) (Account 418.1)	
51	(Less) Dividends Received (Debit)	
52	Other Changes (Explain)	
53	Balance - End of year	

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 19. Information about noncash investing and financing activities should be provided on page 19. Provide also on page 19 a reconciliation between "Cash and Cash Equivalents at end of Year" with related amounts on the balance sheet.

3. Operating Activities - Other: include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on page 19 the amounts of interest paid (net of amounts capitalized) and income taxes paid.

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

Line No.	DESCRIPTION (See Instructions for Explanation of Codes) (a)	Amounts (b)
1	Net Cash Flow From Operating Activities:	
2	Net Income (Line 72(c) on page 14)	\$2,393,613
3	Non-Cash Charges (Credits) to Income:	
4	Depreciation and Depletion	5,362,174
5	Amortization of (Specify): Plant Acquisition Adjustment	984,369
6	Regulatory Assets, Deferred Charges	1,140,612
7	Unamortized Debt Expense	124,189
8	Deferred Income Taxes (Net)	(1,966,513)
9	Investment Tax Credit Adjustments (Net)	(127,932)
10	Net (Increase) Decreases in Receivables	(4,077,234)
11	Net (Increase) Decreases in Inventory	(182,041)
12	Net (Increase) Decreases in Allowances Inventory	
13	Net (Decrease) Increase in Payables and Accrued Expenses	3,166,192
14	Net (Increase) Decreases in Other Regulatory Assets	3,243,355
15	Net (Decrease) Increase in Other Regulatory Liabilities	(237,804)
16	(Less) Allowance for Other Funds Used During Construction	
17	(Less) Undistributed Earnings from Subsidiary Companies	
18	Other:	2,897,346
19		
20		
21	Net Cash Provided by (Used in) Operating Activities (Total of lines 2 through 20)	12,720,326
22		
23	Cash Flows from Investment Activities:	
24	Construction and Acquisition of Plant(including land):	
25	Gross Additions to Utility Plant	(6,494,862)
26	Gross Additions to Common Utility Plant	
27	Gross Additions to Nonutility Plant	
28	(Less) Allowance for Other Funds Used During Construction	
29	Other:	
30		
31		
32		
33	Cash Outflows for Plant (Total of lines 24 through 32)	(6,494,862)
34		
35	Acquisition of Other Noncurrent Assets (d)	
36	Proceeds from Disposal of Noncurrent Assets (d)	
37	Investment in and Advances to Assoc. and Subsidiary Companies	
38	Contributions and Advances from Assoc. and Subsidiary Companies	
39	Disposition of Investments in (and Advances to)	
40	Associated and Subsidiary Companies	
41	Purchases of Investment Securities (a)	
42	Proceeds from Sales of Investment Securities (a)	

STATEMENT OF CASH FLOWS (Continued)

Line No.	DESCRIPTION (See Instruction No. 5 for Explanation of Codes) (a)	Amounts (b)
46	Loans Made or Purchased	
47	Collections on Loans	
48		
49	Net (Increase) Decrease in Receivables	
50	Net (Increase) Decrease in Inventory	
51	Net (Increase) Decrease in	
52	Allowances Held for Speculation	
53	Net Increase (Decrease) in Payables and Accrued Expenses	(52,170)
54	Other:	
55		
56	Net Cash Provided by (Used in) Investing Activities	
57	(Total of lines 35 through 55)	(52,170)
58		
59	Cash Flows From Financing Activities:	
60	Proceeds from Issuance of:	
61	Long-Term Debt (b): Construction funds held by trustee	
62	Preferred Stock	
63	Common Stock	
64	Other - Allocation of NUI Stock Options	192,306
65		
66	Net Increase in Short-term Debt (c)	
67	Other:	
68		
69		
70	Cash provided by Outside Sources (Total of lines 61 through 69)	192,306
71		
72	Payments of Retirement of:	
73	Long-Term Debt (b)	(725,378)
74	Preferred Stock	
75	Common Stock	
76	Other:	
77		
78	Net Decrease in Short-Term Debt (c)	(2,294,807)
79		
80	Dividends on Preferred Stock	
81	Dividends on Common Stock:	
	Allocation of NUI Corporation's Dividend	(3,153,347)
82	Net Cash Provided by (Used in) Financing Activities	
83	(Total of lines 70 through 81)	(6,173,532)
84		
85	Net Increase (Decrease) in Cash and Cash Equivalents	
86	(Total of lines 21, 57, and 83)	192,068
87		
88	Cash and Cash Equivalents at Beginning of Year	92,961
89		
90	Cash and Cash Equivalents at End of Year	285,029

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 amount, debits and credits during the year, and

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

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 12-18, such notes may be attached hereto.

SEE ATTACHED

**CITY GAS COMPANY OF FLORIDA -
A DIVISION OF NUI CORPORATION
NOTES TO FINANCIAL STATEMENTS**

1. Summary of Significant Accounting Policies

City Gas Company of Florida ("City Gas" or the "Division") is an operating division of NUI Corporation ("NUI"), and follows the Uniform System of Accounts of the Federal Energy Regulatory Commission ("FERC"), as adopted by the Florida Public Service Commission ("FPSC"). NUI also has utility operating divisions in five other states; Elizabethtown Gas Company (New Jersey), North Carolina Gas Service, Elkton Gas Service (Maryland), Valley Cities Gas Service (Pennsylvania) and Waverly Gas Service (New York). Additionally, NUI has several operating subsidiaries which include NUI Energy, Inc., a natural gas retailer; NUI Energy Brokers, Inc., a natural gas and electricity wholesaler; Utility Business Services, Inc., a customer information systems and services subsidiary; and NUI Environmental Group, Inc., an environmental project development subsidiary. NUI also holds a 49% equity interest in TIC Enterprises, LLC, a Georgia based company providing sales and marketing outsourcing services.

Certain reclassifications of prior year amounts were made in order to properly reflect amounts to be consistent with FPSC guidelines. Such reclassifications are not material.

The significant accounting policies are summarized below.

A. Utility Plant and Related Depreciation and Amortization

Utility plant is stated at its original cost. Depreciation is provided on a straight-line basis over the remaining estimated lives of depreciable property by applying composite average annual rates as approved by the FPSC. The composite average depreciation rate was approximately 3.5% in 1997. At the time properties are retired, the original cost plus the cost of retirement, less salvage, is charged to accumulated depreciation. Repairs, replacements and renewals of minor items of property are charged to maintenance expense as incurred.

Included in utility plant as of December 31, 1997 and 1996, is \$20,370,332 and \$21,354,702, respectively, of unamortized plant acquisition adjustment which represents the remaining portion of the excess of the purchase price over the book value of net assets acquired by NUI. The excess is being amortized on a straight-line basis over thirty years from the date of acquisition.

B. Supplemental Statement of Cash Flow Information

"Cash at the End of Year" on the Statement of Cash Flows consists of:

<u>A/C</u>	<u>Description</u>	<u>Amount</u>
131	Cash	\$280,824
135	Working Funds	<u>4,205</u>
		<u>\$285,029</u>

The amount of income tax and interest paid during the year were as follows:

Income tax paid	\$1,497,237
Interest paid	\$5,191,117

Income taxes are paid to NUI (see below).

C. *Operating Revenues and Purchased Gas and Fuel Costs*

Operating revenues include accrued unbilled revenues through the end of each accounting period.

Costs of purchased gas and fuel are recognized as expenses in accordance with the gas cost adjustment clause. Such clause provides for the periodic reconciliation of actual recoverable gas costs and the estimated amounts that have been billed to customers. Under or over recoveries are deferred when they arise and are recovered from or refunded to customers in subsequent periods.

D. *Income Taxes*

The Division accounts for income taxes in accordance with Statement of Financial Accounting Standards ("SFAS") No. 109, "Accounting for Income Taxes", which requires the liability method to be used to account for deferred income taxes. Under this method, deferred income taxes related to tax and accounting basis differences are recognized at the statutory income tax rates in effect when the tax is expected to be paid.

Investment tax credits are being amortized over the estimated service lives of the properties that gave rise to the credits.

The Division participates with NUI in filing a consolidated Federal income tax return. The provisions for income taxes shown in the accompanying financial statements have been computed on a separate company/division basis.

The Division's deferred tax asset as of December 31, 1997 and 1996 is comprised primarily of FAS 109 deferred taxes with an offsetting regulatory liability. The Division's deferred tax liability as of December 31, 1997 and 1996 is comprised primarily of deferred taxes related to liberalized depreciation and plant acquisition adjustments.

E. *Impairment of Long-Lived Assets*

During the current year, the Company adopted Statement of Financial Accounting Standards No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of" (SFAS 121). SFAS 121 requires the Division to review such assets for possible impairment whenever circumstances indicate that the carrying amount of an asset may not be recoverable. The adoption of SFAS 121 did not have an impact on the results of operations, financial condition or cash flows of the Division.

2. Regulation

On October 29, 1996 the FPSC voted to authorize the Division to increase its base rates by \$3.75 million annually. The rate increase reflects a rate base amounting to \$91.9 million, reflecting the addition of investments in system improvements and expansion projects. Under the approval, the allowed return on equity is 11.3% with an overall after-tax rate of return of 7.87%. The Division had been granted interim rate relief of \$2.2 million effective in September 1996. The permanent increase, which is effective in December 1996, includes the interim adjustment.

3. Long-term Debt

The Division has \$20 million of 6.4% Brevard County Industrial Development Revenue Bonds that mature October 1, 2024. The Division deposited in trust the unexpended portion of the net proceeds from these bonds until drawn upon for eligible expenditures. As of December 31, 1997, the total unexpended portion was \$12.2 million and is classified on the Division's balance sheet as a reduction of long-term debt.

4. Notes Payable

At December 31, 1997, the Division's outstanding notes payable was \$6,270,355 with a combined weighted average interest rate of 5.53%.

5. Retirement Benefits

Pension Benefits. The Division has a non-contributory defined benefit retirement plan which covers substantially all of its employees other than its union employees who participate in a union sponsored multi-employer plan. The Division funds its plans in accordance with the requirements of the Employee Retirement Income Security Act of 1974 and makes contributions to the union sponsored plan in accordance with its contractual obligations. Benefits paid under the Division's plan are based on years of service and levels of compensation. The actuarial calculation of pension expense associated with the Division's plan is based on the projected unit cost method.

The components of pension expense for the plan, for the fiscal years ended September 30, 1997 and 1996, were as follows (in thousands):

	<u>1997</u>	<u>1996</u>
Service cost	\$ 187	\$ 189
Interest cost	418	372
Actual return on plan assets	(2,318)	(938)
Net amortization and deferral	<u>1,687</u>	<u>383</u>
Pension expense	<u>\$ (26)</u>	<u>\$ 6</u>

The status of the funded plan as of September 30, 1997 and 1996, was as follows (in thousands):

	<u>1997</u>	<u>1996</u>
Actuarial present value of accumulated benefit obligation:		
Vested benefits	\$ 4,854	\$4,006
Non-vested benefits	<u>453</u>	<u>386</u>
Accumulated benefit obligation	5,307	4,392
Projected increases in compensation levels	<u>716</u>	<u>683</u>
Projected benefit obligation	6,023	5,075
Market value of plan assets	<u>8,724</u>	<u>6,471</u>
Plan assets in excess of projected benefit obligation	2,701	1,396
Unrecognized net gain	(2,101)	(1,015)
Unrecognized net transition asset	<u>(209)</u>	<u>(259)</u>
Pension prepayment	<u>\$ 391</u>	<u>\$ 122</u>

The projected benefit obligation was calculated using a discount rate of 7.5% in fiscal 1997 and 8.0% in fiscal 1996 and an assumed annual increase in compensation levels of 4% in both fiscal 1997 and fiscal 1996. The expected long-term rate of return on assets is 9%. The assets of the funded plan are invested primarily in publicly-traded fixed income and equity securities.

6. Commitments and Contingencies

Capital Spending. Construction expenditures for the fiscal year ending September 30, 1998, are estimated at \$16.5 million.

Gas Procurement Contracts. Certain of the Division's long-term contracts for the supply, storage and delivery of natural gas include fixed charges that amount to approximately \$11.4 million annually. The Division currently recovers, and expects to continue to recover, such fixed charges through its gas cost adjustment clause.

Other. The Division is involved in various claims and litigation incidental to its business. In the opinion of management, none of these claims and litigation will have a material adverse effect on the Company's results of operations or its financial condition.

7. Subsequent Event

On March 31, 1998, the Division announced its acquisition of a propane distribution system serving approximately 1,200 customers from the City of Port St. Lucie. The Division will pay approximately \$1.1 million to the city for the system and estimates an additional \$600,000 on upgrading and conversion work. The propane system serves 1,200 customers through underground distribution piping. The Division expects to complete conversion of customers on the underground sections of the system from propane to natural gas during 1998.

Name of Respondent		For the Year Ended	
CITY GAS COMPANY OF FLORIDA		Dec. 31, 1997	
A DIVISION OF NUI CORPORATION			
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	101 Plant in Service (Classified)	\$ 135,150,558	
4	101.1 Property Under Capital Leases	\$ 129,010	
5	102 Plant Purchased or Sold		
6	106 Completed Construction not Classified		
7	103 Experimental Plant Unclassified		
8	104 Leased to Others		
9	105 Held for Future Use		
10	114 Acquisition Adjustments	\$ 29,703,964	
11	TOTAL Utility Plant (Enter Total of lines 3 through 10)	\$ 164,983,532	
12	107 Construction Work in Progress	\$ 959,847	
13	Accum. Prov. for Depr., Amort., & Depl.	\$ 61,979,250	
14	Net Utility Plant (Enter total of lines 11 plus 12 less line 13)	\$ 103,964,129	
15	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION		
16	In Service:		
17	108 Depreciation	\$ 52,557,714	
18	111 Amort. and Depl. of Producing Nat. Gas Land & Land Rights	\$ 87,904	
19	111 Amort. of Underground Storage Land and Land Rights		
20	119 Amort. of Other Utility Plant		
21	TOTAL in Service (Enter Total of lines 17 through 20)	\$ 52,645,618	
22	Leased to Others		
23	108 Depreciation		
24	111 Amortization and Depletion		
25	TOTAL Leased to Others (Enter Total of lines 23 and 24)		
26	Held for Future Use		
27	108 Depreciation		
28	111 Amortization		
29	TOTAL Held for Future Use (Enter. Tot. of lines 27 and 28)		
30	111 Abandonment of Leases (Natural Gas)		
31	115 Amort. of Plant Acquisition Adjustment	\$ 9,333,632	
32	TOTAL Acc. Provisions (Should agree with line 14 above) (Enter Total of lines 21, 25, 29, 30, and 31)	\$ 61,979,250	

Name of Respondent
 CITY GAS COMPANY OF FLORIDA
 A DIVISION OF NUI CORPORATION

For the Year Ended

Dec. 31, 1997

SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS
 FOR DEPRECIATION, AMORTIZATION AND DEPLETION (Continued)

Gas (d)	Water (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
135,150,558					3
129,010					4
					5
					6
					7
					8
					9
29,703,964					10
164,983,532					11
959,847					12
61,979,250					13
					14
103,964,129					14
					15
					16
52,557,714					17
87,904					18
					19
					20
52,645,618					21
					22
					23
					24
					25
					26
					27
					28
					29
					30
9,333,632					31
					32
61,979,250					32

**Annual Status Report
Analysis of Plant in Service Accounts**

Company: CITY GAS COMPANY OF FLORIDA, A DIVISION OF NUI CORPORATION

For the Year Ended December 31, 1997

Page 1 of 3

Acct. No.	Account Description	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass.	Adjustments	Transfers	Ending Balance*
374	Land-Distribution		771,545		699,288				72,257
389	Land-General		167,111						167,111
	Land-Other								0
Amortizable General Plant Assets:									
	301 Organization								0
	302 Franchises and Consents		113,897						113,897
	303 Miscellaneous Intangible Plant		25,275	29,410					54,685
	399 Miscellaneous Intangible Property								0
Depreciable Assets:									
This schedule should identify each account/subaccount for which a separate depreciation rate has been approved by the FPSC.									
	375 Structures & Improvements	2.1	1,151,232	8,081	692,342				466,971
	376 Mains - Plastic	2.9	25,881,360	1,872,996					27,754,356
	376 Mains - Other	2.9	49,881,638	682,016					50,563,654
	379 M & R Station Equipment - City Gate	3.6	2,223,852	531,024					2,754,876
	380 Services - Plastic	3.8	15,153,788	5,060,925					20,214,713
	380 Services - Other	4.5	13,025,005	206,134					13,231,139
	381 Meters	4.4	6,258,947	756,952					7,015,899
	382 Meter Installations	3.0	2,566,292	171,417					2,737,709
	383 House Regulators	3.7	2,067,089	(89,958)					1,977,131
	384 House Regulators Installations	3.4	1,040,497	131,891					1,172,388
	385 Industrial M & R Station Equipment	3.9	1,520,449	86,081					1,606,530
	386.5 Leased Water Heaters	8.0							
	386.6 Leased Dryers	8.2							
	386.7 Leased Ranges	8.8							
	387 Other Equipment	4.1	158,310						158,310
	390 Structures & Improvements	1.9	792,147	87,597	9,915				869,829
	391.1 Office Furniture	5.5	501,329	60,151					561,480
	391.2 Office Equipment	8.3	446,687	80,783					527,470
	391.3 Computers	15.5	706,067	121,678					827,745
	392 Transportation Equipment	4.5	774,988	51,394					826,382
	393 Stores Equipment	4.7	30,522						30,522
	394 Tools, Shop and Garage Equipment	6.3	817,562	34,604					852,166
	395 Laboratory Equipment	4.6	82,940						82,940
	397 Communication Equipment	6.8	409,992	42,889					452,881
	398 Miscellaneous Equipment	6.4	34,391	23,125					57,516

Annual Status Report Analysis of Plant in Service Accounts

Company: CITY GAS COMPANY OF FLORIDA, A DIVISION OF NUI CORPORATION
For the Year Ended December 31, 1997

Page 2 of 3

Acct. No.	Account Description	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass.	Adjustments	Transfers	Ending Balance*
(Continued)									

**Annual Status Report
Analysis of Plant in Service Accounts**

Company: CITY GAS COMPANY OF FLORIDA, A DIVISION OF NUI CORPORATION

For the Year Ended December 31, 1997

Page 3 of 3

Acct. No.	Account Description	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass.	Adjustments	Transfers	Ending Balance*
(Continued)									
Capital Recovery Schedules:									
Total Account 101*			126,602,912	9,949,190	1,401,545	0	-	-	135,150,557
Amortizable Assets:									
101.1	Property Under Capital Leases		129,010						129,010
105	Held for Future Use	0							0
114	Acquisition Adjustment		29,703,965						29,703,965
Total Utility Plant			156,435,887	9,949,190	1,401,545	0	-	0	164,983,532

Note: * The total beginning and ending balances must agree to acct. 101, Plant in Service, Line 3, Page 20.

Annual Status Report
Analysis of Entries in Accumulated Depreciation & Amortization

Company: CITY GAS COMPANY OF FLORIDA, A DIVISION OF NUI CORPORATION

For the Year Ended December 31, 1997

Page 1 of 3

Acct. No.	Account Description	Beginning Balance*	Accruals	Reclass.	Retirements	Gross Salvage	Cost of Removal	Adjustments	Transfers	Ending Balance*
Amortizable General Plant Assets:										
	302 Franchise (Amort)	74,614	2,244							76,858
	303 Misc. Intangible Plant	10,038	1,008							11,046
	Total Amortization	84,652	3,252							87,904
This schedule should identify each account/subaccount for which a separate depreciation rate has been approved by the FPSC.										
	375 Structures & Improvements	423,667	27,793		584,413	304,614				171,661
	376 Mains - Plastic	4,226,850	788,785							5,015,635
	376 Mains - Other	23,493,454	1,502,905				56,852			24,939,507
	379 M & R Station Equipment - City Gate	504,177	87,353							591,530
	380 Services - Plastic	2,975,043	616,682							3,591,725
	380 Services - Other	9,113,603	586,318				280,991			9,418,930
	381 Meters	2,690,845	292,555							2,983,400
	382 Meter Installations	1,027,904	75,772				18,387			1,085,289
	383 House Regulators	895,039	76,358				1,413			969,984
	384 House Regulators Installations	344,770	35,518							380,288
	385 Industrial M & R Station Equipment	397,078	59,733				4,380			452,431
	386.5 Leased Water Heaters									
	386.6 Leased Dryers									
	386.7 Leased Ranges									
	387 Other Equipment	133,266	4,868							138,134
	390 Structures & Improvements	189,201	14,365		9,915					193,651
	391.1 Office Furniture	172,659	28,687							201,346
	391.2 Office Equipment	336,593	50,178							386,771
	391.3 Computers	422,968	113,023					27,332		563,323
	392 Transportation Equipment	572,856	35,417			1,914				610,187
	393 Stores Equipment	14,189	1,024							15,213
	394 Tools, Shop and Garage Equipment	499,680	57,235							556,915
	395 Laboratory Equipment	53,441	2,853							56,294
	397 Communication Equipment	191,507	26,950							218,457
	398 Miscellaneous Equipment	15,370	1,673							17,043
	Prospective Deficit		12,257					(12,257)		-

Annual Status Report

Analysis of Entries in Accumulated Depreciation & Amortization

Company: CITY GAS COMPANY OF FLORIDA, A DIVISION OF NUI CORPORATION

For the Year Ended December 31, 1997

Page 3 of 3

Acct. No.	Account Description	Beginning Balance*	Accruals	Reclass.	Retirements	Gross Salvage	Cost of Removal	Adjustments	Transfers	Ending Balance*
(Continued)										
Capital Recovery Schedules: This schedule should identify each approved capital recovery schedule.										
Subtotal		48,694,160	4,498,302	0	594,328	306,528	362,023	15,075	-	52,557,714
List any other items necessary to reconcile the total depreciation and amortization accrual amount to Acct. 403, Depreciation Expense, shown on page 12.										
Subtotal										
Grand Total		48,694,160	4,498,302	0	594,328	306,528	362,023	15,075	-	52,557,714

Note: * The grand total of beginning and ending balances must agree to Line 17, Page 20.

Name of Respondent CITY GAS COMPANY OF FLORIDA A DIVISION OF NUI CORPORATION	For the Year Ended Dec. 31, 1997
CONSTRUCTION WORK IN PROGRESS-GAS (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 (less than \$500,000) may be grouped.

Line No.	Description of Project (a)	Construction Work in Progress-Gas (Account 107) (b)	Estimated Additional Cost of Project (c)		
1	Incomplete Distribution Systems in Dade, St. Lucie and Brevard Counties	959,847			
2					
3					
4					
5					
6					
7					
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22					
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24					
34					
35					
36					
37					
38					
39					
40					
41			TOTAL	959,847	

Name of Respondent
 CITY GAS COMPANY OF FLORIDA
 A DIVISION OF NUI CORPORATION

For the Year Ended
 Dec. 31, 1997

CONSTRUCTION OVERHEADS-GAS

1. List in column (a) the kinds of overheads according to the titles used by the respondent. Charges for outside professional services for engineering fees and management or supervision fees capitalized should be shown as separate items.
2. On page 30 furnish information concerning construction overheads.
3. A respondent should not report "none" to this page if no overhead apportionments are made, but rather should explain on page 30 the accounting procedures employed

- and the amounts of engineering, supervision, and administrative costs, etc. which are directly charged to construction.
4. Enter on this page engineering, supervision, administrative, and allowance for funds used during construction, etc. which are first assigned to a blanket work order and then prorated to construction jobs.

Line No.	Description of Overhead (a)	Total Amount Charged for the Year (b)	Total Cost of Construction to Which Overheads Were Charged (Exclusive of Overhead Charges) (c)
1	None		
2			
3			
4			
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35			
36			
37			
38	TOTAL		

GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE

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

Administrative costs are not charged to construction.

PREPAYMENTS (Account 165)

1. Report below the particulars (details) on each prepayment.

Line No.	Nature of Prepayment (a)	Balance at End of Year (In Dollars) (b)
1	Prepaid Insurance	\$ 297,904
2	Prepaid Rents	
3	Prepaid Taxes (page 41)	32
4	Prepaid Interest	
5	Gas Prepayments	
6	Miscellaneous Prepayments: Pensions, Other Miscellaneous	447,622
7	TOTAL	\$ 745,558

EXTRAORDINARY PROPERTY LOSSES (Account 182.1)

Line No.	Description of Extraordinary Loss [Include in the description the date of loss, the date of Commission authorization to use Account 182.1 and period of amortization (mo, yr, to mo, yr).] (a)	Total Amount of Loss (b)	Losses Recognized During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	NONE					
2						
3						
4						
5						
6						
7						
8						
9		TOTAL				

UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)

Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission authorization to use Account 182.2 and period of amortization (mo, yr, to mo, yr).] (a)	Total Amount of Charges (b)	Costs Recognized During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
10	NONE					
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21	TOTAL					

OTHER REGULATORY ASSETS (Account 182.3)

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

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

3. Minor items (amounts less than \$25,000) may be grouped by classes.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance Beginning of Year (b)	Debits (c)	Credits		Balance End of Year (f)
				Account Charged (d)	Amounts (e)	
1	FERC ORDER 636 COSTS	\$1,000,000	\$ -	191	\$1,000,000	\$0
2	UNREC PUR GAS-TOP-FIRM	-	200		-	200
3	96 RATE CASE (1)	341,096	26,516	928	126,854	240,758
4						
5	CONVERSION COSTS (2)	164,529	181,207	407.2	32,880	312,856
6	DEFERRED PIPING (2)	2,818,397	96,570	912	500,397	2,414,570
7	ENERGY CONSERVATION PROGRAM	(361,345)	410,547	912	195,521	(146,319)
8						
9						
10	(1) AMORTIZED OVER 3 YEARS					
11	(2) AMORTIZED OVER 10 YEARS					
12						
13						
14						
15						
16						
17						
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20						
21						
22						
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31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43	TOTAL	\$3,962,677	\$715,040		\$1,855,652	\$2,822,065

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 (amounts less than \$25,000) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debit (a)	Balance at Beginning of Year (b)	Debits (c)	Account Charged (d)	Amount (e)	Balance End of Year (f)
1	DEFERRED INTERSET ON REVENUE BONDS	\$2,033,342	\$871,110	131	\$ 2,255,372	\$649,080
2	OTHER	18,650	-	various	-	18,650
3	UNEARNED COMP.-ESOP	1,068,213	-	various	1,068,213	-
4						
5						
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44						
45						
46						
47	Misc. Work in Progress	(16,433)				\$99,348
48	Deferred Regulatory Comm. Expenses					
49	(See Pages 61 - 62)					
50	TOTAL	\$3,103,772				\$767,078

Name of Respondent
 CITY GAS COMPANY OF FLORIDA
 A DIVISION OF NUI CORPORATION

For the Year Ended

Dec. 31, 1997

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 listed under Other.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR				ADJUSTMENTS				Balance at End of Year (k)
			Amounts Debited to Acct. 410.1 (c)	Amounts Credited to Acct. 411.1 (d)	Amounts Debited to Acct. 410.2 (e)	Amounts Credited to Acct. 411.2 (f)	DEBITS		CREDITS		
							Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)	
1	ELECTRIC										
2											
3											
4											
5	TOTAL Electric (Lines 2 - 4)										
6	GAS										
7	FAS 109 - Federal	1,388,807							254	148,836	1,239,971
8	- State	(116,218)					254	11,616			(104,602)
9											
10											
11											
12											
13											
14											
15											
16											
17											
18											
19	Other										
20	TOTAL Gas (Lines 7 - 19)	\$1,272,589						\$11,616		\$148,836	\$1,135,369
21	Other (Specify)										
22	TOTAL (Account 190) (Enter Total of lines 5,20 & 21)	\$1,272,589						\$11,616		\$148,836	\$1,135,369

NOTES

SECURITIES ISSUED OR ASSUMED AND
SECURITIES REFUNDED OR RETIRED DURING THE YEAR

1. Furnish a supplemental statement giving a brief description of security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses, and related gains or losses. Identify as to Commission authorization numbers and dates.

2. Furnish particulars (details) showing fully the accounting for the total principal amount, par value, or stated value of each class and series of security issued, assumed, retired, or refunded and the accounting for premiums, discounts, expenses, and gains or losses relating to the securities. Set forth the facts of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses, and gains or losses relating to securities retired or refunded, including the accounting for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.

3. Included in the identification of each class and series of security, as appropriate, the interest or dividend rate,

nominal date of issuance, maturity date, aggregate principal amount, par value or stated value, and number of shares. Give also the issuance or redemption price and name of the principal underwriting firm through which the security transactions were consummated.

4. Where the accounting for amounts relating to securities refunded or retired is other than that specified in General Instruction 17 of the Uniform System of Accounts, give references to the Commission authorization for the different accounting and state the accounting method.

5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as particulars (details) of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discount, premiums, expenses, and gains or losses were taken over onto the respondent's books, furnish details of these amounts with amounts relating to refunded securities clearly earmarked.

In January, 1997, payments were made by the Employee Stock Ownership Plan to payoff early, without penalty the ESOP debt, which was originally incurred in June, 1987 at a cost of \$1,923,720 at 6%. The termination of the ESOP and its related debt was accounted for in accordance with AICPA Statement of Position 93-6, "Employers Accounting for Employee Stock Ownership Plans".

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

1. Report by balance sheet Account the 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. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form Filing, a specific reference to the report form (i.e. year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.

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

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

4. For receiver's certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.

5. 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.

6. If the respondent has pledged any of its long-term debt securities, give particulars (details) in a footnote, including name of the pledgee and purpose of the pledge.

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

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

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

Line No.	Class and Series of Obligation and Name of Stock Exchange (a)	Nominal Date of Issue (b)	Date of Maturity (c)	INTEREST FOR YEAR			Total Amount Outstanding (g)
				Original Amount Issued (d)	Rate (in %) (e)	Amount (f)	
1	Bonds (221):						
2	Brevard Industrial	7/15/94	10/1/24	\$ 20,000,000	6.400	\$ 1,277,073	\$ 7,759,199 *
3	Revenue Bonds						
4	Interest on Brevard					(869,979)	
5	Industrial Revenue Bond						
6	Proceeds Held by Trustee						
7							
8	Other Long Term Debt (224):						
9	Medium Term Notes-	2/16/95	2/1/05	30,000,000	8.350	2,499,271	30,000,000
10	Series A						
11	Medium Term Notes-	5/25/95	8/1/02	9,000,000	7.125	639,784	9,000,000
12	Series A						
13	Employee Stock Ownership	6/1/87	1/1/97		6.000	21,458	
14	Plan Indebtedness						
15							
16							
17	* Principal balance of Revenue Bonds is net of \$12,240,801 of construction funds held by trustee.						
18							
19							
20							
21							
22							
23							
24							
25							
26							
27	TOTAL			\$ 59,000,000		\$ 3,567,607	\$ 46,759,199

UNAMORTIZED DEBT EXPENSE, PREMIUM AND DISCOUNT ON LONG-TERM DEBT (Accounts 181, 225, 226)

1. Report under separate subheadings for Unamortized Debt Expense, Unamortized Premium on Long-Term Debt and Unamortized Discount on Long-Term Debt, particulars (details) of expense, premium or discount applicable to each class and series of long-term debt.
2. Show premium amounts by enclosing the figures in parentheses.
3. In column (b) show the principal amount of bonds or other long-term debt originally issued.
4. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.

5. 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 Uniform System of Accounts.
6. Identify separately indisposed amounts applicable to issues which were redeemed in prior years.
7. 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.

Line No.	Designation of Long-Term Debt (a)	Principal Amount of Debt issued (b)	Total Expense Premium or Discount (c)	Amortization Period		Balance at Beginning of Year (f)	Debits (Credits) During Year (g)	Balance at End of Year (h)
				Date From (d)	Date To (e)			
1	Brevard Industrial Revenue Bonds:	20,000,000						
2	Unamortized Debt		378,800	1994	2024	349,317	(12,588)	\$ 336,729
3	Discount (226)							
4								
5	Unamortized Debt		298,023	1994	2024	237,368	(8,554)	228,814
6	Expenses (181)							
7								
8	Medium Term Notes	39,000,000	416,931	1995	2005	370,880	(46,512)	324,368
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UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Accounts 189, 257)

<p>1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, particulars (details) of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.</p> <p>2. In column (c) show the principal amount of bonds or other long-term debt reacquired.</p> <p>3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with</p>	<p>General Instruction 17 of the Uniform Systems of Accounts.</p> <p>4. Show loss amounts by enclosing the figures in parentheses.</p> <p>5. Explain in a footnote any debits and credits other than amortization debited to Account 428.1, Amortization of Loss on Reacquired Debt, or credited to Account 429.1, Amortization of Gain on Reacquired Debit-Credit.</p>
--	---

Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Principal of Debt Reacquired (c)	Net Gain or Net Loss (d)	Balance at Beginning of Year (e)	Balance at End of Year (f)
1	<u>Unamortized Loss</u>					
2	First Mortgage Bonds	7/17/95	\$ 8,739,000	\$ 260,488	\$ 241,391	\$ 184,856
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Name of Respondent
 City Gas Company of Florida
 A Division of NUI Corporation

For the Year Ended

Dec. 31, 1997

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

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

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

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 14)	See Page 40-A
2	Reconciling Items for the Year	
3		
4	Taxable Income Not Reported on Books	
5		
6		
7	Deductions Recorded on Books Not Deducted for Return	
8		
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12		
13	Income Recorded on Books Not Included in Return	
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21	Deductions on Return Not Charged Against Book Income	
22		
23		
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29		
30	Federal Tax Net Income	
31	Show Computation of Tax:	
32		
33		
34		
35		
36		
37		

Name of Respondent City Gas Company of Florida A Division of NUI Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 1997
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES			
Net Income for the Year Ended December 31, 1997 (Page 14)		\$2,393,613	
Less Net Income for Three Months Ended 12-31-97		(508,215)	
Less Net Loss for Three Months Ended 12-31-96		<u>(277,375)</u>	
Net Income for Fiscal Year Ended September 30, 1997		1,608,023	
Adjustments For Federal Income Tax Purposes			
Income on Return Not on Books:			
Expenses Booked Not Recorded on Return:			
Current Federal Income Taxes	2,455,583		
Deferred Federal Income Taxes	(1,831,910)		
Amortization of Deferred Investment Tax Credits	(127,932)		
State Income Taxes	(68,818)		
Plant Acquisition Adjustment Amortization	978,876		
FERC Order 636 Costs	1,147,810		
Gas Clause Adjustment	1,344,869		
Rate Case	31,571		
CIAC	120,000		
First Mortgage Retirement Costs	<u>67,225</u>	<u>4,117,274</u>	
Deductions on Return Not Charged Against Book Income:			
Excess of allowable depreciation over that charged to depreciation and other book expenses	(2,078,500)		
Cost of Removal	(143,600)		
Insurance	(68,833)		
Bad Debts	(30,688)		
Miscellaneous	(4,210)	<u>(2,325,831)</u>	
Total Net Adjustments for Federal Income Tax Purposes		<u>1,791,443</u>	
Federal Taxable Income		<u>3,399,466</u>	
Show Computation to Tax (Note 1)			
Federal Taxable Income		3,399,466	
35% of Federal Taxable Income		1,189,813	
Accrual to return and other adjustments		<u>1,265,770</u>	
Current Federal Income Taxes at September 30, 1995		<u>2,455,583</u>	
Note 1: City Gas of Florida is included in the consolidated tax return of NUI Corporation which also includes its operating divisions which do business as Elizabethtown Gas Company, North Carolina Gas Services Elkton Gas Service, Valley Cities Gas Service and Waverly Gas Service and its subsidiaries, Utility Business Services, Inc., NUI Energy, Inc., NUI Energy Brokers, and NUI Capital Corporation.			
Page 40-A			

Name of Respondent
 City Gas Company of Florida
 A Division of NUI Corporation

For the Year Ended

Dec. 31, 1997

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

	Name of Taxing Authority	Federal Income	State Income	Real Property	Tangible Personal Property	Intangible Personal Property	FICA, SUTA, FUTA	Gross Receipts	Regulatory Assessment Fees	Environmental, Excise	Other	Total
1	TAXES (ACCRUED)/PREPAID BEG. OF YEAR	239,359	493,328	0			(28,726)	1,199	(145,354)		15,089	574,895
2	Taxes Charged During Year											
3		(2,862,089)	(339,888)	(1,197,144)			(575,936)	(1,543)	(211,619)		(55,490)	(5,243,709)
4												
5												
6												
7												
8												
9												
10												
11												
12	TOTAL TAXES CHARGED DURING YEAR (Lines 3-11)	(2,862,089)	(339,888)	(1,197,144)			(575,936)	(1,543)	(211,619)		(55,490)	(5,243,709)
13	Taxes Paid During Year											
14		2,455,583	125,000	1,309,082			559,334		236,790		24,689	4,710,478
15												
16												
17												
18												
19												
20												
21												
22												
23	TOTAL TAXES PAID DURING YEAR (Lines 14-24)	2,455,583	125,000	1,309,082	0	0	559,334	0	236,790	0	24,689	4,710,478
24	Adjustments (list)		(261,653)									(261,653)
25												
26												
27	TOTAL ADJUSTMENTS (Lines 24-26)		(261,653)								0	(261,653)
28	TAXES (ACCRUED)/PREPAID END OF YEAR (Lines 1+12-23+/-27)	(167,147)	16,787	111,938			(45,328)	(344)	(120,183)		(15,712)	(219,989)

DISTRIBUTION OF TAXES CHARGED

		Federal Income	State Income	Real Property	Tangible Personal Property	Intangible Personal Property	FICA, SUTA, FUTA	Gross Receipts	Regulatory Assessment Fees	Environmental, Excise	Other	Total
29												
30	Electric (Account 408.1, 409.1)											
31	Gas (Account 408.1, 409.1)	2,306,119	213,548	1,197,144			575,936	1,543	211,619		55,490	5,243,709
32	Other Utility Departments (408.1, 409.1)											
33	Other Income and Deductions (408.2, 409.2)	555,970	126,340									
34	Extraordinary Items (Account 409.3)											
35	Other Utility Operating Income (408.1, 409.1)											
36	Adjust. to Retained Earnings (Account 439)											
37	CWIP (Account 207)											
38	Other (list)											
39												
40												
41												
42	TOTAL (Should equal Lines 12+/-Line 27, if applicable)	2,862,089	339,888	1,197,144			575,936	1,543	211,619		55,490	5,243,709

Name of Respondent
 City Gas Company of Florida
 A Division of NUI Corporation

For the Year Ended
 Dec. 31, 1997

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 col-
 umn (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)	Balance at End Year (h)	Average Period of Allocation to Income (i)
			Acct. No. (c)	Amount (d)	Acct. No. (e)	Amount (f)			
1	Gas Utility								
2	3%	11,673			411	11,673		0	
3	4%	100,832			420	11,223		89,609	
4	7%								
5	10%	1,250,472			420	103,776		1,146,696	
6	8%	24,347			420	1,260		23,087	
7									
8	TOTAL	1,387,324			420	127,932		1,259,392	
9	Other List separately and show 3%, 4%, 7%, 10% and TOTAL								

Notes

1. Use this space to explain any adjustments made in this period.
2. Use this space to list by year generated and by amount any ITCs that have not been utilized and have not expired by the end of the period.

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MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (Account 242)

1. Describe and report the amount of other current and accrued liabilities at the end of year.
 2. Minor items (less than \$50,000) may be grouped under appropriate title.

Line No.	Item (a)	Balance at End of Year (b)
1	EMPLOYEE STOCK OWNERSHIP PLAN COSTS	\$ 10,000
2	INSURANCE	15,107
3	ACCRUED COMPENSATION	26,876
4	OTHER (UNDER \$50,000)	38,826
5		
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18	TOTAL	\$ 90,809

OTHER DEFERRED CREDITS (Account 253)

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 (less than \$25,000) may be grouped by classes.

Line No.	Description of Other Deferred Credit (a)	Balance Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	FERC ORDER 636 COSTS	1,000,000	182.3	1,000,000		0
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21	TOTAL	\$1,000,000		\$1,000,000	\$0	\$0

Name of Respondent		For the Year Ended									
City Gas Company of Florida		Dec. 31, 1997									
ACCUMULATED DEFERRED INCOME TAXES (Accounts 281, 282, 283)											
Line No.	Balance at Beginning of Year	Changes During Year				Adjustments				Balance at End of Year	
		Amounts Debited to Account 410.1	Amounts Credited to Account 411.1	Amounts Debited to Account 410.2	Amounts Credited to Account 411.2	Debits		Credits			
						Account No.	Amount	Account No.	Amount		
1											
2	ACCOUNT 281 - ACCELERATED AMORTIZATION PROPERTY										
3	Electric										
4	Gas										
5	Other										
6											
7	TOTAL ACCOUNT 281 (Lines 3 thru 6)										
8											
9	ACCOUNT 282 - OTHER PROPERTY										
10	Electric										
11	Gas	20,065,032	57,346		203,791						20,326,169
12	Other										
13											
14	TOTAL ACCOUNT 282 (Lines 10 thru 13)	20,065,032	57,346		203,791		0		0		20,326,169
15											
16	ACCOUNT 283 - OTHER										
17	Electric										
18	Gas	103,479	(2,103,217)					236	(261,653)		(2,261,391)
19	Other										
20											
21	TOTAL ACCOUNT 283 - OTHER (Lines 17 thru 20)	103,479	(2,103,217)					236	(261,653)		(2,261,391)
22											
23	ELECTRIC										
24	Federal Income Tax										
25	State Income Tax										
26											
27	TOTAL ELECTRIC (Lines 24 thru 26)										
28											
29	GAS										
30	Federal Income Tax	17,292,161	(1,869,074)		178,008						15,601,095
31	State Income Tax	2,876,350	(176,797)		25,783			236	(261,653)		2,463,683
32											
33	TOTAL GAS (Lines 30 thru 32)	20,168,511	(2,045,871)		203,791		0	236	(261,653)		18,064,778
34											
35	OTHER										
36	Federal Income Tax										
37	State Income Tax										
38											
39	TOTAL OTHER (Lines 36 thru 38)										
40											
41	TOTAL (Total of lines 7, 14, 21 and Lines 27, 33, 39)	20,168,511	(2,045,871)		203,791		0	0	236	(261,653)	18,064,778
42											
NOTES											

OTHER REGULATORY LIABILITIES (Account 254)

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

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance Beginning of Year (b)	Debits		Credits (d)	Balance End of Year (e)
			Contra Account (b)	Amount (c)		
1	SFAS #109 Liability	\$1,994,363	190.0	\$137,220		\$1,756,559
2			410.1	100,584		
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41	TOTAL	\$1,994,363		\$237,804		\$1,756,559

GAS OPERATING REVENUES (Account 400)

1. Report below natural gas operating revenues for each prescribed account in total.
2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.
3. Report number of customers, columns (f) and (g), on the basis of meters, 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.
4. Report quantities of natural gas sold in therms (14.73 psia at 60 F).
5. Report gas service revenues and therms sold by rate schedule.

Line No.	Title of Account (a)	OPERATING REVENUES	
		Amount for Year (b)	Amount for Previous Year * (c)
1	GAS SERVICE REVENUES		
2	FIRM SALES SERVICE		
3	480 - Residential Sales	\$28,122,402	\$28,371,121
4	481 - Commercial Sales	29,810,821	29,483,038
5	481		
6	481		
7	481		
8	481		
9	INTERRUPTIBLE SALES SERVICE		
10	481 - Industrial Sales Preferred	1,969,513	3,653,640
11	481 - Industrial Sales Large Volume	4,335,094	3,773,169
12	FIRM TRANSPORTATION SERVICE		
13	489 - Commercial	581,594	434,505
14	489		
15	489		
16	INTERRUPTIBLE TRANSPORTATION SERVICE		
17	489 - Industrial	2,577,655	2,140,056
18	489		
19	482 Other Sales to Public Authorities		
20	484 Flex Rate - Refund		
21	TOTAL Sales to Ultimate Consumers	67,397,079	67,855,529
22	483 Sales for Resale		
23	Off-System Sales	14,467,879	2,744,223
24	TOTAL Nat. Gas Service Revenues	81,864,958	70,599,752
25	TOTAL Gas Service Revenues	81,864,958	70,599,752
26	OTHER OPERATING REVENUES		
27	485 Intracompany Transfers		
28	487 Forfeited Discounts		
29	488 Misc. Service Revenues	512,655	561,585
30	489 Rev. from Trans. of Gas of Others (not included		
31	in above rate schedules)		
32	493 Rent from Gas Property		
33	494 Interdepartmental Rents		
34	495 Other Gas Revenues		
35	Initial Connection		
36	Reconnect for Cause		
37	Collection in lieu of disconnect		
38	Returned Check		
39	Other		
40	495.1 Overrecoveries Purchased Gas		
41	TOTAL Other Operating Revenues	512,655	561,585
42	TOTAL Gas Operating Revenues	82,377,613	71,161,337
43	(Less) 496 Provision for Rate Refunds		
44	TOTAL Gas Operating Revenues Net of Provision for Refunds	82,377,613	71,161,337
45	Sales for Resale		
46	Other Sales to Public Authority		
47	Interdepartmental Sales		
48	TOTAL	\$82,377,613	\$71,161,337

* Certain reclassifications have been made to the prior year gas operating revenues to conform with the current year presentation

Name of Respondent
 City Gas Company of Florida -
 A Division of NUI Corporation

For the Year Ended

Dec. 31, 1997

GAS OPERATING REVENUES (ACCOUNT 400) (Continued)

6. 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.
 7. See page 9, Important Changes During Year, for important new territory added and important rate increases or decreases.

THERMS OF NATURAL GAS SOLD		AVG. NO. OF NAT. GAS CUSTOMERS PER MO.		Line No.
Quantity for Year (d)	Quantity for Previous Year (e)	Number for Year	Number for Previous Year (g)	
				1
				2
20,512,411	23,082,577	92,778	92,442	3
42,810,421	43,768,118	4,730	4,647	4
				5
				6
				7
				8
				9
3,490,325	6,335,581	11	15	10
8,035,081	6,949,346	4	4	11
				12
3,256,901	2,109,265	22	12	13
				14
				15
				16
23,512,025	17,890,860	33	28	17
				18
				19
				20
101,617,164	100,135,747	97,578	97,148	21
				22
58,170,930	11,293,140	0	0	23
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159,788,094	111,428,887			48

NOTES

Name of Respondent		For the Year Ended	
CITY GAS COMPANY OF FLORIDA		Dec. 31, 1997	
A DIVISION OF NUI CORPORATION			
GAS OPERATION AND MAINTENANCE EXPENSES			
If the amount for previous year is not derived from previously reported figures, explain in footnotes.			
Line No.	Account	Amount for Current Year	Amount for Previous Year
1	1. PRODUCTION EXPENSES		
2	A. Manufactured Gas Production	73	0
3	B. TOTAL Natural Gas Prod. and Gathering (Enter Total of Accts. 750 - 769)		
4	C. TOTAL Products Extraction (Enter Total of Accounts 770 through 791)		
5	D. TOTAL Exploration and Development (Enter Total of Accts. 795 through 798)		
6	E. Other Gas Supply Expenses		
7	Operation		
8	800 Natural Gas Well Head Purchases		
9	800.1 Natural Gas Well Head Purchases, Intracompany Transfers		
10	801 Natural Gas Field Line Purchases		
11	802 Natural Gas Gasoline Plant Outlet Purchases		
12	803 Natural Gas Transmission Line Purchases		
13	804 Natural Gas City Gate Purchases	46,022,335	36,718,413
14	804.1 Liquefied Natural Gas Purchases		
15	805 Other Gas Purchases		
16	(Less) 805.1 Purchased Gas Cost Adjustments		
17	TOTAL Purchased Gas (Enter Total of Lines 8 to 16)	46,022,335	36,718,413
18	806 Exchange Gas		
19	Purchased Gas Expenses		
20	807.1 Well Expenses--Purchased Gas		
21	807.2 Operation of Purchased Gas Measuring Stations		
22	807.3 Maintenance of Purchased Gas Measuring Stations		
23	807.4 Purchased Gas Calculations Expenses		
24	807.5 Other Purchased Gas Expenses		
25	TOTAL Purchased Gas Expenses (Enter Total of lines 20 through 24)	0	0
26	808.1 Gas Withdrawn from Storage--Debit		
27	(Less) 808.2 Gas Delivered to Storage--Credit		
28	809.1 Withdrawals of Liquefied Natural Gas for Processing--Debit		
29	(Less) 809.2 Deliveries of Natural Gas for Processing--Credit		
30	Gas Used in Utility Operations--Credit		
31	810 Gas Used for Compressor Station Fuel--Credit		
32	811 Gas Used for Products Extraction--Credit		
33	812 Gas Used for Other Utility Operations--Credit	(61,834)	(83,843)
34	TOTAL Gas Used in Utility Operations--Credit (Lines 31 through 33)	(61,834)	(83,843)
35	813 Other Gas Supply Expenses		
36	TOTAL Other Gas Supp. Exp. (Total of Lines 17,18,25,26 through 29,34,35)	45,960,501	36,634,570
37	TOTAL Production Expenses (Enter Total of Lines 2,3,4,5 and 36)	45,960,574	36,634,570
38	2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES		
39	A. TOTAL Underground Storage Expenses (Total of Accounts 814 through 837)		
40	B. TOTAL Other Storage Expenses (Enter Total of Accounts 840 through 843.9)		
41	C. TOTAL Liquefied Nat Gas Terminaling & Processing Expenses (Enter Total of Accounts 844.1 through 847.8)		
42	TOTAL Natural Gas Storage (Enter Total of lines 39, 40, and 41)	0	0
43	3. TRANSMISSION EXPENSES		
44	TOTAL Transmission Expenses (Enter Total of Accounts 850 through 867)		
45			
46			

Name of Respondent		For the Year Ended	
CITY GAS COMPANY OF FLORIDA		Dec. 31, 1997	
A DIVISION OF NUI CORPORATION			
GAS OPERATION AND MAINTENANCE EXPENSES (Continued)			
Line No.	Account	Amount for Current Year	Amount for Previous Year
47	4. DISTRIBUTION EXPENSES		
48	Operation		
49	870 Operation Supervision and Engineering	457,700	371,241
50	871 Distribution Load Dispatching		
51	872 Compressor Station Labor and Expenses		
52	873 Compressor Station Fuel and Power		
53	874 Mains and Services Expenses	967,899	1,090,522
54	875 Measuring and Regulating Station Expenses--General	9,452	7,737
55	876 Measuring and Regulating Station Expenses--Industrial	4,611	10,661
56	877 Measuring and Regulating Station Expenses--City Gate Check Sta.	53,034	53,698
57	878 Meter and House Regulator Expenses	767,112	756,734
58	879 Customer Installations Expenses	2,042,855	1,654,512
59	880 Other Expenses	1,098,718	1,243,886
60	881 Rents		
61	TOTAL Operation (Enter Total of lines 49 through 60)	5,401,381	5,188,991
62	Maintenance		
63	885 Maintenance Supervision and Engineering	39,715	26,235
64	886 Maintenance of Structures and Improvements	17,577	17,181
65	887 Maintenance of Mains	695,566	298,949
66	888 Maintenance of Compressor Station Equipment		
67	889 Maintenance of Meas. and Reg. Sta. Equip.--General	5,064	1,676
68	890 Maintenance of Meas. and Reg. Sta. Equip.--Industrial	96,174	39,540
69	891 Maintenance of Meas. and Reg. Sta. Equip.--City Gate Check Sta.	101,943	82,986
70	892 Maintenance of Services	333,771	168,934
71	893 Maintenance of Meters and House Regulators	221,296	260,043
72	894 Maintenance of Other Equipment	16,596	1,737
73	TOTAL Maintenance (Enter Total of Lines 63 through 72)	1,527,702	897,281
74	TOTAL Distribution Expenses (Enter Total of Lines 61 and 73)	6,929,083	6,086,272
75	5. CUSTOMER ACCOUNTS EXPENSES		
76	Operation		
77	901 Supervision	178,816	226,089
78	902 Meter Reading Expenses	887,947	709,084
79	903 Customer Records and Collection Expenses	1,931,077	2,076,888
80	904 Uncollectible Accounts	390,420	216,702
81	906 Customer Service Informational Expense	2,201	1,833
82	TOTAL Customer Accounts Expenses (Enter Total of Lines 77 through 81)	3,390,461	3,230,596
83	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
84	Operation		
85	907 Supervision		
86	908 Customer Assistance Expenses	41	
87	909 Informational and Instructional Expenses		
88	910 Miscellaneous Customer Service and Informational Expenses		
89	TOTAL Customer Service and Informational Expenses (Enter Total of Lines 85 through 88)	41	0
90	7. SALES EXPENSES		
91	Operation		
92	911 Supervision	68,789	83,161
93	912 Demonstrating and Selling Expenses	2,134,051	2,475,710
94	913 Advertising Expenses	122,515	36,068
95	916 Miscellaneous Sales Expenses	105,338	111,426
96	TOTAL Sales Expenses (Enter Total of lines 92 through 95)	2,430,693	2,706,365
97			

Name of Respondent		For the Year Ended	
CITY GAS COMPANY OF FLORIDA A DIVISION OF NUI CORPORATION		Dec. 31, 1997	
GAS OPERATION AND MAINTENANCE EXPENSES (Continued)			
Line No.	Account	Amount for Current Year	Amount for Previous Year
98	8. ADMINISTRATIVE AND GENERAL EXPENSES		
99	Operation		
100	920 Administrative and General Salaries	392,497	489,991
101	921 Office Supplies and Expenses	622,010	449,466
102	(Less) (922) Administrative Expenses Transferred-Cr.		
103	923 Outside Services Employed	5,750,200	5,027,804
104	924 Property Insurance	3,000	350,506
105	925 Injuries and Damages	531,205	709,169
106	926 Employee Pensions and Benefits	669,144	895,843
107	927 Franchise Requirements		
108	928 Regulatory Commission Expenses	125,676	250,494
109	(Less) (929) Duplicate Charges-Cr.		
110	930.1 General Advertising Expenses	322	3,460
111	930.2 Miscellaneous General Expenses	7,124	62,968
112	931 Rents	122,320	91,608
113	TOTAL Operation (Enter Total of lines 100 through 112)	8,223,498	8,331,309
114	Maintenance		
115	935 Maintenance of General Plant	77,615	59,031
116	TOTAL Administrative and General Exp. (Total of lines 113 and 115)	8,301,113	8,390,340
117	TOTAL Gas O. and M. Exp. (Lines 37, 42, 44, 74, 82, 89, 96, and 116)	67,011,965	57,048,143
118			
119			
120			
121			
122			
123			
124			
125			
126			
127			
128			
129			
130	NUMBER OF GAS DEPARTMENT EMPLOYEES		
131			
132	1. The data on number of employees should be reported for payroll period ending nearest to October 31,		
133	or any payroll period ending 60 days before or after October 31.		
134	2. If the respondent's payroll for the reporting period includes any special construction personnel,		
135	include such employees on line 3, and show the number of such special construction employees in a footnote.		
136	3. The number of employees assignable to the gas department from joint functions of combination utilities		
137	may be determined by estimate, on the basis of employee equivalents. Show the estimated number of		
138	equivalent employees attributed to the gas department from joint functions.		
139			
140	1. Payroll Period Ended (Date)	10/31/97	
141	2. Total Regular Full-Time Employees	250	
142	3. Total Part-Time and Temporary Employees	0	
143	4. Total Employees	250	
144			
145			
146			
147			

GAS PURCHASES (Accounts 800, 800.1, 801, 802, 803, 804, 804.1, 805, 805.1)

1. Provide totals for the following accounts:

- 800 Natural Gas Well Head Purchases
- 800.1 Natural Gas Well Head Purchases,
Intracompany Transfers
- 801 Natural Gas Field Line Purchases
- 802 Natural Gas Gasoline Plant Outlet Purchases
- 803 Natural Gas Transmission Line Purchases
- 804 Natural Gas City Gate Purchases
- 804.1 Liquefied Natural Gas Purchases
- 805 Other Gas Purchases
- 805.1 Purchase Gas Cost Adjustments

The totals shown in columns (b) and (c) should agree with the books of account. Reconcile any differences in a footnote.
 2. State in column (b) the volume of purchased gas as finally measured for the purpose of determining the amount payable for the gas. Include current year receipts of makeup gas that was paid for in prior years.
 3. State in column (c) the dollar amount (omit cents) paid and previously paid for the volumes of gas shown in column (b).
 4. State in column (d) the average cost per Therm to the nearest hundredth of a cent. (Average means column (c) divided by column (b) multiplied by 100.)

Line No.	Account Title (a)	Gas Purchased-Therms (14.73 psia 60 F) (b)	Cost of Gas (In dollars) (c)	Average Cost Per Therm (To nearest .01 of a cent) (d)
1	800 - Natural Gas Well Head Purchases			
2	800.1 - Natural Gas Well Head Purchases, Intracompany Transfers			
3	801 - Natural Gas Field Line Purchases			
4	802 - Natural Gas Gasoline Plant Outlet Purchases			
5	803 - Natural Gas Transmission Line Purchases			
6	804 - Natural Gas City Gate Purchases	(1) 127,172,488	\$ 46,022,335	\$0.3619
7	804.1 - Liquefied Natural Gas Purchases			
8	805 - Other Gas Purchases			
9	805.1 - Purchased Gas Cost Adjustments			
10	TOTAL (Enter Total of lines 1 through 9)	127,172,488	\$46,022,335	\$0.3619

NOTES TO GAS PURCHASES

(1) Included in this account are 58,170,930 therms and \$14,134,983 of gas purchases related to off-system sales.

GAS USED IN UTILITY OPERATIONS - CREDIT (Accounts 810, 811, 812)

1. Report below particulars (details) of credits during the year to Accounts 810, 811 and 812 which offset charges to operating expenses or other accounts for the cost of gas from the respondent's own supply.
2. Natural gas means either natural gas unmixed, or any mixture of natural and manufactured gas.
3. If the reported Therms for any use is an estimated quantity, state such fact in a footnote.

4. If any natural gas was used by the respondent for which a change was not made to the appropriate operating expense or other account, list separately in column (c) the Therms of gas used, omitting entries in columns (d) and (e).
5. Report pressure base of measurement of gas volumes at 14.73 psia at 60 degrees F.

Line No.	Purpose for Which Gas Was Used (a)	Account Charged (b)	Therms of Gas Used (c)	Natural Gas		Manufactured Gas	
				Amount of Credit (d)	Amount per Therm (In cents) (e)	Therms of Gas Used (f)	Amount of Credit (g)
1	810 Gas used for Compressor Station Fuel -- Cr.						
2	811 Gas used for Products Extraction -- Cr.						
3	Gas Shrinkage and Other Usage in Respondent's Own Proc.						
4	Gas Shrinkage, Etc. for Respondent's Gas Processed by Others						
5	812 Gas used for Other Util. Oprs-- Cr. (Report separately for each principal uses. Group minor uses)						
6	CNG (Vehicle Fuel)	401	88,586	\$38,559	\$0.4353		
7	Other General Use	401	53,024	23,275	\$0.4389		
8							
9							
10							
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17							
18							
19							
20	TOTAL		141,610	\$61,834	\$0.4367		

Name of Respondent City Gas Company of Florida - A Division of NUI Corporation		For the Year Ended Dec. 31, 1997
OTHER GAS SUPPLY EXPENSES (Account 813)		
Report other gas supply expenses by descriptive titles which clearly indicate the nature of such expenses. Show maintenance expenses separately. Indicate the functional classification and purpose of property to which any expenses relate.		
Line No.	Description (a)	Amount (in dollars) (b)
1	None	\$0
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14	TOTAL	\$0
MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (Gas)		
Line No.	Description (a)	Amount (b)
1	Industry Association Dues	\$5,851
2	Experimental and General Research Expenses: (a) Gas Research Institute (GRI) (b) Other	
3	Publishing and distributing information and reports to stockholders; trustee, registrar, and transfer agent fees and expenses, and other expenses of servicing outstanding securities of the Respondent	
4	Other expenses (items of \$5,000 or more must be listed separately in this column showing the (1) purpose, (2) recipient and (3) amount of such items. Amounts of less than \$5,000 may be grouped by classes if the number of items so grouped is shown)	1,273
5		
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19	TOTAL	\$7,124

1. Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown.

A. Summary of Depreciation, Depletion, and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization & Depletion of Prod. Nat. Gas Land & Land Rights (Account 404.1) (c)	Amortization of Under-ground Storage Land & Land Rights (Account (404.2) (d)	Amortization of Other Limited-term Gas Plant (Account 404.3) (e)	Amortization of Other Gas Plant (Account 405) (f)	Total (b to f) (g)
1	Intangible Plant						
2	Production plant, manufactured gas						
3	Production and gathering plant, nat. gas						
4	Products extraction plant						
5	Underground gas storage plant						
6	Other storage plant						
7	Base load LNG term. & proces. plant						
8	Transmission Plant						
9	Distribution Plant	4,154,640					4,154,640
10	General Plant	343,662					343,662
11	Common Plant-Gas						
12							
13							
14							
15							
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36							
37	TOTAL	4,498,302	0	0	-	0	4,498,302

Name of Respondent CITY GAS COMPANY OF FLORIDA- A DIVISION OF NUI CORPORATION	For the Year Ended Dec. 31, 1997
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**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	MISCELLANEOUS AMORTIZATION (425):	
2	Plant acquisition adjustment (30 yr. amortization period)	978,876
3	Other	3,252
4	TOTAL MISCELLANEOUS AMORTIZATION	982,128
5		
6	MISCELLANEOUS INCOME DEDUCTIONS:	
7	Donations (426.1)	2,100
8	TOTAL MISCELLANEOUS INCOME DEDUCTIONS	2,100
9		
10		
11	OTHER INTEREST EXPENSES (431):	
12	Interest on Notes Payable (Avg. interest rate 5.73%)	425,040
13	PGA Interest (Interest rate 5.59%)	(23,738)
14	ECP Interest (Interest rate 5.59%)	22,711
15	Customer deposit interest (Interest rate 6.00%)	317,399
	Miscellaneous	14,222
16	TOTAL OTHER INTEREST EXPENSES	755,634
17		
18		
19		
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24		

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	TOTAL Operation and Maintenance - Electric			
3	Gas			
4	Operation			
5	Production - Manufd. Gas & Nat. Gas (inc. Expl. and Dev.); Other Gas Supply; Storage, LNG, Termn. & Proces.			
6	Transmission			
7	Distribution	3,253,046		
8	Customer Accounts	1,607,280		
9	Customer Service and Informational	258,538		
10	Sales	463,704		
11	Administrative and General	483,854		
12	TOTAL Operation (Enter Total of lines 5 through 11)	6,066,422		
13	Maintenance			
14	Production - Manufd. Gas & Nat. Gas (inc. Expl. and Dev.); Other Gas Supply; Storage, LNG, Termn. & Proces.			
15	Transmission			
16	Distribution	298,858		
17	Administrative and General			
18	TOTAL Maintenance (Enter Total of lines 14 through 17)	298,858		
19	Total Operation and Maintenance	6,365,280		
20	Production - Manufd. Gas & Nat. Gas (inc. Expl. and Dev.); Other Gas Supply; Storage, LNG, Termn. & Proces.			
21	Transmission (Enter Total of lines 6 and 15)			
22	Distribution (Enter Total of lines 7 and 16)	3,551,904		
23	Customer Accounts (Transcribe from line 8)	1,607,280		
24	Customer Service and Informational (Transcribe from line 9)	258,538		
25	Sales (Transcribe from line 10)	463,704		
26	Administrative and General (Enter Total of lines 11 and 17)	483,854		
27	TOTAL Operation and Maint. (Total of lines 20 through 26)	6,365,280	323,920	6,689,200
28	Other Utility Departments			
29	Operation and Maintenance			
30	TOTAL All Utility Dept. (Total of lines 2, 27, and 29)	6,365,280	323,920	6,689,200
31	Utility Plant			
32	Construction (By Utility Departments)			
33	Electric Plant			
34	Gas Plant	272,074	13,845	285,919
35	Other	48,029		48,029
36	TOTAL Construction (Enter Total of lines 33 through 35)	320,103	13,845	333,948
37	Plant Removal (By Utility Department)			
38	Electric Plant			
39	Gas Plant			
40	Other			
41	TOTAL Plant Removal (Enter Total of lines 38 through 40)			
42				
43	Other Accounts (Specify):			
44	Appliance Leasing	142,564		142,564
45	Merchandising and Jobbing	148,500		148,500
46				
47				
48				
49				
50				
51				
52				
53	TOTAL Other Accounts	291,064		291,064
54	TOTAL SALARIES AND WAGES	6,976,447	337,765	7,314,212

REGULATORY COMMISSION EXPENSES (Account 928)

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

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

Line No.	Description name of regulatory commission or body, the docket or case number, and a description of the case.) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses to Date (d)	Deferred in Account 186 at Beginning of Year (e) Acct. 182.3
1					
2	Docket 960502-GU - 1996 Rate Case				341,096
3					
4					
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40	TOTAL				341,096

REGULATORY COMMISSION EXPENSES (Account 928) (Continued)

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

4. The totals of columns (e), (i), (k), and (l) must agree with the totals shown at the bottom of page 34

for Account 186.

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

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

EXPENSES INCURRED DURING YEAR			AMORTIZED DURING YEAR			Deferred in Account 186 End of Year (l)	Line No.
CHARGED CURRENTLY TO			Deferred to Account 186 (i)	Contra Account (j)	Amount (k)		
Department (f)	Account No. (g)	Amount (h)					
			Acct. 182.3			Acct. 182.3	1
			26,516	928	126,854	240,758	2
							3
							4
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							39
			26,516		126,854	240,758	40

CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. (These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation, partnership, organization of any kind, or individual [other than for services as an employee or for payments made for medical and related services] amounting to more than \$25,000, including payments for legislative services, except those which should be reported in Account 426.4 Expenditures for Certain

Civic, Political and Related Activities.
 (a) Name and address of person or organization rendering services,
 (b) description of services received during year and project or case to which services relate,
 (c) basis of charges,
 (d) total charges for the year, detailing utility department and account charged.
 2. For any services which are of a continuing nature, give the date and term of contract and date of Commission authorization, if contract received Commission approval.
 3. Designate with an asterisk associated companies.

1	Description (a)	Amount (b)
2	Advanced Environmental Contractor	57,224
3	Anytime Plumbing Corp. Contractor	300,103
4	B & R Plumbing Contractor	26,496
5	Carter Associates Engineering	66,482
6	Dial Plumbing of Brevard Inc. Contractor	322,730
7	Fairway Plumbing Contractor	170,639
8	Furman, Richard Engineering	27,149
9	Gabriel, Roeder, Smith & Company Valuation	35,667
10	H. Earl Barber Valuation	30,000
11	Marketing Talent Network Advertising	83,093
12	Maronda Homes Contractor	52,175
13	McWhirter, Reeves Legal	31,245
14	PDC/Meuller Dist. Contractors Main Construction	4,261,784
15	Pitney Hardin Kipp & Szuch Legal	25,514
16	Southeast Corrosion & Eng., Inc. Engineering	138,099
17	Southern Cross Corp. Contractor	243,699
18	Uponor Aldyl Co Contractor	207,697
19	Wolf, Block, Schorr and Solis Legal	28,708
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**Reconciliation of Gross Operating Revenues
Annual Report versus Regulatory Assessment Fee Return**

Company: **City Gas Company of Florida - A Division of NUI Corporation**

For the Year Ended December 31, 1997

For the current year, reconcile the gross operating revenues as reported on Page 46 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)
Line No.	Description	Gross Operating Revenues per Page 46	Interstate and Sales for Resale Adjustments	Adjusted Intrastate Gross Operating Revenues	Intrastate Gross Operating Revenues per RAF Return	Difference (d) - (e)
1	Total Sales to Ultimate Customers (480-482, 484)	\$68,092,767		\$68,092,767	\$68,092,767	\$0
2	Sales for Resale (483)					
3	Total Natural Gas Service Revenues	68,092,767		68,092,767	68,092,767	0
4	Total Other Operating Revenues (485-495)	3,671,904		3,671,904	3,671,904	0
5	Total Gas Operating Revenues	71,764,671		71,764,671	71,764,671	0
6	Provision for Rate Refunds (496)					
7	Other (Specify) - Off System Sales	14,467,879	14,467,879	0	0	0
8	- PGA Over/Under Recoveries	(3,848,441)		(3,848,441)	(3,848,441)	0
9		(\$6,496)		(6,496)	(6,496)	0
10	Total Gross Operating Revenues	\$82,377,613		\$57,909,734	\$67,909,734	\$0

CORPORATE STRUCTURE

Company: CITY GAS COMPANY OF FLORIDA- A DIVISION OF NUI CORPORATION

For the Year Ended December 31, 1997

Provide an updated organizational chart showing all affiliated companies, partnerships, etc.

Effective

Date JANUARY 1, 1997

See information regarding affiliated companies in the enclosed Form 10-K filed with the Securities and Exchange Commission

NEW OR AMENDED CONTRACTS WITH AFFILIATED COMPANIES

COMPANY: CITY GAS COMPANY OF FLORIDA- A DIVISION OF NUI CORPORATION

For the Year Ended December 31, 1997

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

Name of Affiliated Company (a)	Synopsis of Contract (b)
NONE	

INDIVIDUAL AFFILIATED TRANSACTIONS IN EXCESS OF \$25,000

Company: CITY GAS COMPANY OF FLORIDA, A DIVISION OF NUI CORPORATION
For the Year Ended December 31, 1997

Provide information regarding individual affiliated transactions in excess of \$25,000. Recurring monthly affiliated transactions which exceed \$25,000 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)
N/A		

SUMMARY OF AFFILIATED TRANSFERS AND COST ALLOCATIONS

Company: *City Gas Company of Florida, A Division of NUI Corporation*
For the Year Ended December 31, 1997

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

- (a) Enter name of affiliate.
- (b) Give description of type of service, or name the product involved.
- (c) Enter contract or agreement effective dates.
- (d) Enter the letter "p" if the service or product is a purchased by the Respondent: "s" if the service or product is sold by the Respondent.
- (e) Enter utility account number in which charges are recorded.
- (f) Enter total amount paid, received, or accrued during the year for each type of service or product listed in column (c). Do not net amounts when services are both received and provided.

Name of Affiliate (a)	Type of Service and/or Name of Product (b)	Relevant Contract or Agreement and Effective Date (c)	Total Charge for Year		
			"p" or "s" (d)	Account Number (e)	Dollar Amount (f)
NUI Corporation	Executive & Audit	NUI Cost Allocation Policy	P	Various	1,510,590
	Legal Affairs/Risk Mgmt	NUI Cost Allocation Policy	P	Various	388,567
	MIS	NUI Cost Allocation Policy	P	Various	605,604
	Purchasing	NUI Cost Allocation Policy	P	Various	65,073
	Accounting Services	NUI Cost Allocation Policy	P	Various	533,144
	Gas Supply & Planning	NUI Cost Allocation Policy	P	Various	550,812
	Human Resources	NUI Cost Allocation Policy	P	Various	249,684
	Marketing	NUI Cost Allocation Policy	P	Various	268,672
Elizabethtown Gas Co.	Engineering	NUI Cost Allocation Policy	P	Various	41,997
	Marketing	NUI Cost Allocation Policy	P	Various	38,226
	Rates & Regulatory	NUI Cost Allocation Policy	P	Various	48,911
	Contract Billing	NUI Cost Allocation Policy	P	Various	66,696
	Environmental Compliance & Remediation	NUI Cost Allocation Policy	P	Various	53,650
NUI Southern Division	City Gas Administration	NUI Cost Allocation Policy	P	Various	468,399
	Marketing	NUI Cost Allocation Policy	P	Various	121,528
	Other Southern Div. Admin.	NUI Cost Allocation Policy	P	Various	1,418,792
Total					6,430,345

ASSETS OR RIGHTS PURCHASED FROM OR SOLD TO AFFILIATES

Company: City Gas Company of Florida, A Division of NUI Corporation
For the Year Ended December 31, 1997

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	Accumulate depreciation	Net Book Value	Fair Market Value	Purchase Price	Title Passed Yes/No
Purchases from Affiliates:		\$	\$	\$	\$	\$	
N/A							
Total						\$	
Sales to Affiliates:		\$	\$	\$	\$	Sales Price	
N/A							
Total						\$	

EMPLOYEE TRANSFERS

Company: CITY GAS COMPANY OF FLORIDA- A DIVISION OF NUI CORPORATION

For the Year Ended December 31, 1997

List employees earning more than \$30,000 annually transferred to/from the utility to/from an affiliate company.

Company Transferred From	Company Transferred To	Old Job Assignment	New Job Assignment	Transfer Permanent or Temporary and Duration
NONE				

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